

Charity number: 1158583
Company number: 08986225

HAMPSHIRE CULTURAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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Report of the Trustees (incorporating the Directors' report) for the year ending 31 March 2019

The Trustees are pleased to present their annual report together with the consolidated financial statements of Hampshire Cultural Trust ("the Trust") and its one subsidiary, Hampshire Cultural Trust Trading Limited ("the Trading Company"), for the year ending 31 March 2019.

The Trustees are also Directors of the charity for the purposes of the Companies Act. The Trustees' annual report and consolidated financial statements together meet the requirements for a Directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102) (effective 01 January 2015).

Chairman's report

2018-19 was a year of significant change at Hampshire Cultural Trust. We embedded our new organisational structure which will modernise and shape the Trust to deliver its future goals. Against the backdrop of a turbulent external climate, we welcomed 714,824 visitors to our venues over the course of the year and achieved our budget with a small surplus.

During the year, we said goodbye to our Chief Executive, Janet Owen, who oversaw the establishment of the Trust and the creation of our strategic direction. I would like to thank Janet for all she achieved during her four years at the helm; she leaves us well placed to deliver successful growth. Janet's successor, Paul Sapwell, has been the Trust's Chief Operating Officer since August 2016 and has been instrumental in the organisation's development over the last three years. He has a committed and skilful team in place and we are in a stronger position than ever to achieve our goals.

Our work targeting those in the county's communities who are either vulnerable or may not normally have access to arts and culture goes from strength to strength. In 2018-19 we ran 17 projects with 50 partners including Hampshire NHS Child and Adolescent Mental Health Services (CAMHS), the British Army and HMP/YOI Winchester and local community probation services. This crucial, life-changing work reached 2,000 participants over the year and is growing both in numbers and impact.

We continue to provide education programmes for schools across Hampshire and beyond and welcomed 29,300 school children on educational visits – growth of more than 40% on last year. I am proud to report that our busiest venue, Milestones Museum, was nominated as a finalist in the Best Museum Visit category of the national 2018-19 School Travel Awards, a real accolade for a regional museum competing against three nationals.

Our exhibition programme has, once again, delivered some outstanding cultural experiences, including participation for the first time in the prestigious Tate ARTIST ROOMS scheme, a collection of over 1,600 works of modern and contemporary art by more than 40 major artists. *ARTIST ROOMS: Agnes Martin*, one of America's foremost abstract painters, took place at The Gallery, Winchester Discovery Centre, over the summer.

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Our self-curated exhibitions have been a great success, with *I Do!* featuring a spectacular display of wedding dress fashions from the past 250 years drawn entirely from our collections. The exhibition toured to three of our galleries and saw 16,000 visitors as the nation enjoyed two royal weddings.

Our investment in digital technology over the year has paid dividends, with the introduction of a new website, a new ticketing system for our arts centres and the roll-out of a retail point of sale system for our museum shops and cafés.

As we move towards a financially sustainable business model, building healthy reserves has already given us the opportunity to invest further in our venues in the next financial year.

This investment will include enhancing our visitor experience at Aldershot Military Museum, with the installation of an accessible outdoor activity area, encouraging engagement from both military families and local residents. We will also invest in an options appraisal to explore the potential for the refurbishment and reinterpretation of Alton's Allen Gallery and its ceramics collection, aiming to provide learning spaces and improved community facilities. We are making headway with our ambition to improve the cultural offer in Gosport, by transforming Gosport Old Grammar School into a vibrant cultural hub designed to make arts and culture more accessible for the local community. All of these initiatives further demonstrate our desire to deliver social and economic impact through cultural activity

Our status as a charity is more important than ever. During 2018-19 we received £839,701 of fundraised income through statutory bodies, trusts, individuals and corporates, but still need additional support to deliver our ambitious programme.

We have made huge strides in empowering and supporting our people and for the first time have rolled out a learning and development programme for staff and volunteers. We also welcomed 200 people to our Big Get Together in January, an event to engage, inform and bring together our team from venues across the Trust.

I am immensely proud of the work that our wonderful staff and volunteers do and enormously grateful for the support of our funders, supporters and visitors. I hope you enjoy this review which summarises a small selection of our achievements over the past year and highlights our plans for the future.



Alan Lovell

Chairman

Purpose and charitable objects

The Trust's charitable objects are set out in its governing documents and summarised as follows:

- a) To promote, maintain and improve the public's understanding and appreciation of the arts, including by:
 - i) Establishing and maintaining museums and art galleries;
 - ii) Providing community arts centres and community arts programmes; and
- b) To advance the education of the public in the history and heritage of Hampshire and the wider area of the South of England, including by:
 - i) Acquiring, preserving and exhibiting land and buildings of beauty or historical interest with a view to educating the public in their significance in the heritage of the nation and the local area; and
 - ii) Preserving furniture, pieces and chattels of any description having national and local historical or artistic interest with a view to educating the public in their significance in the heritage of the nation and the local area.

Objectives and activities

- Operation of 18 museums across Hampshire and East Dorset, providing access to local history for residents and visitors
- Working in partnership with external organisations to deliver community museum services at three further venues in Hampshire
- Operation of three arts centres in Hampshire, bringing high-quality performing arts to local communities
- Delivery of a flagship gallery programme, bringing major exhibitions to three government indemnified galleries in Winchester, Basingstoke and Gosport
- Delivery of engaging cultural programmes for young people; Wessex Dance Academy works with the most vulnerable young people using contemporary dance and *Horizon 20:20* engages young people in non-mainstream education settings using a variety of cultural activity
- Delivery of a schools and adult education programme, creating learning opportunities inspired by local history, artists and creatives
- Care for and stewardship of over 2.5 million objects relating to Hampshire's cultural heritage
- Operation of Hampshire Wardrobe, which provides costume and loans materials for schools and other local users to support history and the arts
- Hosting of museum development advice for the wider museums sector in Hampshire, Berkshire and the Isle of Wight area via the Arts Council England funded Museum Development programme

The Trust has a wholly owned trading subsidiary that undertakes retail, catering and related activities.

The Trust employs more than 100 staff and relies on the support of many more volunteers across Hampshire and East Dorset. Volunteers provide a customer welcome and support at the venues, bring their expertise and enthusiasm to the collections and support exhibition and learning programmes.

Public benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance issued by the Charity Commission. The Trustees have taken account of such guidance when reviewing the charity's aims and objectives, and in planning future activities.

The Trustees recognise the two principles of public benefit and consider that the Trust meets them, as set out below.

1. *There must be an identifiable benefit and it must be clear, related to the aims of the Trust, and balanced against any detriment or harm.*

The objects of the Trust are to promote, maintain and improve public understanding and appreciation of the arts and to advance public education in the history and heritage of Hampshire and the wider south of England. The Trust is a main provider of museums, art galleries and community arts services across Hampshire, and provides stewardship of the county's primary museum artefact collection, which is a major resource in understanding the history of the area.

2. *The benefit must be to the public or a section of the public; the beneficiaries must be appropriate to the aims and, if to a section of the public, must not be unreasonably restricted; and that those in poverty must not be excluded from the opportunity to benefit.*

The Trust encourages all within our communities to take part in our activities and attend our events. However, the Trust relies on income from admissions, donations and fees to contribute towards its operating costs. Our pricing and charges reflect a need to support affordability and accessibility to our programmes, exhibitions and events whilst ensuring that the Trust remains financially sustainable. We provide some programmes specifically for local schools, and vulnerable young and older people on low incomes and at risk of isolation. The majority of our venues provide free admission, and those that do charge provide opportunities for discount or 'without charge' arrangements, including through our outreach programmes.

STRATEGIC REPORT

Achievements and performance

Highlights of our achievement and performance are explained in relation to our strategic goals.

- a) We directly engaged with 714,824 people of which:
 - 517,662 visited our managed museum venues and art centres including non-paying and paying visitors to our art centres

- 197,162 visited venues that the Trust supports in partnership
 - 29,000 school children enjoyed a wide range of programmes at our venues of which 10,000 enjoyed activities at Milestones Museum alone
- b) Our visitor figures decreased by 5.5% compared to 2017-18 partly due to a warmer summer period and an expected reduction in visitors compared to our record *Jane Austen 200* and *Turner and the Sun* exhibitions in the previous year.
- c) We ran 17 projects with 50 partners, reaching 2,000 participants in targeted programmes designed to provide a positive impact on the lives of those who would not normally have access to arts and culture, Partners included:
- HMP/YOI Winchester
 - Hampshire Child and Adolescent Mental Health Services (CAMHS)
 - The British Army
 - Hampshire Youth Offending Team
 - Office of the Police and Crime Commissioner
 - Surrey and Borders Partnership Recovery College
- d) Our earned income was £2,592,140 (2017-18, £2,586,766).
- e) We achieved Gift Aid of £93,849 (2017-18, £67,397).
- f) Our venue donation income was £86,972 (2017-18, £91,180).
- g) Our fundraised income was £839,701 (2017-18, £1,655,199), of which £126,166 (2017-18, £120,000) contributed towards core costs.
- h) Our fundraised income included income from ACE and NLHF which was £192,315 (2017-18, £752,360) a 74% drop in income due discreet projects as well as Arts Council England's Museum Resilience Fund to support the start up costs of the trust from 2014 coming to an end in 2017-18.
- i) Our digital engagement through web and social media is more than 2.4 million page views representing a growth of 20%.
- j) Our PR programme secured 700 pieces of positive coverage with a reach of 51 million people and an Advertising Value Equivalence of £700,000.

