

COMPANY REGISTRATION NUMBER: 07889200  
CHARITY REGISTRATION NUMBER: 1145218

**Ryedale Folk Museum**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 October 2019**



# **Ryedale Folk Museum**

**Company Limited by Guarantee**

## **Financial Statements**

**Year ended 31 October 2019**

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# Ryedale Folk Museum

Company Limited by Guarantee

## Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 October 2019

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the Charity for the year ended 31 October 2019.

### Reference and administrative details

|   |  |
|---|--|
| <b>Registered charity name</b>                | Ryedale Folk Museum  |
| <b>Charity registration number</b>            | 1145218  |
| <b>Company registration number</b>            | 07889200   |
| <b>Principal office and registered office</b> | Ryedale Folk Museum<br>Hutton-le-Hole<br>York<br>YO62 6UA  |
| <b>The trustees</b>                           | Mr P J H Holt FCA, FCIE<br>Mr P H E O'Loughlin (Retired 31 July 2019)<br>Ms J S Smith<br>Mr P Styles (Retired 11 December 2018)<br>Mr J W T Cundall<br>Mrs A M L Hare<br>Mr I F Kelly<br>Mrs E J Rohan<br>Ms Y N Turnbull (Appointed 1 October 2019) |
| <b>Museum director</b>                        | Ms J S Smith   |
| <b>Bankers</b>                                | National Westminster Bank plc<br>6 Market Place<br>Pickering<br>North Yorkshire<br>YO18 7AD<br><br>HSBC Bank plc<br>27 Market Place<br>Malton<br>North Yorkshire<br>YO17 7LU   |
| <b>Independent examiner</b>                   | Matthew Cleghorn FCA<br>The Barn, Meadow Court<br>Faygate Lane<br>Faygate<br>Horsham<br>West Sussex<br>RH12 4SJ  |

# **Ryedale Folk Museum**

**Company Limited by Guarantee**

**Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 October 2019**

## **Structure, governance and management**

### **LEGAL STATUS**

#### **Nature of the Governing Document and Constitution of the Charity**

The Ryedale Folk Museum ("the Museum"), a company limited by guarantee (company number 07889200), was incorporated on 21 December 2011 and registered with the Charity Commission (charity number 1145218) on 22 December 2011.

The Museum is incorporated and governed by the Memorandum and Articles of Association. There are no restrictions in the governing documents on the operation of the charity on its investment powers other than those imposed by charity law.

#### **The methods adopted for the recruitment and appointment of new trustees**

The Museum is governed by the Board of Trustees, which includes a Chairman and Vice-Chairman. Board vacancies are dealt with on a skills need basis and the Board votes on new appointments. The Articles of Association provide that the first trustees have a term of three years. Trustees may be appointed for a second term of three years. In exceptional cases, a third term of a further three years may be agreed. The trustees have the power to appoint any person who is willing and able to do so as a new trustee. Appointments may be terminated by trustees at any time during an individual's term.

#### **The policies and procedures adopted for the induction and training of trustees**

An information pack is given to all new trustees which includes information about the Museum, its vision and purpose and copies of policies and any current business plan. It explains the Memorandum and Articles of Association and principles of good governance. A chapter is dedicated to explaining the trustee's role, the skills and qualities required and the role of trustees in strategic planning. A further chapter gives guidance from the Charities Commission to trustees on their responsibilities.

#### **The organisational structure of the Museum and how decisions are made**

The trustees meet regularly to manage the Museum's affairs. Meetings are minuted and records kept indefinitely.

The day to day management of the Museum is the responsibility of a full time Museum Director who has been appointed by the trustees. The Museum Director is assisted by the staff and volunteer teams.

#### **The major risks to which the Museum is exposed and reviews and systems to mitigate them.**

The trustees have a risk management strategy which comprises;

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

It is acknowledged that operational and financial risks exist and the trustees take appropriate steps to mitigate these within the financial constraints imposed by available funds.

# **Ryedale Folk Museum**

**Company Limited by Guarantee**

**Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 October 2019**

## **Objectives and activities**

The original trust deed for the Crosland Foundation sets out the objects of the charity and these were restated following the transfer of the charitable activities to the Ryedale Folk Museum and set out in Article 5 of the Articles of Association as follows:

**The only objects for which the Company is established are the education of the public by the promotion or maintenance of collections and a museum of bygone chattels, books, manuscripts, coins, buildings or other erections, furnishings (whether indoor or outdoor), implements and other objects of antiquarian interest as a reminder of British culture and history ("the Objects").**

## **Charitable Purpose and Vision**

The Museum's vision is to discover, explore and communicate Ryedale's sense of place and the stories of its people.

The Museum's purpose is to provide learning opportunities and other public benefits through the collection and conservation of Ryedale's cultural heritage.

## **Public Benefit**

The trustees confirm that they have paid due regard to the Charities Commission guidance on public benefit when reviewing the Museum's purpose and vision and in deciding which activities the Charity should undertake.

The Museum holds a long-term collection of objects and archival material which reflects the lives of Ryedale's people through history. The Museum provides public benefit by actively promoting and creating opportunities for people to access and understand the collection, for learning and for enjoyment.

## **Notable Activities**

The Museum is now mid-way through a three-year business plan (2018-2020). The focus of the last three years has been to continue with the stabilisation of its finances and create a foundation from which real growth could be achieved.

# **Ryedale Folk Museum**

**Company Limited by Guarantee**

**Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 October 2019**

## **Objectives and activities *(continued)***

### Governance

An annual programme of fundraising events planned by the trustees, including raised £4,464 during this financial year.

The trustees continue to seek new board members. This year trustees joined the board with skills in marketing and collection management and heritage interpretation. Trustee recruitment continues to be a focus for the board. The trustees have developed an induction programme in preparation for new trustees joining the board.

### Museum Operations

Jo Townend, Learning and Engagement Officer, left the Museum in September 2019 on maternity leave. Sarah Winter was appointed on a maternity cover contract and joined the Museum team in September 2019.

The Museum Maintenance Officer post was filled when Paul Chapman joined the team in September 2019.

Holly Smith joined the Museum in November 2018 as Documentation Assistant. This role is to sort, document and store the Geoffrey Willey Collection, which was bequeathed to the Museum in 2015. The role is part-time and will end in March 2020. Holly was provided with some additional hours as a weekend visitor assistant through 2019.