Goal one

To create treasured cultural showcases that attract visitors and inspire local pride

- a) We started the year with a blockbuster exhibition, *Gerald Scarfe: Stage and Screen*. The Gallery at Winchester Discovery Centre was the first receiving venue for this international tour showcasing Scarfe's theatre and film illustrations for the first time. The show attracted 13,500 visitors and achieved widespread media coverage including an interview with Scarfe on BBC South.

- b) The Trust participated in Tate's ARTIST ROOMS scheme for the first time. This prestigious initiative from Tate and National Galleries of Scotland provides works by internationally renowned and respected artists and its core ambition is to engage young people with contemporary visual art. The Gallery, Winchester Discovery Centre, received the works of American abstract painter, Agnes Martin, for its summer exhibition. Parallel to the exhibition, we worked with groups of young people to capture their reactions and impressions, explore mental health issues and respond to Martin's own battle with her search for happiness.
- c) Our self-curated *I Do!* exhibition featured a spectacular display of wedding dresses from our own collections, as well as royal wedding commemoration artefacts and memorabilia. The exhibition focused on the development of wedding fashion since the 1770s, toured our three flagship galleries and welcomed 16,000 visitors.
- d) *Elizabeth Blackadder: From the Artist's Studio* was a specially curated exhibition showing the breadth and variety of the work of Blackadder, one of the UK's greatest artists. The show revealed and celebrated an exceptional and distinguished career.
- e) *Marvellous Mechanicals* at the Willis Museum in Basingstoke featured a hands-on exhibition of modern automata, with clever mechanisms and humorous ideas. On tour from Cabaret Mechanical Theatre, the automata exhibits have been enjoyed as far afield as China, Korea and the USA.
- f) *Martin Snape: An Artist's View of Gosport* at Gosport Gallery presented artworks on paper from our collections including some which had not been seen in public before. One of Gosport's most celebrated artists, Snape had a love for the area which is evident in his sensitive depictions of the town, the harbour front and surrounding landscapes.
- g) Our summer exhibition at Milestones, *Mission Mega Machine*, was a venture into the world of STEM with a science-based family adventure. Visitors learned about steam power, early flight, the hovercraft, the Spitfire, space rockets and robotics. Along the way, they enjoyed paid workshops where they launched rockets, piloted hovercraft and flew in our virtual reality Spitfire.
- h) *LEGO Bricktropolis and the Attack of the Mighty Monsters* attracted 34,000 visitors to Milestones, with 42% of tickets being booked in advance online.
- i) Milestones saw an expanding events calendar with a theatre production of *A Christmas Carol*, a Christmas market and corporate events taking place throughout the year and Basing House saw open air theatrical productions of *A Midsummer Night's Dream* and *Sense and Sensibility* in the walled garden.
- j) Milestones Museum was nominated as a finalist in the Best Museum Visit category of the national School Travel Awards. Voted for by teachers and educational visit organisers, the museum was in the exalted company of fellow nominees the British Museum, Cadbury World, the Natural History Museum and the V&A, who were the eventual winners.
- k) We commissioned a report to evaluate how Basing House could be revitalised as a visitor experience. A vision and masterplan to reveal this unique venue's history, heritage and sense of place has been developed and will be explored further in 2019.

- l) The programme of symposiums and conferences for *Winchester, The Royal City* continued with our third public event of the project. The one-day symposium *Winchester, Early Medieval Power and Faith*, headlined by broadcaster and historian Dr Janina Ramirez, explored the great churches of Winchester at the time of the Anglo-Saxons and Normans. 144 delegates had the opportunity to learn about grand church architecture, manuscript studies, Anglo-Saxon folklore and early Norman politics.
- m) Our three arts centres welcomed over 50,000 visitors to live performances, classes, workshops and festivals. On the programme was a host of sold-out shows and performances including Dave Gorman, Phil Beer and *The Three Billy Goats Gruff* at Ashcroft Arts Centre; Maddy Prior, Pete Firman and *To Hell in a Handbag* at Forest Arts, and Holy Moly and the Crackers, Zoe Lyons and Nish Kumar at the West End Centre.
- n) Volunteers at the Red House and Westbury Manor museums worked with our Community Cultural Experience Manager to develop exhibitions focusing on the link between objects from our collections and local history. Our volunteers' knowledge and enthusiasm proved invaluable in developing local stories about Christchurch in the 1960s and jazz in Hampshire.
- o) To mark the Centenary of Armistice Day, our working First World War Thornycroft J-Type lorry made appearances at Winchester City Museum, Bursledon Windmill Harvest Festival and Westbury Manor Museum.
- p) Our programme and communications teams worked closely together to spotlight Winchester's Roman past as part of the BBC's *Civilisations* series. The world's oldest surviving wedding cake – normally on display at the Willis Museum – made a special appearance on the BBC's *The One Show*, both great opportunities to showcase the Trust to millions of viewers across the country.
- q) Funded by Historic England and Winchester City Council, the latest volume in our Winchester Archaeological Publications Series, *Winchester's Anglo-Saxon, Medieval and Later Suburbs* by P Ottaway and K Qualman, was published. The eighth published title to date, this series makes our collections more accessible to researchers across the world.
- r) Confirmation was received from Arts Council England that all our museums continue to meet the national standards of Museum Accreditation.

Goal two

To play a central role in developing communities and belonging, accessible to all

Programmes and activity that have a positive impact on people's lives are central to our work. With investment in staff in our community museums, we have developed a better understanding of the diversity of local need and have extended our work to focus on areas where we can deliver social change. We have continued to deliver countywide programmes such as *Horizon 20:20* and the *Inspire, Create, Exchange (ICE) Project* and have expanded our experience and activity within the arts and criminal justice sector. We were delighted that the team received an invitation to the House of Lords to contribute to the Round Table discussion of the All-Party Parliamentary Group on Arts, Health and Wellbeing.

This year, we worked with over 2000 participants through our social impact programmes, delivering activity with 50 partners from across Hampshire.

- a) In partnership with Hampshire Futures, we ran a series of courses in Aldershot working with adults experiencing mental health issues in our *Brighter Futures* programme. This was delivered alongside the Surrey and Borders Partnership Recovery College, pairing artists with volunteers with lived experience and using cultural engagement to increase the learners' health and wellbeing through improving confidence, developing emotional resilience and tackling social isolation. This programme will continue in 2019.
- b) *My Gosport*, a National Lottery Heritage Fund Young Roots project, worked with young people in Gosport with additional needs to explore and creatively reinterpret the history of their local area. Project participants achieved their Bronze Arts Awards, developed a trail which was included in the Heritage Open Days programme, installed sculptures in Gosport High Street and exhibited their photographic work. The project provided the young people with the opportunity to share their work with the local community, creating a real sense of pride of place for all those involved.
- c) We worked in partnership with Radian Housing on Welcome to Whitehill & Bordon, a six month community cohesion project designed to use local heritage to connect with and welcome new residents moving into the area as it undergoes a period of regeneration. The project encouraged both new and existing residents to explore Bordon and Whitehill's tangible and hidden heritage in a new way, giving people a sense of place and ownership at a time of great change. Nearly 60 local school children worked with an artist to create two large mosaics which were the centrepiece of an exhibition about the project, launched as part of Heritage Open Days. They also achieved an Arts Award qualification.
- d) Now in its second year, we have worked in partnership with Hampshire & Isle of Wight Community Rehabilitation Company and BearFace Theatre to deliver *Creating Change*, arts-led intervention for women on probation. 70 women on probation from five different women's centres benefited from the programme. The creative, interactive and positive course helps to build women's self-esteem and communication skills, encourage self-expression and inspire long-term positive behaviour change.
- e) A pilot theatre programme was delivered with prisoners in HMP/YOI Winchester in the summer. Based on its success, evidenced by an independent research report by the University of Winchester's Department of Criminology, a second 12 session programme using drama to positively affect prisoners' attitudes, thinking and behaviour was delivered to 10 men in HMP/YOI Winchester in early 2019.
- f) Our annual creative project with Hampshire Youth Offending Team offers young people new, creative experiences to improve their life skills and attitude to learning in our *Summer Arts College*, where they work with professional photographers and a performance poet to create original work for their own exhibitions. This year the group was inspired by Tate's *ARTIST ROOMS: Agnes Martin* and explored themes of calm and chaos. Their work was exhibited in City Space, Winchester Discovery Centre, in the summer.
- g) Now in its third year, *Horizon 20:20*, our ambitious arts intervention programme, continues to use regular, engaging arts and cultural activity to achieve positive social impact for vulnerable young people who have been excluded from mainstream school or cannot cope in a mainstream learning environment. This year, *Horizon 20:20* has engaged 285 young people, working with 33 artists using 51 different art forms. The young people had the opportunity to engage with the cultural sector through trips and also contributed with exhibitions such as *Calm Collective Colour*, a response to Tate's *ARTIST ROOMS: Agnes Martin*. The ultimate aim of the project is to provide evidence of the positive impact and benefits of the

programme on young people, staff, the education sector and wider arts and cultural sector through independent research.