# **Ryedale Folk Museum**

**Company Limited by Guarantee**

## **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 October 2019**

### **Objectives and activities *(continued)***

#### Finance and Income Generation

2018 was a strong year for visitor numbers helped by the prolonged and good summer weather. Although 2019 started strongly in terms of visitor numbers from February to April, the rest of the year has proved challenging and at the end of October 2019, the visitor numbers were 5% down on the previous year, with admissions income down by 7%. The education service fared better and the number of school children visiting increased by 10% on the previous year.

Continued work and development on the gift shop offer meant the retail operation was largely unaffected, with sales down just 1% on the previous year. The spend per visitor increased by 7%.

A survey of visitor opinions was undertaken through 2019 and the results will be analysed and considered by the trustees in due course. An off site non-visitor survey also took place. The survey was intended to gather opinions about the Museum, the perception of and quality of the offer.

The main events for the year were:

- Victorian Christmas (December 2018)
- Rural Life Weekend (June 2019)
- Open-air theatre performance of Frankenstein (July 2019)
- Open-air theatre performance of Ali Baba (August 2019)

These were supplemented with numerous school holiday activities.

#### Collections Management and Development

Museum staff and volunteers continue to work on the documentation backlog, improved security and care for collections. The Museum continues to accept new items for the collection within the bounds of its Collection Development Policy. This takes into account the Museum's collecting themes, perceived public benefits and the ability for the Museum to care for offered objects.

A piece of work to clarify the arrangements of the Harrison Collection was completed. This involved a new document outlining the roles and responsibilities around the Harrison Collection, which is largely owned by the Harrison Collection Trust. The loan arrangements and operational requirements were agreed by all parties.

The Museum retains the services and advice of a Museum Mentor to help specifically on issues related to collections.

#### Learning and Interpretation

A site-wide interpretation plan remains outstanding and there has been a limited ability for any work to improve visitors engagement with collections on display. However, the expanded family learning activities during holidays have gone some way to supporting engagement and enjoyment, although this has not been measured in any calculated way.

### **Fundraising Activities**

During 2019, the Museum received grant funding totalling £1,816 (2018 - £6,646) from the Ryedale District Council and Arts Council, England.

# Ryedale Folk Museum

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 October 2019

## Achievements and performance

### A review of charitable activities undertaken by the charity

The Museum welcomed just under 30,000 visitors (2018 - just over 30,000) to the site, including school and other educational groups. It opened for 288 days (2018 - 290 days), providing good access to the site and collections.

#### Gallery Programme

The Art Gallery programme comprised of:

**The North York Moors** an open exhibition - allowing professional and amateur artists to exhibit. Over 80 entries were received and 75 works were displayed.

**Earthworks** by Simon Crawford.

**Art Happens Here** by the AHH Studio Collective.

**FarmerFlorist** by local photographer Tessa Bunney.

**Artifact II** by the Printmakers Circle.

#### Visitor Information Point

Each year the Museum receives a small grant from the North York Moors National Park Authority to operate as a Visitor Information Point. Museum staff and volunteers provide general information for visitors to the National Park including through the distribution of paid for and free publications.

#### Geoffrey Willey Legacy

In 2015, Geoffrey Willey a long-time supporter of the Museum died. The trustees have designated the 'Geoffrey Willey Memorial Fund' in which the funds left to the Museum in his will have been placed. The funds will be utilised as Mr Willey described in his will with some activities in addition to enable better access and understanding of his own collections (which is primarily photographic equipment).

In November 2018, a member of staff was appointed to work specifically to undertake the cataloguing of Mr Willey's collection. This is a part-time role until March 2020. The work involves the rationalisation, sorting, cataloguing and storing of the donated items. During 2019, we have gifted some items to various organisations. This has included general books on photography to the National Science and Media Museum at Bradford. We gifted photographs of Ponteland to the Ponteland History Society. All gifts followed the Museum's disposal policy for items. We have also worked with the Yorkshire Film Archive in order to view and organise some of Mr Willey's cinefilms. We were able to have some of the films digitised. The physical films will now be kept and cared for by the Yorkshire Film Archive. An exhibition dedicated to the story of Mr Willey will take place in the Museum's art gallery during February and March 2020.



# **Ryedale Folk Museum**

**Company Limited by Guarantee**

**Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 October 2019**

## **Financial review**

### **Transactions and Financial position**

Voluntary income, including Gift Aid where appropriate, for the year amounted to £42,083 (2018 - £49,873) and the Museum earned £144,422 (2018 - £148,099) from ticket admissions, education, outreach and groups. Retail performance was reduced on the results for the previous year, with shop, gallery and cafe takings at £49,253 (2018 - £52,426). In addition, venue hire and fundraising events contributed £6,770 (2018 - £3,169) and other income arising from a gain on the disposal of tangible fixed assets held for charity's own use added a further £nil (2018 - £3,000) to a total income of £242,528 (2018 - £253,567).

Trading and fundraising costs amounted to £39,734 (2018 - £55,111) and the net contribution from trading and fundraising amounted to £16,289 (2018 - £484).

The total expenditure on charitable activities amounted to £226,796 (2018 - £206,916) and included governance costs which totalled £4,971 (2018 - £6,636) during the year.

The net assets at the year end stand at £1,983,048 (2018 - £2,007,050). The total fixed assets of the charity amounted to £1,801,979 (2018 - £1,803,210) which were represented by the Restricted Fixed Asset Fund of £1,547,918 and the Designated Fixed Asset Fund of £255,292.

The Geoffrey Willey Memorial Fund, a Designated Reserve Fund, stands at £105,140 (2018 - £105,140).

The total unrestricted and undesignated reserves of the Charity show a deficit of £135,128 (2018 - £123,859) although £55,833 (2018 - £60,833) of this was represented by a long-term liability due for repayment over a 25-year period from 2016. Accordingly, the short-term free unrestricted undesignated deficit amounts to £79,295 (2018 - £63,026).

### **Specific changes in fixed assets**

The historical collection held by the Museum is primarily from gifts, bequests and donations. The collection is considered by the Trustees to be irreplaceable and an accurate valuation would be impossible. The collection is not therefore included as an asset in the accounts.

Likewise, in 2012, the Museum opened the Harrison Collection exhibition, which is protected under the terms of a subsidiary trust, called the Harrison Collection Trust, and is not therefore included as an asset in the accounts.