- h) In its second year, *The ICE Project*, an innovative partnership with Hampshire CAMHS (Child and Adolescent Mental Health Service), worked with 43 young people directly referred from CAMHS, 90 young people at risk of developing mental health issues and 580 young people in schools. *ICE* stands for *Inspire, Create, Exchange*: groups were *inspired* by professional exhibitions, performances and artists; they *created* their own original artwork about issues important to them and they *exchanged* their work at the celebration event on 26 March 2019.
- i) This year saw the 20th cohort graduate from the Wessex Dance Academy. Their graduation piece, *Petruschka*, was performed with the Hampshire Youth Orchestra at the Royal Albert Hall earlier in the year. The academy moved into new headquarters in St John's House, Winchester, which provides outstanding facilities for this transformational service to grow.
- j) With funding from Heritage Lottery Fund, Forest Arts Centre led the *Block2block: New Milton in Minecraft* project, working with local young people to create an innovative digital museum which integrates aspects of local social and oral history from World War II to the present day.
- k) We received a third round of funding from Arts Council England to deliver the *Reaching Out!* project. The aim of *Reaching Out!* is to engage schools in the North Hampshire region that have a deprivation pupil premium above 10% with learning opportunities through regional learning programmes. This project, which is part of the national museums and schools programme, is delivered across four of our venues: Aldershot Military Museum, Museum of the Iron Age in Andover, Basing House and Milestones Museum, with two external partners, Gilbert White's House and Winchester's Military Museums.

Goal three

To be confident and enterprising, with the agility to adapt towards a thriving future

Financial performance

- a) The Trust achieved a consolidated surplus for the year to 31 March 2019 of £205,037. The Trust's total reserves at 31 March 2019 were £1,633,624, of which £361,670 were held in restricted funds and £1,271,953 unrestricted
- b) Hampshire Cultural Trust Trading Limited achieved a profit for the year to 31 March 2019 of £244,695. The results of the Trading Company are included in the above consolidated figures. The available taxable profits of the Trading Company will be Gift-Aided to the Trust during the next financial year
- c) Fundraising is crucial for the Trust as we move towards a financially sustainable business model. During 2018-19, we strengthened our foundations for fundraising, making changes to our systems and processes, introducing a central case for support, a fundraising CRM system and improving the fundraising support we provide to our venues
- d) The Trust budgeted to secure £764,262 of fundraised income for 2018-19 and achieved income of £839,701 through grants and donations, both within venues and towards special projects. We were unsuccessful in our application to Heritage Lottery Fund (now National Lottery Heritage Fund) for the

redevelopment of Gosport Old Grammar School. Subsequently, we have revised our approach and developed a healthy fundraising pipeline. We have also committed investment from our reserves and secured financial and in-kind support from Hampshire County Council to support the Gosport project

- e) Our income from schools programmes increased significantly from £74,731 to £120,750, boosted by the introduction of a Key Stage 2 Victorians programme alongside a newly created Victorian schoolroom at Milestones Museum
- f) Our digital transformation programme has gone from strength to strength, with the launch of a new website for the Trust made up of six individual websites. We have implemented a new, integrated ticketing system at our arts centres and now have electronic point of sale in 14 of our venues. We have secured and taken full advantage of a grant for \$120,000 for Google Ads and have introduced a new e-mail marketing platform
- g) The findings of the governance review produced by CASS Business School were published. These identified what arrangements and practice best suit and support the Trust to achieve its objectives in the future. The review identified key areas for development including: strategic development and supporting governance structures; assurance, risk and delegation; meetings practice and board development and performance review. All of these areas are being addressed by the Executive Team and the Board of Trustees

Goal four

To create great spaces where people love to work and volunteer

- a) In recognition of the importance of our team, the Executive Team structure was reviewed to better represent the Trust's strategic priority 'to create great spaces where people love to work and volunteer' with the introduction of a new role of Director for People. In addition, we have invested in two new, key posts in learning and development and facilities management.
- b) Our volunteer strategy and engagement plan has been developed and will roll out in 2019-20.
- c) Our annual staff and volunteer event, The Big Get Together, this year celebrated the important contribution that our team makes to the Trust and offered attendees opportunities to share their insight and successes, learn from one another and gain an understanding of the Trust's challenges and priorities.
- d) At The Big Get Together, we conducted a staff survey which showed that over 85% of staff and volunteers believe and have confidence in the Trust and that more than 90% agree or strongly agree that they feel a sense of pride in working for the Trust.
- e) The workplace forum continues to be an important two-way communication and consultation mechanism for our team. It provides critical insight and understanding from our employees' perspective and helps the development of our policy and activities covering the entire employment journey.
- f) We are proud that we have recognised the Real Living Wage for all Trust employees.

Our supporters

Hampshire Cultural Trust is very grateful to all of our supporters who have contributed to our activities during the year

Individuals

Mr and Mrs Robert and Fiona Boyle
Mr Michael Campbell
Mr and Mrs David and Nadine Collinson
Commodore Jonathan Cooke OBE RN and Mrs Henrietta Cooke
Mr Nicholas and Lady Julia Craig Harvey
Mr and Mrs Damon and Sandra de Laszlo
Mr and Mrs Gerald and Sarah Dodson
Mr Tom Floyd Esq DL and Mrs Sarah Floyd
Mr and Mrs George and Janette Hollingbery
Mr Hugh Laing
Mr Alan Lovell Esq DL and The Hon. Mrs Virginia Lovell JP DL
Mr Nigel McNair Scott Esq DL and Mrs Anna McNair Scott
Mr and Dr Finian and Diana O'Sullivan
Mr and Mrs George and Veronique Seligman
Lady Angela Stansfield Smith
Prof Elizabeth Stuart
Mr David Sullivan
Mr and Mrs David and Meriel Walton
Mr and Mrs Peter and Carole Wilcock
Mrs Louise Woods

Corporate Partners

BeWiser Business Insurance
Paris Smith LLP
University of Winchester

Trusts, Foundations and Statutory Bodies

Arts Council England
Artsworld Ltd
Barker-Mill Foundation
Brighton and Hove Borough Council
The British Museum Portable Antiquities Scheme
Cala Homes
The de Laszlo Foundation
The Ellis Campbell Foundation
Hampshire and Isle of Wight CRC
Hampshire Futures

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Historic England
Armed Forces Covenant Fund
Music Venue Trust
National Lottery Heritage Fund
NHS Sussex Partnership
Office of the Police and Crime Commissioner
One Community
Parkinson's UK
Paul Hamlyn Foundation
Radian Group Limited
South East Museum Development Programme
Tate and National Galleries of Scotland
Wolfson Foundation

Local Authority Partners

Alton Town Council
Basingstoke and Deane Borough Council
Bursledon Parish Council
Christchurch Borough Council
Dorset County Council
East Hampshire District Council
Eastleigh Borough Council
Fareham Borough Council
Gosport Borough Council
Hampshire County Council
New Forest District Council
Rushmoor Borough Council
Winchester City Council

Friends Groups

Friends of Aldershot Military Museum
Friends of the Allen Gallery, Alton
Friends of the Curtis Museum, Alton
Friends of Gosport Museum
Friends of the Red House Museum and Gardens, Christchurch
Friends of the Willis Museum, Basingstoke

Financial Review

- 2018-19 was the fourth full year of independent operations since the Trust's formation in November 2014
- 2018-19 was a successful year, with the Trust finishing just 0.6% behind budgeted visitor numbers and a healthy surplus enabling us to add £152K to our unrestricted reserves
- In 2018-19, the Trust's total income amounted to £6,731,370. This represented a decrease of 19% over the prior year mainly due a planned 10% reduction in local authority funding. This was compounded by grant income from the Arts Council England's Museum Resilience Fund ending in 2017-18, though the cost for most activity related to this grant also reduced accordingly. The decrease in LA funding was partially offset by an increase in Gift Aid, a good box office performance from our arts centres and income from Museums, Galleries and Exhibitions tax relief
- The Trust recorded a consolidated net surplus for the year of £205,037. This included £52,800 within restricted funds for which costs will be incurred during the current or future years. Together with the brought-forward funds of £1,428,587, the total funds at 31 March 2019 amounted to £1,633,624 (£1,271,953 unrestricted, £361,670 restricted)
- The above consolidated figures include the results of the Trading Company. During the year, the Trading Company recorded a net profit after tax of £244,695 (2017-18, £383,182). This decrease can be attributed to the grant received from Arts Council England's Museum Resilience Fund to set up trading activities at our venues ending in 2017-18. In addition, there was a 3% reduction in trading income
- The Trust remains reliant on the continuing financial support of its two founding local authorities and the wider network of district and borough councils across Hampshire and Dorset. The Trust has secured funding agreements from Hampshire County Council and Winchester City Council and certain other local authorities until March 2023 which will provide core funding for this period
- The Trust will continue to diversify and enhance its funding from other sources. Further details of funding sources for 2018-19 are set out in the notes to the accounts

Investment Policy

The Trustees regularly review the cash, investments and liquidity of the Trust. Day to day management of investments is delegated to the Executive Leadership Team in accordance with the Trust's investment policy. Funds that are surplus to short term needs are placed on interest-bearing deposit with a leading UK high street bank. Due to current economic conditions the interest rates earned are extremely low, but nonetheless interest contributes to the Trust's funds.

Principal Risks

The Trust continues to develop its framework for risk management. Risk management is focused on identifying significant risks which are inherent within the Trust's activities, structure and funding; and mitigating the potential impact of these risks through the Trust's operating and investment programme, management actions, and conventional risk mitigation such as insurance. A full risk register is regularly reviewed and discussed by Executive Leadership Team and with the Finance, Investment and Audit Committee. An abridged risk register is reviewed by the Board on an annual basis.

The principal strategic, financial and operational risks which are inherent in the Trust's activities, structure and funding relate to the impact of:

- Reductions in the level of ongoing funding from local authorities, and the Trust's ability to secure adequate and sustainable alternative sources of funding
- Failure to control costs leading to lack of cash or inability to support operational needs
- Inadequate safeguarding arrangements leading to leading to young/ vulnerable persons being harmed while taking part in HCT Programmes

These risks are mitigated or managed through the design and implementation of the Trust's work programme. For 2018-19 this included:

- The delivery of an ambitious programme of events, activities and projects which included active strategic and operational engagement and partnership-working with local authority representatives at both operational and financial levels
- A substantial improvement in operations and financial management. Together these enabled the Trust to deliver its operational programme within the approved financial budget
- Ongoing development of staff and employment policies to meet current requirements and best practices
- Safeguarding policies reviewed and issued, DBS checks for all staff involved in regulated, unsupervised activity as highlighted in the safer recruitment policy
- Further developments of the operational risk register with a wider scope and more frequent monitoring

The Trust will continue to develop its risk management framework and regularly review its related policies and procedures.

Reserves

The Trust holds reserves primarily to protect itself from the impact of unexpected variations in income and expenditure. Significant variations in income may arise, for example, from an incident at the Trust's main income-generating venue, or through delays in receipt of project grants. In addition, an incident such as a fire may result in additional costs being incurred which the Trust may have to finance from its own funds before any recovery from third parties.

The Trustees have reviewed the Trust's reserves policy to reflect the maturity of the Trust. Under the reserves policy:

- The Trust's reserves comprise the unrestricted funds excluding fixed assets at the financial year end
- The Trust does not hold reserves to protect it from the impact of non-payment of local authority grant income as the amounts and receipt are notified well in advance, and risk of non-payment is considered low
- The Trust does hold reserves to guard it against the impact of an unexpected decline in non-local authority income, or of having to incur a level of expenditure which exceeds the amounts budgeted or planned
- The target level of reserves for the Trust is based on one quarter of the amount by which annual budgeted expenditure exceeds the core local authority grant funding

Under this policy the Trustees consider an appropriate level of reserves to be approximately £1,000,000 in line with Charity Commission guidance. As at 31 March 2019, the Trust's total unrestricted funds were, £1,271,953 which after deduction for amounts invested in fixed assets equates to reserves of £1,244,874. The accumulation of this level of reserves reflects the prudent financial management of the Trust during its first four years of independent operations.

The Trust is continuing to invest in its portfolio, its infrastructure and its people. These investments will continue to enhance the revenue generation of the venues and activities of the Trust; ensure a more diverse and resilient portfolio of funding sources; and maintain the level of reserves in line with the Trust's reserves policy. The Trust's reserves policy will continue to be reviewed on an annual basis.

Plans for future periods

Goal one

To create treasured cultural showcases that attract visitors and inspire local pride

- The exhibition programme at our flagship galleries in Winchester, Basingstoke and Gosport will continue to deliver exceptional quality and varied exhibitions. These will include self-curated shows and exhibitions from national organisations such as the National Portrait Gallery, Unit London and International Garden Photographer of the Year
- We are proud to be hosting the UK premiere of *Michelangelo's Sistine Chapel: A Different View*. Officially licensed by the Vatican Museums, the exhibition allows unprecedented closeness to the magnificent works of Michelangelo, the originals adorning the ceiling of the Sistine Chapel in Rome. The exhibition will be displayed across two galleries in Winchester, with a large scale panel of *The Last Judgement* on show at the city's Great Hall
- Also featuring in the programme for the year ahead will be the work of Orla Kiely, one of the UK and Ireland's most successful designers, and iconic post-war textiles designer, Lucienne Day

- Milestones Museum will feature a major, family-friendly exhibition over the summer commemorating the 80th anniversary of the outbreak of World War II
- We will begin to engage stakeholders with a long-term vision for Milestones to futureproof the museum and make it increasingly relevant to audiences over the coming years. We will develop a vision for the creation of a new, flexible, state-of-the-art gallery and exhibition space with a focus on the STEM agenda
- We will invest in our community venues, regenerating Aldershot Military Museum's outdoor area with the installation of an activity trail, replica World War II assault course, field camp picnic area and veterans garden
- At the Allen Gallery in Alton, we plan to refurbish and reinterpret our nationally important ceramics collection, at the same time providing learning spaces and improved community facilities
- We will continue to position Winchester as an international heritage destination by joining up its significant historic attractions as a coherent visitor proposition. We will develop our long-term vision for Winchester's heritage by embarking on a three year research, development and fundraising programme. Key projects will include:
 - Work on our collections from the 9th - 11th centuries to reveal the detailed stories that connect with people and place to bring Anglo-Saxon Winchester to life
 - A digital trail to enable visitors to engage with the history of Winchester around key locations, experimenting with mixed and augmented reality technology
 - Two major exhibitions at The Gallery, Winchester Discovery Centre, in 2020 and 2021. These will feature the *Winton Domesday* book, on loan from the Society of London Antiquaries, and *Bald's Leechbook*, a collection of medical remedies written in Old English in Winchester in the 9th century
 - Our 2019 symposium, which will focus on Winchester during the period of the Norman Conquest

Goal two

To play a central role in developing communities and belonging, accessible to all

Many of our social impact programmes and projects will continue in 2019-20. Funding has been secured to run an additional *Creating Change* programme across the county, the third year of *The ICE Project* will start in the summer and *Horizon 20:20* will start its fourth and final year in September 2019.

New projects being developed and delivered across our venues include:

- Continued planning to redevelop Gosport Old Grammar School with updated facilities designed to make arts and culture more accessible for the local community. Our ambition is to improve the cultural offer in Gosport, an area of low attainment, by transforming an historic educational site into a vibrant cultural hub. Further funding will be sought to develop a museum that will showcase Gosport's unique collection in one location and tell the story of the region's important heritage. A café and retail offering will encourage new visitors and provide new sources of income. We will support local creative businesses and makers through creating studios and a performance space at the site. Updated learning spaces will

enable us to extend our successful learning provision, introducing cultural qualifications to our adult learning offer

- *Asking Andover*, funded by the National Lottery Heritage Fund, will provide an opportunity for existing and new residents of Andover to come together to explore their shared experiences and local heritage. This social history project will enable residents to share and celebrate the rich and diverse personal histories of the people of Andover and to co-curate an exhibition which will capture, record and showcase the people of the town
- The Red House Museum was awarded £50,000 from the National Lottery Heritage Fund in November 2018 for the community engagement project, *Still Curious*. The two year project focuses on people with dementia and their carers and aims to increase access to and engagement with local heritage. As well as developing training for volunteers and delivering a new activity programme for over 1000 people in the community living with dementia, it also includes the refurbishment of an existing area into a fully accessible, multi-use activity space. The project is being delivered in partnership with a number of dementia support groups in and around Christchurch, as well as local councils and care home operators. The project is also kindly supported by The Friends of the Red House Museum
- In 2019-20, the *Reaching Out!* project will continue to offer travel bursaries to eligible schools and this year will focus on developing learning opportunities for SEND (special educational needs and disabilities) schools and early years learning facilities
- Volunteers from Westbury Manor Museum and the Allen Gallery have completed a comprehensive *Read to Lead* training course and will be embarking on initiating a *Shared Reader* group at their venues. *Shared Reading* is a programme of weekly, informal read-aloud groups for local communities where great literature is shared and connections are made

Goal three

To be confident and enterprising, with the agility to adapt towards a thriving future

- In an increasingly competitive market place, we enter 2019-20 with the imperative to maximise our earned income through focusing on our primary revenue generating venue, Milestones. This will include the redevelopment of the top floor, with improvements to the café, retail space and front of house area. We will also introduce charging for special exhibitions for the first time, with an admission charge for *Michelangelo's Sistine Chapel: A Different View*
- We enter 2019-20 with a new, five-year fundraising strategy focused on priority areas for investment, a number of applications in the pipeline to achieve this and a much more collaborative approach to fundraising across the organisation. We will continue to provide close support for all fundraising activities and lead fundraising in key areas to achieve the £1,021,000 target for the year
- Fundraising activities in 2019-20 will include:
 - Fundraising for capital improvements to our venues
 - Fundraising for activities in key locations or for groups that present the greatest social needs
 - Securing grants to improve collections care and make collections more accessible