The land and building accommodating the office, entrance, reception and shop, have been placed under the care of the Official Custodian for Charities.

# Ryedale Folk Museum

Company Limited by Guarantee

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 October 2019

### Policy on reserves

The Trust Deed authorises the Trustees to make any investments they consider appropriate and to raise money with or without the security of the Trust Property. It is the policy of the Trustees to maintain unrestricted funds at a level to ensure that all management and administrative costs can be met throughout the next financial year.

The Trustees have an aspiration to hold a reserve fund of between £100,000 and £200,000, representing between three months and six months of charitable expenditure, to cover any eventuality. This would be created by apportioning surplus income to a deposit account on an annual basis.

At present, the total unrestricted and undesignated reserves of the Charity show a deficit of £135,128 (2018 - £123,859) although £55,833 (2018 - £60,833) of this was represented by a long-term liability due for repayment over a 25-year period from 2016. Accordingly, the short-term free unrestricted undesignated deficit amounts to £78,295 (2018 - £63,026).

The Trustees are exploring ways of reversing this deficit and building positive reserves for the future. The Trustees have included, within their Business Transformation Plan, a forecast cash-flow for the three year period covered by the plan. This includes a number of specific fundraising events and targeted appeals to grant-giving foundations and philanthropic individuals. In addition, the Trustees have implemented a Corporate Sponsorship Scheme which aims to raise unrestricted funds for the Museum from local businesses.

### Plans for future periods

The trustees' plans for future years include:

- Improved measures and greater actions to reduce the deficit;
- Reinvigorating the relationship with funding agencies and trusts;
- Ensuring that the Museum retains full Museum Accreditation status;
- Providing better access (physical and intellectual) to its collections, buildings and site;
- Developing the range of informal and formal learning opportunities; and
- Growing the general visitor numbers.

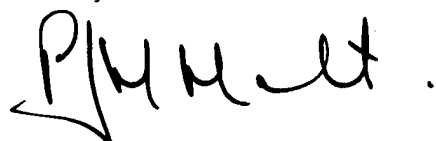
### Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 26 to the financial statements.

### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 30 October 2020 and signed on behalf of the board of trustees by:



Mr P J H Holt FCA, FCIE  
Chairman and trustee

# **Ryedale Folk Museum**

**Company Limited by Guarantee**

## **Independent Examiner's Report to the Trustees of Ryedale Folk Museum**

**Year ended 31 October 2019**

I report to the trustees on my examination of the financial statements of Ryedale Folk Museum ('the charity') for the year ended 31 October 2019.

### **Responsibilities and basis of report**

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Matthew Cleghorn FCA  
Independent Examiner

The Barn, Meadow Court  
Faygate Lane  
Faygate  
Horsham  
West Sussex  
RH12 4SJ

# Ryedale Folk Museum

Company Limited by Guarantee

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 October 2019

|                                      |      |                         | 2019                  |                         | 2018             |
|--------------------------------------|------|-------------------------|-----------------------|-------------------------|------------------|
|                                      | Note | Unrestricted funds<br>£ | Restricted funds<br>£ | Total funds<br>£        | Total funds<br>£ |
| <b>Income and endowments</b>         |      |                         |                       |                         |                  |
| Donations and legacies               | 5    | 41,767                  | 316                   | <b>42,083</b>           | 49,873           |
| Charitable activities                | 6    | 144,422                 | –                     | <b>144,422</b>          | 148,099          |
| Other trading activities             | 7    | 56,023                  | –                     | <b>56,023</b>           | 55,595           |
| <b>Total income</b>                  |      | <u>242,212</u>          | <u>316</u>            | <u><b>242,528</b></u>   | <u>253,567</u>   |
| <b>Expenditure</b>                   |      |                         |                       |                         |                  |
| Expenditure on raising funds:        |      |                         |                       |                         |                  |
| Costs of other trading activities    | 8    | 39,734                  | –                     | <b>39,734</b>           | 55,111           |
| Expenditure on charitable activities | 9,10 | 215,294                 | 11,502                | <b>226,796</b>          | 206,916          |
| <b>Total expenditure</b>             |      | <u>255,028</u>          | <u>11,502</u>         | <u><b>266,530</b></u>   | <u>262,027</u>   |
| <b>Net expenditure</b>               |      | <u>(12,816)</u>         | <u>(11,186)</u>       | <u><b>(24,002)</b></u>  | <u>(8,460)</u>   |
| Transfers between funds              |      | 5,107                   | (5,107)               | –                       | –                |
| <b>Net movement in funds</b>         |      | <u>(7,709)</u>          | <u>(16,293)</u>       | <u><b>(24,002)</b></u>  | <u>(8,460)</u>   |
| <b>Reconciliation of funds</b>       |      |                         |                       |                         |                  |
| Total funds brought forward          |      | 236,596                 | 1,770,454             | <b>2,007,050</b>        | 2,015,510        |
| <b>Total funds carried forward</b>   |      | <u>228,887</u>          | <u>1,754,161</u>      | <u><b>1,983,048</b></u> | <u>2,007,050</u> |

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 12 to 30 form part of these financial statements.

# Ryedale Folk Museum

Company Limited by Guarantee

## Statement of Financial Position

31 October 2019

|  | Note | 2019<br>£               | 2018<br>£               |
|--|------|-------------------------|-------------------------|
| <b>Fixed assets</b>  |      |                         |                         |
| Tangible fixed assets  | 17   | 1,801,979               | 1,803,210               |
| <b>Current assets</b>  |      |                         |                         |
| Stocks   | 18   | 14,591                  | 10,573                  |
| Debtors  | 19   | 5,609                   | 2,390                   |
| Cash at bank and in hand                                       |      | 257,581                 | 294,133                 |
|  |      | <u>277,781</u>          | <u>307,096</u>          |
| <b>Creditors: amounts falling due within one year</b>          | 20   | <u>40,879</u>           | <u>42,423</u>           |
| <b>Net current assets</b>                                      |      | <u>236,902</u>          | <u>264,673</u>          |
| <b>Total assets less current liabilities</b>                   |      | <u>2,038,881</u>        | <u>2,067,883</u>        |
| <b>Creditors: amounts falling due after more than one year</b> | 21   | <u>55,833</u>           | <u>60,833</u>           |
| <b>Net assets</b>  |      | <u><u>1,983,048</u></u> | <u><u>2,007,050</u></u> |
| <b>Funds of the charity</b>                                    |      |                         |                         |
| Restricted funds   |      | 1,754,161               | 1,770,454               |
| Unrestricted funds   |      | <u>228,887</u>          | <u>236,596</u>          |
| <b>Total charity funds</b>                                     | 23   | <u><u>1,983,048</u></u> | <u><u>2,007,050</u></u> |

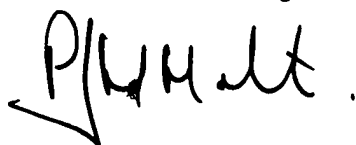
For the year ending 31 October 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 30 October 2020, and are signed on behalf of the board by:



Mr P J H Holt FCA, FCIE  
Chairman and trustee

The notes on pages 12 to 30 form part of these financial statements.