- Fundraising for activities across our whole portfolio, so that we can continue to provide opportunities for everyone to access the great culture that Hampshire has to offer
- We have been awarded funding to deliver *Culture: Impact*, an organisational development project that will enable us to develop best practice approaches in impact measurement and community engagement
- We will publish a revised five-year strategic plan in autumn 2019
- We are committed to reducing our environmental impact as much as possible, which means limiting unnecessary consumption, recycling waste and minimising the use of energy, water, plastic and natural resources

Goal four

To create great spaces where people love to work and volunteer

- Our team of over 120 employees and 400 volunteers continue to be crucial in achieving our goals. Our dedicated and talented people are our most valuable resource and we are committed to making their experience at the Trust enriching and rewarding
- We are committed to honest, transparent two-way communication across The Trust and we will expand and modernise our internal communication channels during 2019. This will include the development of a digital monthly team update reporting on KPIs and other activity. We will continue to develop our workplace forum and introduce the highly regarded Workplace platform by Facebook to replace our current intranet
- The volunteer strategy and implementation will continue with the aim of achieving Investing in Volunteers accreditation in 2020
- We will work towards an accredited approach to developing and rewarding our team, maintaining the Trust as an employer of choice. We will conduct a full staff survey to gather comprehensive feedback from our team.
- We will introduce a cross-organisation learning programme designed for both staff and volunteers. This will include 36 facilitator-led sessions accommodating 430 training places across 2019-20 with more to follow. A comprehensive programme of e-learning and support will also be rolled out ensuring a safe environment for our staff and customers
- We aim to hold an even bigger Big Get Together event, achieving greater levels of participation and involvement
- Our emphasis in 2019-20 will remain on the development of communications, skills and knowledge across the organisation. This will include the development and launch of cultural values and a behavioural framework

Hampshire Cultural Trust
Company number: 08986225

Reference and Administrative Details

Company registered number	08986225
Charity registered number	1158583
Registered office and principal address	Chilcomb House, Chilcomb Lane, Winchester SO23 8RB
Contact details	Chilcomb reception 01962 678140 http://www.hampshireculture.org.uk/
Directors and Trustees	Alan Lovell (Chairman) Rachel Bebb Robert Boyle Douglas Connell (resigned 31 March 2019) Yinnon Ezra Tracy Osborn (resigned 12 April 2019) Cllr Roy Perry Michael Southgate Peter Cardy (appointed 14 April 2019) Emma Back (appointed 14 April 2019) James Winkworth (appointed 14 April 2019)
Chief Executive	Dr Janet Owen (to 1 November 2018) Paul Sapwell (from 1 November 2018)
Auditors	Compass Accountants Limited Venture House, The Tanneries, Titchfield PO14 4AR
Principal Bankers	NatWest Bank 105 High Street, Winchester SO23 9AW
Solicitors	Paris Smith LLP 11 London Road, Southampton SO15 2AE Trethowans LLP The Pavillion, Botleigh Grange Business Park, Hedge End, Southampton SO30 2AF

Structure, governance and management

Constitution

Hampshire Cultural Trust was founded jointly by Hampshire County Council (“HCC”) and Winchester City Council (“WCC”) and is incorporated as a company limited by guarantee. The Trust is also registered with the Charities Commission.

The Trust is governed in accordance with its Memorandum and Articles of Association. The Articles of Association were last amended by a special resolution on 11 July 2014. Copies can be obtained from the Company Secretary at the Trust’s registered address.

The Trust operates 18 museums and galleries, three arts centres, and Wessex Dance Academy and Hampshire Wardrobe on behalf of HCC and WCC, and is responsible for managing and curating their museums’ collections.

The Trust has one wholly-owned trading subsidiary, Hampshire Cultural Trust Trading Limited (“the Trading Company”). The objective of the Trading Company is to generate income to support the charitable objectives of the Trust. It carries out commercial activities that complement the charitable objectives of the Trust. The Trading Company will pay an amount equal to its distributable reserves each year to the Trust under the Gift Aid scheme.

Appointment of Trustees

Members elected to serve on the Board of Trustees have a dual role as a Trustee of the charity and a Director of the company. There can be no fewer than three and no more than twelve Trustees. One Trustee is appointed by HCC and one Trustee is appointed by WCC. The remaining Trustees are appointed by the Board of Trustees and serve for an initial term of four years, and a maximum if reappointed of eight years. To ensure that the Board is sufficiently skilled to carry out its responsibilities, it carries out a skills analysis of existing members before new ones are appointed.

Management and decision making

The Board of Trustees is the strategic decision making body of the charity, and is responsible for setting the charity’s objectives and for ensuring they are achieved. Day to day management of the Trust and the Trading Company is delegated to the Chief Executive in accordance with the Trust’s Scheme of Delegation.

The Board meets generally six times per year on a bi-monthly basis to review strategy, operational plans and performance, and to endorse key management decisions. It is helped in its work by Trustee-led standing committees - the Finance, Investment and Audit Committee and the HR and Remuneration Committee.

Remuneration Policies

In examining and awarding executive pay, the Trust uses as benchmarks a variety of data sources including publicly advertised vacancies and disclosed information for similar positions within the sector and region. Recruitment to Executive Leadership Team positions is led by the Chief Executive in consultation with the

Hampshire Cultural Trust
Company number: 08986225

Chairman, in accordance with the Trust's Scheme of Delegation. The HR and Remuneration Committee oversees the development of employment related policies across the Trust.

All members of the Board of Trustees are volunteers and have no beneficial interest in the charity or group. Any Trustee expenses reclaimed from the charity are set out in the notes to the financial statements.

Auditors

So far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Trustees have taken all the steps necessary to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by



Alan Lovell

Chairman

Date: 2nd December 2019

**Statement of Trustees' responsibilities in relation to the financial statements for the year ended
31 March 2019**

The Board of Trustees (who are also Directors of the Hampshire Cultural Trust for the purposes of company law) is responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with the requirements of 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 (Charities SORP FRS102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

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

- Select suitable accounting policies and then apply them consistently
- Observe the method and principles of the Charities SORP
- Make judgements and estimates on a reasonable and prudent basis
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in operation

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 2006 and the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP). 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.



Alan Lovell

Chairman

Date: 2nd December 2019

Independent auditors' report to the Trustees of Hampshire Cultural Trust

Opinion

We have audited the financial statements of the Hampshire Cultural Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement, 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 parent charitable company's affairs as at 31 March 2019, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's or parent 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. 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 Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 Trustees' responsibilities statement set out on page 24 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group's and parent 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 group or the parent 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 and to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kerry Lawrance FCA
Senior Statutory Auditor
For and on behalf of Compass Accountants, Statutory Auditor

Venture House, The Tanneries
East Street, Titchfield
Hampshire
PO14 4AR

Date: 11 December 2019

Compass Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**Consolidated Statement of financial activities
(incorporating the income and expenditure account)**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Unrestricted Funds £	Restricted Funds £	Total 2018 £
Income from:							
Donations and grants	2	3,556,799	624,827	4,181,626	4,327,102	1,507,975	5,835,077
Legacies	3	-	-	-	1,000	-	1,000
Income from charitable activities	4	1,397,650	-	1,397,650	1,504,110	-	1,504,110
Income from other trading activities:							
Income of Trading Company	5	831,071	-	831,071	863,071	-	863,071
Investment income	6	11,550	-	11,550	12,402	-	12,402
Other income	7	309,473	-	309,473	101,683	-	101,683
Total income		<u>6,106,543</u>	<u>624,827</u>	<u>6,731,370</u>	<u>6,809,368</u>	<u>1,507,975</u>	<u>8,317,343</u>
Expenditure on:							
Costs of raising funds:							
Fundraising and publicity		147,824	-	147,824	57,241	-	57,241
Expenses of Trading Company	5	586,376	-	586,376	585,391	-	585,391
Expenditure on charitable activities	8	<u>5,220,107</u>	<u>572,026</u>	<u>5,792,133</u>	<u>5,771,150</u>	<u>1,425,640</u>	<u>7,196,790</u>
Total expenditure		<u>5,954,307</u>	<u>572,026</u>	<u>6,526,333</u>	<u>6,413,782</u>	<u>1,425,640</u>	<u>7,839,422</u>
Net income/(expenditure)		152,236	52,801	205,037	395,586	82,335	477,921
Transfer between funds		-	-	-	35,958	(35,958)	-
Net movement in funds		<u>152,236</u>	<u>52,801</u>	<u>205,037</u>	<u>431,544</u>	<u>46,377</u>	<u>477,921</u>
Reconciliation of funds:							
Total funds brought forward		<u>1,119,717</u>	<u>308,870</u>	<u>1,428,587</u>	<u>688,173</u>	<u>262,493</u>	<u>950,666</u>
Total funds carried forward		<u>1,271,953</u>	<u>361,671</u>	<u>1,633,624</u>	<u>1,119,717</u>	<u>308,870</u>	<u>1,428,587</u>

All recognised gains and losses are included in the statement of financial activities

All transactions are derived from continuing activities.

**Consolidated Balance Sheet
as at 31 March 2019**

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Intangible assets	11		2		2
Tangible assets	12		<u>27,077</u>		<u>69,187</u>
			27,079		69,189
Current assets					
Stocks	14	77,284		83,461	
Debtors	15	894,210		3,425,373	
Cash at bank and in hand		<u>1,521,540</u>		<u>1,415,387</u>	
		2,493,034		4,924,221	
Creditors: amounts falling due within one year					
	16	<u>(886,489)</u>		<u>(3,564,823)</u>	
Net current assets			<u>1,606,545</u>		<u>1,359,398</u>
Net assets			<u>1,633,624</u>		<u>1,428,587</u>
Funds					
Unrestricted income funds			1,009,319		720,358
Restricted income funds	18		361,671		308,870
Non Charitable Trading funds			<u>262,634</u>		<u>399,359</u>
Total funds			<u>1,633,624</u>		<u>1,428,587</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board on 11 September 2019 and signed on its behalf by



AC Lovell
On behalf of the Board of Trustees

Balance Sheet
as at 31 March 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Intangible assets	11		2		2
Tangible assets	12		11,219		46,105
Investments	13		1,000		1,000
			<u>12,221</u>		<u>47,107</u>
Current assets					
Stocks	14	2,463		-	
Debtors	15	794,235		3,381,126	
Cash at bank and in hand		1,445,905		1,403,318	
		<u>2,242,603</u>		<u>4,784,444</u>	
Creditors: amounts falling due within one year	16	(883,834)		(3,802,323)	
Net current assets			<u>1,358,769</u>		<u>982,121</u>
Net assets			<u><u>1,370,990</u></u>		<u><u>1,029,228</u></u>
Funds					
Unrestricted income funds			1,009,319		720,358
Restricted income funds	18		361,671		308,870
Total funds			<u><u>1,370,990</u></u>		<u><u>1,029,228</u></u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board on 11 September 2019 and signed on its behalf by

AC Lovell
On behalf of the Board of Trustees

**Consolidated Cash flow statement
for the year ended 31 March 2019**

	Notes	Group 2019 £	Group 2018 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities		117,704	403,698
Cash flows from investing activities			
Bank interest received		(11,551)	(12,402)
Purchase of fixed assets		-	(18,575)
Cash used in investing activities		<u>(11,551)</u>	<u>(30,977)</u>
Increase/(Decrease) in cash and cash equivalents in the year		<u>106,153</u>	<u>372,721</u>
Cash and cash equivalents at the beginning of the year		<u>1,415,387</u>	<u>1,042,666</u>
Total cash and cash equivalents at the end of the year		<u><u>1,521,540</u></u>	<u><u>1,415,387</u></u>
Reconciliation of Changes in Resources to Net Cashflow From Operating Activities			
Net income for the reporting period (as per the statement of financial activities)		205,037	477,921
Depreciation	12	42,111	46,747
Investment income and interest received		11,550	12,402
(Increase)/Decrease in stocks	14	6,177	2,779
(Increase)/Decrease in debtors	15	2,531,163	(2,829,100)
Increase/(Decrease) in creditors	16	(2,678,334)	2,692,949
Net cash provided by (used in) operating activities		<u><u>117,704</u></u>	<u><u>403,698</u></u>

Notes to financial statements for the year ended 31 March 2019

1. Accounting policies

1.1. Charity information

The Hampshire Cultural Trust is a private company limited by guarantee and incorporated in England and Wales. The registered office is Chilcomb House, Chilcomb Lane, Winchester, Hampshire, SO23 8RD.

The Hampshire Cultural Trust meets the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees Report.

1.2. Basis of preparation of financial statements

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Consolidated financial statements have been prepared in respect of the charitable company and its wholly owned subsidiary, Hampshire Cultural Trust Trading Limited. The Consolidated Statement of Financial Activities includes the results of Hampshire Cultural Trust Trading Limited as single line items. The consolidated balance sheet includes the net assets of Hampshire Cultural Trust Trading Limited on a line by line basis.

1.3. Income

All incoming resources are included in the statement of financial activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy and it is probable that the income will be received.

Voluntary income and donations are accounted for as receivable by the Trust. No permanent endowments have been received in the year.

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

There is deferred income of £67,835 which comprises of advanced box office workshops and tickets sales.

1.4. Grants receivable

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

Notes to financial statements
for the year ended 31 March 2019

1.5. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

1.6. Basis of allocation

Costs of generating funds comprise costs incurred in encouraging people and organisations to contribute financially to the charity's work.

Charitable expenditure includes expenditure associated with Public Programmes, Collection, Venues, Business Development, and Projects, and includes costs directly attributable to each activity.

1.7. Tangible fixed assets

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

Fixtures, fittings and equipment - 25% straight line

1.8. Restricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

1.9. Leased assets

Rentals applicable to operating leases are charged to the Statement of Financial Activities as incurred.

1.10. Financial Instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Trust's financial assets and liabilities consist of cash and cash equivalents, short term investments, trade debtors, trade creditors and accrued expenses. The fair value of these items approximates their carrying value due to their short term value. Unless otherwise noted, the Trust is not exposed to significant interest, foreign exchange or credit risks arising from these instruments.

**Notes to financial statements
for the year ended 31 March 2019**

Term deposits of less than one year are classified as investments within current assets.

Investments are revalued at the market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

1.11. Termination benefits

The Trust recognises a liability for termination benefits at the point where the group is committed to making the payments in return for employee redundancy.

2. Grants and donations

In accordance with the Management and Funding Agreements in place the Trust receives annual revenue grants from Hampshire County Council and Winchester City Council to support the delivery of an arts and museums service across Hampshire. During the year the following grants and donations were received:

	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Hampshire County Council	2,531,323	-	2,531,323	3,228,275
Winchester City Council	<u>337,095</u>	<u>50,000</u>	<u>387,095</u>	<u>389,550</u>
	<u>2,868,418</u>	<u>50,000</u>	<u>2,918,418</u>	<u>3,617,825</u>
Other Local Authority grants:				
Basingstoke & Deane Borough Council	187,348	-	187,348	208,162
Fareham Borough Council	-	-	-	64,530
Gosport Borough Council	60,000	-	60,000	60,000
Eastleigh Borough Council	48,136	-	48,136	51,337
Dorset County Council	50,064	-	50,064	50,064
Christchurch Borough Council	50,064	-	50,064	50,064
Rushmoor Borough Council	44,224	-	44,224	44,224
New Forest District Council	17,000	-	17,000	17,000
East Hampshire District Council	11,000	-	11,000	11,000
Alton Town Council	3,000	-	3,000	3,000
Bursledon Parish Council	<u>2,672</u>	<u>-</u>	<u>2,672</u>	<u>2,672</u>
	<u>473,508</u>	<u>-</u>	<u>473,508</u>	<u>562,053</u>
Other grants:				
Arts Council England	-	64,800	64,800	502,691
NLHF	-	127,515	127,515	249,939
Hampshire Futures	-	-	-	50,958
Hampshire County Council - Wessex Dance Academy	107,721	-	107,721	178,049
Brighton & Hove Borough Council	-	49,821	49,821	139,370
Paul Hamlyn Foundation	-	87,500	87,500	87,500
Winchester City Council – Publication Reserve	-	32,116	32,116	-
Portable Antiquities Scheme - British Museum	-	26,976	26,976	39,843
Artsworld Ltd	-	31,500	31,500	35,000
Lymington Museum Trust	-	7,112	7,112	27,680
Sussex Partnership NHS Foundation Trust	-	25,000	25,000	25,000
Police and Crime Commissioner	-	20,000	20,000	-

**Notes to financial statements
for the year ended 31 March 2019**

Armed Forces Covenant Fund	-	-	-	20,000
Hampshire County Council – Other Grants	13,000	9,774	22,774	14,143
Coles-Medlock Foundation	-	-	-	10,000
Hampshire & IOW CRC	-	5,000	5,000	8,000
Historic England	-	24,338	24,338	8,000
Step by Step Partnership Limited	-	-	-	6,939
Radian Group Limited	-	-	-	5,300
Other grants (less than £5,000)	-	21,374	21,374	37,063
	<u>120,721</u>	<u>532,826</u>	<u>653,547</u>	<u>1,445,475</u>
Total grants	<u>3,462,647</u>	<u>582,826</u>	<u>4,045,473</u>	<u>5,625,353</u>
Other donations:				
University of Winchester	-	10,000	10,000	20,000
Private donors	-	20,000	20,000	25,000
The Barker-Mill Foundation	-	5,000	5,000	-
Friends of the Red House	-	4,500	4,500	-
Paris Smith LLP	2,000	-	2,000	-
The Linbury Trust	-	-	-	25,000
The de Laszlo Foundation	-	-	-	10,000
Miscellaneous donations (below £5,000)	77,027	2,500	79,527	109,178
Ambassador Scheme	15,126	-	15,126	15,546
	<u>94,153</u>	<u>42,000</u>	<u>136,153</u>	<u>209,724</u>
Total donations	<u>94,153</u>	<u>42,000</u>	<u>136,153</u>	<u>209,724</u>
Total grants and donations	<u>3,556,799</u>	<u>624,827</u>	<u>4,181,626</u>	<u>5,835,077</u>

Of the £5,835,077 received in 2017-18, £4,327,102 related to unrestricted funds and £1,507,975 related to restricted funds.