# **Ryedale Folk Museum**

**Company Limited by Guarantee**

## **Notes to the Financial Statements**

**Year ended 31 October 2019**

### **1. General information**

The Charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Ryedale Folk Museum, Hutton-le-Hole, York, YO62 6UA.

### **2. Statement of compliance**

The charity constitutes a public benefit entity as defined by FRS 102. The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016) ("The SORP"), published by the Charity Commission in England & Wales (CCEW), effective January 2016, and in accordance with all applicable law in the charity's jurisdiction of registration except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016) ("The SORP"), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as museum entrance fees and shop revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 31 December 2020, the trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements.

#### **Disclosure exemptions**

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

# **Ryedale Folk Museum**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements *(continued)***

**Year ended 31 October 2019**

#### **3. Accounting policies *(continued)***

##### **Judgements and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are the levels of future funding and expenditure on charitable activities.

##### **Income and corporation tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

##### **Fund accounting**

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

##### **Capital grants**

Gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the Charity should be credited to the restricted fixed asset fund after the sums have been properly expended on the restricted purpose. As the related assets are depreciated, then a transfer is made from restricted fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset subject to the restriction.

If the related assets are not subject to restrictions by the grant making organisation on their use and disposal, or are purchased out of general unrestricted funds, then the fixed asset fund created is treated as a designated fixed asset fund. As the related assets are depreciated, then a transfer is made from designated fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the Statement of Standard Accounting Practice Number 4, such departure is justified on the basis that it is in order to comply with SORP.

# **Ryedale Folk Museum**

**Company Limited by Guarantee**

**Notes to the Financial Statements *(continued)***

**Year ended 31 October 2019**

## **3. Accounting policies *(continued)***

### **Incoming resources**

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Income from grants, which are related to specified performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance and are classified as restricted funds.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Goods and other items donated for resale through the charity's shop are included as incoming resources within activities for generating funds when they are sold.
- Legacies are included as incoming resources when: probate has been granted; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and when any conditions attached to the legacy are either within the control of the charity or have been satisfied.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.

### **Deferred income**

Income received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the Charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.



# **Ryedale Folk Museum**

**Company Limited by Guarantee**

**Notes to the Financial Statements *(continued)***

**Year ended 31 October 2019**

## **3. Accounting policies *(continued)***

### **Resources expended**

Expenditure and liabilities are recognised on an accrual basis as a liability is incurred or a contractual or constructive obligation is made. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Support costs include those costs in relation to indirect costs incurred to support the direct charitable activities of the charity and are allocated to each activity on an estimated percentage of time and effort spent on each activity.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as determined by the Trustees.

### **Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads and other overheads have been allocated on proportionate use basis. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

### **Operating leases**

Rentals payable in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

# **Ryedale Folk Museum**

**Company Limited by Guarantee**

**Notes to the Financial Statements *(continued)***

**Year ended 31 October 2019**

## **3. Accounting policies *(continued)***

### **Tangible assets**

Tangible fixed assets are stated at cost less depreciation. Items of less than £100 are not capitalised.

No depreciation is provided on freehold property and improvements because it is the practice to maintain the property in a continual state of sound repair. Accordingly, the life is so long and the residual value so high that the Trustees consider that depreciation calculated in accordance with accepted accounting standards would be immaterial.

A regular annual review of the likelihood of asset impairment is undertaken.

### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                               |   |                          |
|-------------------------------|---|--------------------------|
| Plant, Machinery and Vehicles | - | 15% to 25% straight line |
| Fixtures and fittings         | - | 15% to 25% straight line |

### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Charity are assigned to those units.

### **Stocks**

Stocks and work in progress are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

### **Financial instruments**

A financial asset or a financial liability is recognised only when the Charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

# Ryedale Folk Museum

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Limited by guarantee

Ryedale Folk Museum is a charitable company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

# Ryedale Folk Museum

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

## 5. Donations and legacies

|  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2019<br>£ |
|--|----------------------------|--------------------------|--------------------------|
| <b>Donations</b>                         |                            |                          |                          |
| Sundry Donations under £1,000            | 8,481                      | –                        | <b>8,481</b>             |
| The Holbeck Trust                        | 5,000                      | –                        | <b>5,000</b>             |
| <b>Grants</b>                            |                            |                          |                          |
| North York Moors National Park Authority | 1,500                      | –                        | <b>1,500</b>             |
| NYCC                                     | –                          | –                        | <b>–</b>                 |
| Arts Council, England                    | –                          | 316                      | <b>316</b>               |
| Companies and businesses                 | –                          | –                        | <b>–</b>                 |
| <b>Other donations and legacies</b>      |                            |                          |                          |
| Gift Aid Tax Returns                     | 26,786                     | –                        | <b>26,786</b>            |
|  | <u>41,767</u>              | <u>316</u>               | <u><b>42,083</b></u>     |
|  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2018<br>£ |
| <b>Donations</b>                         |                            |                          |                          |
| Sundry Donations under £1,000            | 20,176                     | –                        | 20,176                   |
| The Holbeck Trust                        | 5,000                      | –                        | 5,000                    |
| <b>Grants</b>                            |                            |                          |                          |
| North York Moors National Park Authority | 1,500                      | –                        | 1,500                    |
| NYCC                                     | –                          | 500                      | 500                      |
| Arts Council, England                    | –                          | 2,846                    | 2,846                    |
| Companies and businesses                 | –                          | 1,800                    | 1,800                    |
| <b>Other donations and legacies</b>      |                            |                          |                          |
| Gift Aid Tax Returns                     | 18,051                     | –                        | 18,051                   |
|  | <u>44,727</u>              | <u>5,146</u>             | <u>49,873</u>            |