**Notes to financial statements
for the year ended 31 March 2019**

3. Legacies

	Unrestricted funds £	2019 £	Unrestricted funds £	2018 £
Vilma Alice Brittain	-	-	1,000	1,000
	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>

4. Activities for generating funds

	Unrestricted funds £	2019 £	Unrestricted funds £	2018 £
Admissions	783,084	783,084	860,597	860,597
Membership fees	8	8	12,526	12,526
Courses & tuition fees	524	524	104	104
Tickets	207,874	207,874	234,074	234,074
Box office performances	307,160	307,160	280,485	280,485
Box office events	14,127	14,127	48,655	48,655
Booking fees	12,547	12,547	4,596	4,596
General lettings	72,326	72,326	63,073	63,073
	<u>1,397,650</u>	<u>1,397,650</u>	<u>1,504,110</u>	<u>1,504,110</u>
	<u>1,397,650</u>	<u>1,397,650</u>	<u>1,504,110</u>	<u>1,504,110</u>

5. Income and expenses from trading activities of subsidiaries

The charity has a wholly owned trading subsidiary which is incorporated in the United Kingdom. Hampshire Cultural Trust Limited operates the retail and catering activities of the Trust.

The company transfers its taxable profits to the Hampshire Cultural Trust by way of Gift Aid. A summary of its trading results for the period from 1 April 2018 to 31 March 2019 is shown below. Audited accounts have been filed with Registrar of Companies.

**Notes to financial statements
for the year ended 31 March 2019**

Profit and loss account	2019	2018
	£	£
Turnover	821,430	844,316
Cost of sales	(377,955)	(345,041)
Gross profit	443,475	499,275
Administrative expenses	(208,421)	(240,031)
	<u>235,054</u>	<u>259,244</u>
Other operating income (2017-18 includes a £105,500 grant from the Trust, eliminated on consolidation)	9,641	124,255
Net profit before tax	<u>244,695</u>	<u>383,499</u>
Tax on ordinary activities	-	(319)
Net profit after tax	244,695	383,180
Amount gifted to Hampshire Cultural Trust	(381,420)	(187,239)
Retained profit for the period	<u>(136,725)</u>	<u>195,941</u>
Retained profit brought forward	<u>399,359</u>	<u>203,418</u>
Retained profit carried forward	<u><u>262,634</u></u>	<u><u>399,359</u></u>
Balance sheet		
Assets	365,926	490,473
Liabilities	(102,292)	(90,114)
Net assets	<u>263,634</u>	<u>400,359</u>
Called up Ordinary Share Capital	1,000	1,000
Profit and loss account	<u>262,634</u>	<u>399,359</u>
Capital and reserves	<u><u>263,634</u></u>	<u><u>400,359</u></u>

Notes to financial statements
for the year ended 31 March 2019

6. Investment income

	Unrestricted funds £	2019 £	Unrestricted funds £	2018 £
Investment income	11,550	11,550	12,402	12,402
	<u>11,550</u>	<u>11,550</u>	<u>12,402</u>	<u>12,402</u>

7. Other income

	Unrestric ted Funds £	2019 £	Unrestric ted Funds £	2018 £
Collections Income	10,501	10,501	13,334	13,334
Hampshire Futures	37,832	37,832	-	-
Gift Aid	93,849	93,849	67,397	67,397
Other	<u>95,853</u>	<u>95,853</u>	<u>20,952</u>	<u>20,952</u>
	<u>309,473</u>	<u>309,473</u>	<u>101,683</u>	<u>101,683</u>

Hampshire Futures relates to one-off income for Basing House for previous years, Other income includes room hire and subletting as well as income from Museum Galleries and Exhibitions Tax Relief, a new government initiative to boost the sector.

8. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2019 Total £	Unrestricted funds £	Restricted funds £	2018 Total £
Public programmes	493,635	-	493,635	322,845	156,780	479,625
Collections	323,310	67,516	390,826	537,945	52,250	590,195
Venues	2,730,835	26,046	2,756,881	2,323,986	228,168	2,552,154
Business development	1,672,328	31,062	1,703,390	1,602,892	669,900	2,272,792
Projects	-	447,402	447,402	983,482	318,542	1,302,024
	<u>5,220,107</u>	<u>572,026</u>	<u>5,792,133</u>	<u>5,771,150</u>	<u>1,425,640</u>	<u>7,196,790</u>

In the above Business Development includes the costs of central functions such as marketing, finance, HR & IT as well as the senior management team and grant-funded Museums Development Programme. Projects includes the costs of the Trust's social impact programmes, major museum refurbishment and planning for future cultural investments.

**Notes to financial statements
for the year ended 31 March 2019**

9. Auditors' remuneration

	2019	2018
	£	£
Auditors' remuneration - audit of the financial statements	4,750	7,300
Auditors' remuneration - other fees:		
Preparation of accounts	-	4,000

10. Employees

	2019	2018
	£	£
Employment costs		
Wages and salaries	3,154,664	3,283,553
Redundancy payments	-	460,884
Social security costs	250,985	285,893
Pension costs	298,655	356,494
	<u>3,704,304</u>	<u>4,386,824</u>

Key management personnel

Employee benefits received by key management personnel totalled £440,064 for the year to 31 March 2019 (2018: £377,019).

The key management personnel in the year were the Chief Executive, Chief Operating Office (to October 2018), Director of Finance, Director for People, Director of Programmes (to September 2018) and Director of Marketing and Fundraising.

Higher paid employees

The number of employees who earned more than £60,000 during the year were as follows:

	2019	2018
£60,001 to £70,000	1	1
£70,001 to £80,000	2	2
£80,001 to £90,000	1	-
	<u>4</u>	<u>3</u>

The number of higher paid employees accruing pension benefit during the year was as follows:

	2019	2018
Defined benefits scheme	1	2

The total contributions paid by the charity into the defined benefits scheme for higher paid employees was £7,836 (2018: £22,502).

**Notes to financial statements
for the year ended 31 March 2019**

Number of employees

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

	2019	2018
Cost of generating funds	2	2
Charitable expenditure	189	212
	<u>191</u>	<u>214</u>

No Trustees received remuneration during the period. Two Trustees were reimbursed £180 (2018: one Trustee £309) for travelling expenses.

11. Intangible fixed assets

	Intellectual property £	Total £
Cost		
At 1 April 2018 and At 31 March 2019	<u>2</u>	<u>2</u>
Net book values		
At 31 March 2019	<u>2</u>	<u>2</u>
At 31 March 2018	<u>2</u>	<u>2</u>

Notes to financial statements
for the year ended 31 March 2019

12. Tangible fixed assets

<u>Group</u>	Plant and Machinery £	Computer Equipment £	Fixtures & Fittings £	Total £
Cost				
At 1 April 2018	4,300	17,583	170,886	192,769
Additions	-	-	-	-
At 31 March 2019	<u>4,300</u>	<u>17,583</u>	<u>170,886</u>	<u>192,769</u>
Depreciation				
At 1 April 2018	3,225	17,565	102,792	123,582
Charge for the year	1,075	18	41,018	42,111
At 31 March 2019	<u>4,300</u>	<u>17,583</u>	<u>143,809</u>	<u>165,892</u>
Net book values				
At 31 March 2019	<u>-</u>	<u>-</u>	<u>27,077</u>	<u>27,077</u>
At 31 March 2018	<u>1,075</u>	<u>18</u>	<u>68,094</u>	<u>69,187</u>
 Trust				
			Fixtures & Fittings £	Total £
Cost				
At 1 April 2018			139,549	139,549
Additions			-	-
At 31 March 2019			<u>139,549</u>	<u>139,549</u>
Depreciation				
At 1 April 2018			93,444	93,444
Charge for the year			34,886	34,886
At 31 March 2019			<u>128,330</u>	<u>128,330</u>
Net book values				
At 31 March 2019			<u>11,219</u>	<u>11,219</u>
At 31 March 2018			<u>46,105</u>	<u>46,105</u>

Notes to financial statements
for the year ended 31 March 2019

13. Fixed asset investments

<u>Charity</u>	Unlisted £	Total £
Market value or cost at 1 April 2018 and 31 March 2019	1,000	1,000
Historic cost at 1 April 2018 and 31 March 2019	1,000	1,000

Unlisted investments represents 100% of the issued share capital of Hampshire Cultural Trust Trading Limited, a company registered in England and Wales. The company registration number for Hampshire Cultural Trust Trading Limited is 09257219.

14. Stocks

	2019		2018	
	Charity £	Group £	Charity £	Group £
The amounts attributable to the different categories are as follows:				
Goods for resale	2,463	77,284	-	83,461
	<u>2,463</u>	<u>77,284</u>	<u>-</u>	<u>83,461</u>

15. Debtors

	2019		2018	
	Charity £	Group £	Charity £	Group £
Amounts due within 1 year:				
Trade debtors	482,277	507,800	652,561	691,353
Accrued income	102,203	102,203	109,581	109,581
Other debtors and prepayments	209,755	284,207	2,618,984	2,624,439
	<u>794,235</u>	<u>894,210</u>	<u>3,381,126</u>	<u>3,425,373</u>

16. Creditors: amounts falling due within one year

	2019		2018	
	Charity £	Group £	Charity £	Group £
Trade creditors	216,781	251,542	243,009	283,899
Other taxes and social security	66,596	70,982	121,524	143,917
Other creditors and accruals	366,511	491,433	3,054,844	3,049,279
Deferred income	67,835	72,532	82,163	82,163
Intercompany account	166,111	-	309,348	-
	<u>883,834</u>	<u>886,489</u>	<u>3,802,323</u>	<u>3,564,823</u>

**Notes to financial statements
for the year ended 31 March 2019**

In March 2018 an invoice was raised to Hampshire County Council for the 2018-19 grant funding of £2,565,688. This has been deferred and is included within other debtors and other creditors in the above notes for 2017-18. The grant funding was during 2018-19.