## 6. Charitable activities

|                        | Unrestricted<br>Funds<br>£ | Total Funds<br>2019<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2018<br>£ |
|------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Admissions             | 120,271                    | <b>120,271</b>           | 129,287                    | 129,287                  |
| Education and Outreach | 23,651                     | <b>23,651</b>            | 18,812                     | 18,812                   |
| Sponsorship            | 500                        | <b>500</b>               | –                          | –                        |
|                        | <u>144,422</u>             | <u><b>144,422</b></u>    | <u>148,099</u>             | <u>148,099</u>           |

# Ryedale Folk Museum

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

## 7. Other trading activities

|                              | Unrestricted<br>Funds<br>£ | Total<br>Funds<br>2019<br>£ | Unrestricted<br>Funds<br>£ | Total<br>Funds<br>2018<br>£ |
|------------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|
| Shop gallery and cafe income | 49,253                     | <b>49,253</b>               | 52,426                     | 52,426                      |
| Venue hire                   | 6,770                      | <b>6,770</b>                | 3,169                      | 3,169                       |
|                              | <u>56,023</u>              | <u><b>56,023</b></u>        | <u>55,595</u>              | <u>55,595</u>               |

## 8. Costs of other trading activities

|                | Unrestricted<br>Funds<br>£ | Total<br>Funds<br>2019<br>£ | Unrestricted<br>Funds<br>£ | Total<br>Funds<br>2018<br>£ |
|----------------|----------------------------|-----------------------------|----------------------------|-----------------------------|
| Shop costs     | 36,455                     | <b>36,455</b>               | 49,094                     | 49,094                      |
| Staging events | 3,279                      | <b>3,279</b>                | 6,017                      | 6,017                       |
|                | <u>39,734</u>              | <u><b>39,734</b></u>        | <u>55,111</u>              | <u>55,111</u>               |

## 9. Expenditure on charitable activities by fund type

|                        | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2019<br>£ |
|------------------------|----------------------------|--------------------------|--------------------------|
| Museum                 | 82,590                     | 11,115                   | <b>93,705</b>            |
| Education and Outreach | 27,433                     | –                        | <b>27,433</b>            |
| Support costs          | 105,271                    | 387                      | <b>105,658</b>           |
|                        | <u>215,294</u>             | <u>11,502</u>            | <u><b>226,796</b></u>    |

|                        | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2018<br>£ |
|------------------------|----------------------------|--------------------------|--------------------------|
| Museum                 | 61,684                     | 1,022                    | 62,707                   |
| Education and Outreach | 22,268                     | –                        | 22,268                   |
| Support costs          | 120,251                    | 1,691                    | 121,941                  |
|                        | <u>204,203</u>             | <u>2,713</u>             | <u>206,916</u>           |

## 10. Expenditure on charitable activities by activity type

|                        | Activities<br>undertaken<br>directly<br>£ | Support<br>costs<br>£ | Total funds<br>2019<br>£ | Total fund<br>2018<br>£ |
|------------------------|---|-----------------------|--------------------------|-------------------------|
| Museum                 | 93,705                                    | 94,137                | <b>187,842</b>           | 170,874                 |
| Education and Outreach | 27,433                                    | 6,550                 | <b>33,983</b>            | 29,406                  |
| Governance costs       | –   | 4,971                 | <b>4,971</b>             | 6,636                   |
|                        | <u>121,138</u>                            | <u>105,658</u>        | <u><b>226,796</b></u>    | <u>206,916</u>          |

# Ryedale Folk Museum

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

## 11. Analysis of support costs

|                               | Education           |              |              | Total 2019     | Total 2018     |
|-------------------------------|---------------------|--------------|--------------|----------------|----------------|
|                               | Museum and Outreach | Governance   |              |                |                |
|                               | £                   | £            | £            | £              | £              |
| Staff costs                   | 34,895              | 1,836        | –            | 36,731         | 54,900         |
| Premises                      | 36,664              | 3,084        | –            | 39,748         | 30,376         |
| Communications and IT         | 3,072               | 162          | –            | 3,234          | 3,684          |
| General office                | 801                 | 89           | –            | 890            | 2,800          |
| Finance costs                 | 3,137               | 165          | –            | 3,302          | 2,906          |
| Governance costs              | –                   | –            | 4,971        | 4,971          | 6,636          |
| Legal and professional        | 6,756               | 751          | –            | 7,507          | 8,872          |
| Depreciation                  | 1,702               | 90           | –            | 1,792          | 3,816          |
| Training and welfare - Staff  | 419                 | 22           | –            | 441            | 163            |
| Travel and subsistence        | 1,107               | 58           | –            | 1,165          | 1,235          |
| Marketing charitable services | 5,044               | 265          | –            | 5,309          | 6,296          |
| Subscriptions                 | 541                 | 28           | –            | 569            | 257            |
|                               | <u>94,138</u>       | <u>6,550</u> | <u>4,971</u> | <u>105,659</u> | <u>121,941</u> |

Included within governance costs were:

|                                      | 2019         | 2018         |
|--------------------------------------|--------------|--------------|
|                                      | £            | £            |
| Trustees Indemnity insurance premium | 146          | 422          |
| Independent Examiner's Fees          | 1,325        | 1,500        |
| Accounts preparation fees            | 3,500        | 4,500        |
| Trustees' Expenses                   | –            | 214          |
|                                      | <u>4,971</u> | <u>6,636</u> |

During the year, the charity purchased insurance to protect it from loss arising from the neglect or defaults of its trustees, employees or agents, or to indemnify its trustees, employees or agents, against the consequences of any neglect or default on their part. The premium paid was £146 (2018 - £422). It is not possible to identify the part of this payment specifically attributable to Trustees.

## 12. Net expenditure

Net expenditure is stated after charging/(crediting):

|                                       | 2019         | 2018         |
|---------------------------------------|--------------|--------------|
|                                       | £            | £            |
| Depreciation of tangible fixed assets | 1,791        | 3,816        |
| Operating lease rentals               | 1,844        | 2,157        |
| Operating leases - land               | <u>7,975</u> | <u>7,736</u> |

# Ryedale Folk Museum

Company Limited by Guarantee

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

### 13. Independent examination fees

|  | 2019<br>£    | 2018<br>£    |
|--|--------------|--------------|
| Fees payable to the independent examiner for:<br>Independent examination of the financial statements | <u>1,325</u> | <u>1,500</u> |

### 14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

|   | 2019<br>£      | 2018<br>£      |
|---|----------------|----------------|
| Wages and salaries                      | 144,211        | 134,002        |
| Social security costs                   | 7,304          | 6,963          |
| Employer contributions to pension plans | <u>2,256</u>   | <u>1,323</u>   |
|   | <u>153,771</u> | <u>142,288</u> |

The average head count of employees during the year was 9 (2018: 8). The average number of full-time equivalent employees during the year is analysed as follows:

|  | 2019<br>No. | 2018<br>No. |
|--|-------------|-------------|
| Number of staff engaged on charitable activities         | 6           | 5           |
| Number of staff engaged on management and administration | <u>1</u>    | <u>1</u>    |
|  | <u>7</u>    | <u>6</u>    |

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

Apart from the Museum Director, none of the Trustees received any remuneration in the current or previous year.

### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £36,772 (2018: £40,704).

# Ryedale Folk Museum

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

## 15. Trustee remuneration and expenses

Included within staff costs were salary costs for the Museum Director who is a paid trustee in accordance with the Articles of the charitable company and as permitted by the Charity Commission.

The salary amounted to £36,000 (2018 - £36,464), social security costs amounted to £3,977 (2018 - £4,163) and pensions amounted to £772 (2018 - £505). There were no other benefits in kind.

One trustee (2018 - one trustees) was reimbursed for expenses in relation to charitable trading, direct charitable activities, support costs and the acquisition of fixed assets amounting to £1,686 (2018 - £6,794) and one trustee (2018 - one) was reimbursed £nil (2018 - £214) in respect of travel costs to attend trustee meetings.

During the year, the charity purchased insurance to protect it from loss arising from the neglect or defaults of its trustees, employees or agents, or to indemnify its trustees, employees or agents, against the consequences of any neglect or default on their part. The premium paid was £146 (2018 - £1,056).

## 16. Transfers between funds

A sum of £4,034 was transferred to the Designated Fixed Asset Fund from General Unrestricted Funds to ensure that all fixed assets are either recorded as Restricted or Designated Funds.

A sum of £4,791 was transferred from Restricted Fixed Asset Reserve to the General Unrestricted Funds to represent the depreciation charged in the year.

A sum of £316 was transferred to the General Unrestricted Funds from the Of Yorkshire, From Yorkshire Fund to reimburse the Museum for the excess costs which were paid by the Museum in the previous year.

## 17. Tangible fixed assets

|                           | Freehold<br>property and<br>improvements<br>£ | Plant,<br>Machinery &<br>Vehicles<br>£ | Equipment<br>£ | Total<br>£       |
|---------------------------|---|--|----------------|------------------|
| <b>Cost</b>               |   |  |                |                  |
| At 1 November 2018        | 1,800,053                                     | 90,797                                 | 3,224          | <b>1,894,074</b> |
| Additions                 | —   | —                                      | 560            | <b>560</b>       |
| <b>At 31 October 2019</b> | <b>1,800,053</b>                              | <b>90,797</b>                          | <b>3,784</b>   | <b>1,894,634</b> |
| <b>Depreciation</b>       |   |  |                |                  |
| At 1 November 2018        | —   | 89,603                                 | 1,261          | <b>90,864</b>    |
| Charge for the year       | —   | 1,194                                  | 597            | <b>1,791</b>     |
| <b>At 31 October 2019</b> | <b>—</b>                                      | <b>90,797</b>                          | <b>1,858</b>   | <b>92,655</b>    |
| <b>Carrying amount</b>    |   |  |                |                  |
| <b>At 31 October 2019</b> | <b>1,800,053</b>                              | <b>—</b>                               | <b>1,926</b>   | <b>1,801,979</b> |
| At 31 October 2018        | 1,800,053                                     | 1,194                                  | 1,963          | 1,803,210        |



# Ryedale Folk Museum

Company Limited by Guarantee

## Notes to the Financial Statements (continued)

Year ended 31 October 2019

### 17. Tangible fixed assets (continued)

A significant part of the assets were acquired with the aid of grant aid and there are restrictions upon the manner in which the assets can be dealt with imposed by the grant making authorities.

All assets are used for direct charitable purposes and there are no inalienable or heritage assets, except for the collection of historical artefacts which the charity maintains and safeguards, and which is considered to have little cost value, while being of significant cultural importance, and would be costly to replace.

An impairment review of the freehold property was conducted by the Trustees who assessed the value of the freehold properties at £1.8 million, and the trustees have resolved to continue to include the value of the premises in the accounts on a cost basis.

### 18. Stocks

|                               | 2019<br>£     | 2018<br>£     |
|-------------------------------|---------------|---------------|
| Raw materials and consumables | <u>14,591</u> | <u>10,573</u> |

### 19. Debtors

|                                | 2019<br>£    | 2018<br>£    |
|--------------------------------|--------------|--------------|
| Trade debtors                  | –            | 2,318        |
| Prepayments and accrued income | 5,609        | –            |
| Other debtors                  | –            | 72           |
|                                | <u>5,609</u> | <u>2,390</u> |

### 20. Creditors: amounts falling due within one year

|   | 2019<br>£     | 2018<br>£     |
|---|---------------|---------------|
| Bank loans and overdrafts                                   | –             | 3,774         |
| Trade creditors   | 14,937        | 13,032        |
| Accruals and deferred income                                | 7,116         | 9,545         |
| Social security and other taxes                             | 13,253        | 10,804        |
| Ryedale District Council loan - amounts due within one year | 5,000         | 5,000         |
| Other creditors   | 573           | 268           |
|   | <u>40,879</u> | <u>42,423</u> |

The other loans are secured by a fixed charge over all the tangible and intangible property assets of the charity.

### 21. Creditors: amounts falling due after more than one year

|  | 2019<br>£     | 2018<br>£     |
|--|---------------|---------------|
| Ryedale District Council loan - amounts due after one year | <u>55,833</u> | <u>60,833</u> |

# Ryedale Folk Museum

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

## 21. Creditors: amounts falling due after more than one year *(continued)*

The other loans are secured by a fixed charge over all the tangible and intangible property assets of the charity.

Included within creditors: amounts falling due after more than one year is an amount of £35,833 (2018: £40,833) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The above liabilities comprise loans from Ryedale District Council which are repayable by quarterly instalments commencing January 2017. Interest is payable at 0.5% and the loan has been secured by a legal charge over the land and buildings of the Museum.

## 22. Pensions and other post retirement benefits

### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,256 (2018: £1,323).

During the previous year, the trustees have enrolled with NOW:Pension to provide the charity auto-enrolment pension scheme as required by statute. The estimated future contributions falling due within one year amounted to £3,495 (2018: £2,035) and no security has been provided for this liability.

## 23. Analysis of charitable funds

### Unrestricted funds

|                                  | At<br>1 November<br>2018<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£ | At<br>31 October<br>2019<br>£ |
|----------------------------------|-------------------------------|----------------|------------------|----------------|-------------------------------|
| General funds                    | (123,859)                     | 242,212        | (255,028)        | 1,547          | (135,128)                     |
| Fixed Assets Fund                | 255,315                       | —              | —                | 3,560          | 258,875                       |
| Geoffrey Willey<br>Memorial Fund | 105,140                       | —              | —                | —              | 105,140                       |
|                                  | <u>236,596</u>                | <u>242,212</u> | <u>(255,028)</u> | <u>5,107</u>   | <u>228,887</u>                |

|                                  | At<br>1 November<br>2017<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£ | At<br>31 October<br>2018<br>£ |
|----------------------------------|-------------------------------|----------------|------------------|----------------|-------------------------------|
| General funds                    | (118,065)                     | 248,421        | (256,653)        | 2,438          | (123,859)                     |
| Fixed Assets Fund                | 254,841                       | —              | —                | 474            | 255,315                       |
| Geoffrey Willey<br>Memorial Fund | 105,140                       | —              | —                | —              | 105,140                       |
|                                  | <u>241,916</u>                | <u>248,421</u> | <u>(256,653)</u> | <u>2,912</u>   | <u>236,596</u>                |

# Ryedale Folk Museum

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

## 23. Analysis of charitable funds *(continued)*

The deficit on unrestricted reserves has increased in the year and the Trustees have included plans to reverse this deficit in the Business Transformation Plan as set out in the Trustees Annual Report.

The Designated Fixed Assets Fund represents the gifts of tangible fixed assets or grants of a capital nature that not subject to restrictions on their use or disposal, and tangible fixed assets purchased out of general unrestricted funds.

The Geoffrey Willey Memorial Fund was set up in memory of Mr G Willey (Dec'd) for future use by the Charity in memory of the long-term support given by him.

### Restricted funds

|  | At<br>1 November<br>2018<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | At<br>31 October<br>2019<br>£ |
|--|-------------------------------|-------------|------------------|----------------|-------------------------------|
| Restricted Fixed Asset Fund              | 1,547,895                     | —           | —                | (4,791)        | 1,543,104                     |
| Harrison Collection                      | 2,790                         | —           | —                | —              | 2,790                         |
| Harrison Collection - Phase II Fund      | 36,000                        | —           | —                | —              | 36,000                        |
| Collections Apprentice Fund              | 2,806                         | —           | —                | —              | 2,806                         |
| Geoffrey Willey Memorial Fund            | 180,287                       | —           | (11,502)         | —              | 168,785                       |
| Of Yorkshire, from Yorkshire AED Project | —<br>676                      | 316<br>—    | —<br>—           | (316)<br>—     | —<br>676                      |
|  | <u>1,770,454</u>              | <u>316</u>  | <u>(11,502)</u>  | <u>(5,107)</u> | <u>1,754,161</u>              |

|  | At<br>1 November<br>2017<br>£ | Income<br>£    | Expenditure<br>£   | Transfers<br>£ | At<br>31 October<br>2018<br>£ |
|--|-------------------------------|----------------|--------------------|----------------|-------------------------------|
| Restricted Fixed Asset Fund              | 1,551,711                     | —              | —                  | (3,816)        | 1,547,895                     |
| Harrison Collection                      | 2,790                         | —              | —                  | —              | 2,790                         |
| Harrison Collection - Phase II Fund      | 36,000                        | —              | —                  | —              | 36,000                        |
| Collections Apprentice Fund              | 2,806                         | —              | —                  | —              | 2,806                         |
| Geoffrey Willey Memorial Fund            | 180,287                       | —              | —                  | —              | 180,287                       |
| Of Yorkshire, from Yorkshire AED Project | —<br>—                        | 2,846<br>2,300 | (3,750)<br>(1,624) | 904<br>—       | —<br>676                      |
|  | <u>1,773,594</u>              | <u>5,146</u>   | <u>(5,374)</u>     | <u>(2,912)</u> | <u>1,770,454</u>              |

# Ryedale Folk Museum

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

## 23. Analysis of charitable funds *(continued)*

The Restricted Fixed Asset Fund represents gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the Charity.

The Harrison Collection Fund represents all funds received for the housing the Harrison Collection. The final balance of £2,790 represents the final funds to acquire online access to the Harrison Collection.

The Harrison Collection - Phase II Fund relates to incoming resources to develop Phase II of the project, which primarily relates to the improvement of educational facilities on site.

The Collections Apprentice Fund represents funding to provide an apprentice with suitable experience a museum environment.

The Geoffrey Willey Memorial Fund represents the incoming resources from the legacy of Mr G Willey specifically attributed to projects set out in his will less the net outflows and transfers in relation to clearing his property and cataloguing his bequest.

The Of Yorkshire, From Yorkshire fund was project funds granted by Arts Council England's new Project Grants. The Museum was the first museum in the country to secure funds through this new grant scheme. The funds were used to exhibit a loan of fine art works from the collection of Mr David Ross which took place during 2018. The final grant balance was paid by Arts Council England in January 2019.

The AED defibrillator fund is raising monies for a community access defibrillator, which will be owned by the Museum but made available to residents of and visitors to the village by its placing in a cabinet on the outside of the Museum's wall. Funds are currently from Ryedale District Council, Hutton le Hole Parish Council and North Yorkshire County Council.

## 24. Analysis of net assets between funds

|                               | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2019<br>£ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets         | 258,875                    | 1,543,104                | 1,801,979                |
| Current assets                | 66,724                     | 211,057                  | 277,781                  |
| Creditors less than 1 year    | (40,879)                   | –                        | (40,879)                 |
| Creditors greater than 1 year | (55,833)                   | –                        | (55,833)                 |
| <b>Net assets</b>             | <b>228,887</b>             | <b>1,754,161</b>         | <b>1,983,048</b>         |

|                               | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2018<br>£ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets         | 255,315                    | 1,547,895                | 1,803,210                |
| Current assets                | 84,537                     | 222,559                  | 307,096                  |
| Creditors less than 1 year    | (42,423)                   | –                        | (42,423)                 |
| Creditors greater than 1 year | (60,833)                   | –                        | (60,833)                 |
| <b>Net assets</b>             | <b>236,596</b>             | <b>1,770,454</b>         | <b>2,007,050</b>         |

# Ryedale Folk Museum

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

## 25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

|  | 2019          | 2018          |
|--|---------------|---------------|
|  | £             | £             |
| Not later than 1 year                        | 9,639         | 10,685        |
| Later than 1 year and not later than 5 years | 35,054        | 34,698        |
| Later than 5 years                           | 42,891        | 46,203        |
|  | <u>87,584</u> | <u>91,586</u> |

# Ryedale Folk Museum

Company Limited by Guarantee

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

### 26. Post balance sheet events

#### *Non-adjusting event arising from COVID-19*

Since 31 October 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilise economic conditions. The extent to which COVID-19 and any other pandemic or public health crisis impacts the Museum's business, affairs, operations, financial condition, liquidity, availability of credit and results of operations will depend on future developments that are highly uncertain and cannot be predicted with any meaningful precision, including new information that may emerge concerning the severity of the COVID-19 virus and the actions required to contain the COVID-19 virus or remedy its impact, among others.

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by the government to contain the virus have affected economic activity. We have taken a number of measures to monitor and prevent the effects of the COVID-19 virus, such as implementing safety and health measures for our people (like social distancing and working from home) and securing grants and financial resources that are essential to our charitable operations.

We will continue to follow the various national institutes policies and advice and, in parallel, will do our utmost to continue our operations in the best and safest way possible without jeopardising the health of our people and our visitors.

At this stage, the effect on income and future operations has been substantial. The Museum was closed from 17 March to 3 July, all but one essential worker was furloughed and we approached donors and funders for emergency grants. The Museum reopened on 4 July 2020, and during July visitor numbers were substantially less than normal. However, visitor numbers during August, September and October have been comparable to last year. There has been a substantial shift towards the family audience and the average spend (both on admissions and retail) has increased. The market for educational and group visits has almost completely gone.

In addition, we have secured the following grants: £25,000 from the government Retail, Leisure and Hospitality Grant scheme, administered by Ryedale District Council; £56,500 from the National Lottery Heritage Fund- Emergency Grant Fund; £79,900 from the government Cultural Recovery Fund administered by Arts Council England; and over £26,000 from the Coronavirus Job Retention Scheme. In addition, we have obtained £50,000 from the government-backed Bounce Back Loan Scheme.

The trustees have assessed the impact of these uncertainties on the going concern basis under which these accounts are prepared. They have reviewed the carrying values of all the assets in the light of the current pandemic and the undertakings of financial support given by the National Lottery Heritage Fund and other grant-makers. The trustees believe that the Museum has sufficient reserves to continue funding the charitable operations and activities and that the long-term viability of the Museum, while still subject to uncertainty and difficulty, remains unchanged from its position in previous years.

# Ryedale Folk Museum

Company Limited by Guarantee

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

### 27. Related parties

During the year, the Charity reimbursed expenses for mileage, office costs, assets and charitable expenses to the following trustee: Ms J S Smith £1,686 (2018 - £6,794). The balances due to her at 31 October 2019 was £nil (2018 - £56).

During the year, the Charity reimbursed expenses for mileage to the following trustee: Mr H O'Loughlin £nil (2018 - £214). The balances due to him at 31 October 2019 was £nil (2018 - £nil).

At the year end, an accrual in respect of professional accountancy and taxation fees was made in favour of Harrison Holt Chartered Accountants, amounting to £3,500 (2018 - £4,000). Harrison Holt is a firm of Chartered Accountants in which Mr P J H Holt FCA, FCIE, Trustee and Chairman, is the principal. Harrison Holt charged the Charity £3,500 (2018 - £4,000) for the preparation of statutory financial statements, filing VAT returns, attending to Companies House matters and filing corporation tax return s and £6,000 (2018 - £6,000) for monthly accounting support and entering accounting transaction into the company accounting records. The balances due to Harrison Holt and outstanding at 31 October 2019 amounted to £nil (2018 - £600).

During the year, a trustee donated £1,000 to the Charity.

# Ryedale Folk Museum

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 October 2019

## 28. Comparative disclosures for the statement of financial activity

YEAR ENDED 31 OCTOBER 2018

|                                      | Unrestricted<br>funds<br>£ | 2018<br>Restricted<br>funds<br>£ | Total funds<br>£ |
|--------------------------------------|----------------------------|----------------------------------|------------------|
| <b>Income and endowments</b>         |                            |                                  |                  |
| Donations and legacies               | 44,727                     | 5,146                            | 49,873           |
| Charitable activities                | 148,099                    | –                                | 148,099          |
| Other trading activities             | 55,595                     | –                                | 55,595           |
| Other income                         | –                          | –                                | –                |
| <b>Total income</b>                  | <u>248,421</u>             | <u>5,146</u>                     | <u>253,567</u>   |
| <b>Expenditure</b>                   |                            |                                  |                  |
| Expenditure on raising funds:        |                            |                                  |                  |
| Costs of other trading activities    | 52,450                     | 2,661                            | 55,111           |
| Expenditure on charitable activities | 204,203                    | 2,713                            | 206,916          |
| <b>Total expenditure</b>             | <u>256,653</u>             | <u>5,374</u>                     | <u>262,027</u>   |
| <b>Net expenditure</b>               | <u>(8,232)</u>             | <u>(228)</u>                     | <u>(8,460)</u>   |
| Transfers between funds              | 2,912                      | (2,912)                          | –                |
| <b>Net movement in funds</b>         | <u>(5,320)</u>             | <u>(3,140)</u>                   | <u>(8,460)</u>   |
| <b>Reconciliation of funds</b>       |                            |                                  |                  |
| Total funds brought forward          | 241,916                    | 1,773,594                        | 2,015,510        |
| <b>Total funds carried forward</b>   | <u>236,596</u>             | <u>1,770,454</u>                 | <u>2,007,050</u> |