17. Analysis of net assets between funds

Group

Fund balances at 31 March 2019 represented by:

	<u>Unrestricted</u> <u>funds</u> <u>£</u>	<u>Restricted</u> <u>funds</u> <u>£</u>	<u>2019</u> <u>Total Funds</u> <u>£</u>	<u>2018</u> <u>Total Funds</u> <u>£</u>
Intangible fixed assets	2	-	2	2
Tangible fixed assets	27,077	-	27,077	69,189
Current assets	2,131,953	361,671	2,393,035	4,924,221
Current liabilities	<u>(886,490)</u>	-	<u>(886,490)</u>	<u>(3,564,823)</u>
	<u>1,271,953</u>	<u>361,671</u>	<u>1,633,624</u>	<u>1,428,587</u>

Of 31 March 2018 total funds balance, £308,870 represented restricted amounts within current assets balance and the rest were unrestricted funds totaling £1,119,717 at year end.

Charity

Fund balances at 31 March 2019 represented by:

	<u>Unrestricted</u> <u>funds</u> <u>£</u>	<u>Restricted</u> <u>funds</u> <u>£</u>	<u>2019</u> <u>Total Funds</u> <u>£</u>	<u>2018</u> <u>Total Funds</u> <u>£</u>
Intangible fixed assets	2	-	2	2
Tangible fixed assets	11,219	-	11,219	46,105
Investment assets	1,000	-	1,000	1,000
Current assets	1,880,932	361,671	2,242,603	4,784,444
Current liabilities	<u>(883,834)</u>	-	<u>(883,834)</u>	<u>(3,802,323)</u>
	<u>1,009,319</u>	<u>361,671</u>	<u>1,370,990</u>	<u>1,029,228</u>

Of 31 March 2018 total funds balance, £308,870 represented restricted amounts within current assets balance and the rest were unrestricted funds totaling £720,358 at year end.

**Notes to financial statements
for the year ended 31 March 2019**

18. Restricted funds

	1 April 2018	Incoming	Outgoing	Transfers	31 March 2019
	£	£	£	£	£
Childhood Legacy Collection	90,000	-	-	-	90,000
WDC Lighting Grant	22,782	-	-	-	22,782
NLHF	19,968	10,000	29,968	-	-
Paul Hamlyn Foundation	63,573	87,500	81,948	-	69,125
Portable Antiquities Scheme	5,660	26,976	32,636	-	-
Test Valley Borough Council	5,000	-	-	-	5,000
University of Southampton	4,410	-	-	-	4,410
Arts Council England - DFE	20,049	64,800	59,134	-	25,715
NLHF	11,288	13,360	24,648	-	-
NHS Sussex Partners	15,000	25,000	21,414	-	18,586
Artswork	-	31,500	31,500	-	-
The Barker-Mill Foundation	-	5,000	5,000	-	-
Private donor	-	5,000	5,000	-	-
Ministry of Defence	10,000	-	10,000	-	-
De Lazlo Foundation - Wessex Dance	10,000	-	8,095	-	1,905
Historic England - inc WCC Publication reserve	1,964	56,454	31,279	-	27,139
Private donor	7,500	15,000	5,080	-	17,420
Radian Group Ltd	4,175	-	4,175	-	-
Hampshire Futures	2,500	-	9,000	-	-6,500
NLHF, Young Roots - Gosport Grant	15,000	14,400	29,400	-	-
Lymington Museum Trust	-	7,112	7,112	-	-
Brighton and Hove Borough Council	-	49,821	49,821	-	-
NLHF - Still Curious	-	25,000	1,994	-	23,006
Colten Care	-	2,500	2,500	-	-
Friends of the Red House Museum	-	4,500	4,500	-	-
NLHF - Catalyst Q1 Final Payment	-	18,955	18,955	-	-
NLHF - Asking Andover	-	10,000	2,000	-	8,000
NLHF - Impact	-	35,800	-	-	35,800
Winchester City Council - Cost of change	-	50,000	50,000	-	-
Police and Crime Commissioner	-	20,000	10,165	-	9,835
Hampshire and IOW CRC	-	5,000	5,000	-	-
HCC - Waste Prevention Community Grant Fund	-	4,884	2,981	-	1,903
HCC Living Through D Day	-	4,890	-	-	4,890
University of Winchester	-	10,000	10,000	-	-
Other Grant (below £5,000)	1	21,375	18,721	-	2,654
Total Funding	308,871	624,827	572,026	-	361,671

The Childhood Legacy Collection represents a bequest from the late Mr. William Simpson for the maintenance and upkeep of the childhood collection at Milestones Museum.

Heritage Lottery Fund, £10,000 represents the final Payment for Westbury Manor Refurbishment project

The grant from the Paul Hamlyn Foundations, £87,500 relates to a 4 year grant received as part of the Education and Learning through the Arts Fund supporting the Horizon 20:20 project.

Notes to financial statements
for the year ended 31 March 2019

The Portable Antiquities Scheme, £26,976 relates to a grant received from the British Museum. It is a scheme for the recording of archaeological objects found by members of the public. The Scheme was established to promote the recording of chance finds and broaden public awareness of the importance of such objects for understanding our past.

Arts Council England funding, £64,800 was provided to support the Department for Education reaching out programme. 2018-19 is year 3 of a 4 year funding.

Heritage Lottery Fund, £13,360 has funded project Block2Block, a young people project in new Milton.

NHS Sussex Partners, £25,000 is a grant for *The ice Project*, a project in partnership with Hampshire CAMHS working with young people who have mental health issues.

Artwork, £31,500 year 2 grant of *The ICE Project*, a project in partnership with Hampshire CAMHS working with young people who have mental health issues.

Donation to *The ICE Project* from The Barker-Mill Foundation £5,000, a project in partnership with Hampshire CAMHS working with young people who have mental health issues.

Historic England – including WCC Publication reserve £56,454 supports the Winchester Archaeological Publications. The Publication reserve held by Winchester City Council was passed to HCT in 2018-19, £32,000

A private donation, £15,000 was received as support for Wessex Dance Academy Projects and also supporting year 2 of *The ICE project*.

Hampshire Futures, £12,500 was from Hampshire County Council Adult learning programme 'Brighter Futures'

Heritage Lottery Fund, Young Roots - Gosport Grant £14,400 funded Young Roots programme working with young people in Gosport.

Lymington Museum Trust £7,112 part year funding to support St Barbe Museum and Gallery. This funding has now ceased.

Brighton and Hove Borough Council £49,821 a grant to run Museum Development for the South East region awarded by the Arts Council England to the South East Museums Development Consortia through the Royal Pavilion and Museums,.

NLHF - Still Curious £25,000 year 2 of a project aimed at increasing access to the Red House museum and local heritage for people with dementia and their carers.

NLHF - Catalyst £18,955 final Payment towards the Catalyst project.

NLHF - Asking Andover £10,000 grant to support 'Asking Andover' the project will provide an opportunity for residents to share and celebrate the rich and diverse personal histories of the people of Andover.

NLHF – Impact, £35,800 grant to support 'Culture: Impact' the project will embed best practice in impact measurement, community engagement and fundraising across Hampshire Cultural Trust's community activities.

Winchester City Council, £50,000 grant to support the trusts cost of change with regards to restructure.

**Notes to financial statements
for the year ended 31 March 2019**

Police and Crime Commissioner £20,000 grant to support *Creating Change* which is an arts-led programme which uses drama and theatre to support women on probation.

Hampshire and IOW CRC £5,000 grant from CRC (Probation Service) support the *Creating Change* programme, which is an arts-led programme which uses drama and theatre to support women on probation.

Winchester University £10,000 being the University of Winchester's contribution to the Winchester Royal City Project.

	1 April 2017	Incoming	Outgoing	Transfers	31 March 2018
	£	£	£	£	£
Childhood Legacy Collection	90,000	-	-	-	90,000
Hampshire County Council re Wolfson Trust	22,782	-	-	-	22,782
Hampshire County Council	3,920	-	3,920	-	-
Southampton City Council	3,920	-	3,920	-	-
Basingstoke and Deane Borough Council	3,920	-	3,920	-	-
Brighton & Hove Borough Council	-	139,370	139,370	-	-
Heritage Lottery Fund	51,600	244,939	259,622	-	36,917
Heritage Lottery Fund - Young Roots, Gosport	-	-	-	15,000	15,000
Arts Council England	2,545	502,691	485,187	-	20,049
Paul Hamlyn Foundation	52,085	87,500	76,012	-	63,573
MOD Better Chances	4,500	-	4,500	-	-
Youth Better Life Chances	6,000	-	6,000	-	-
Portable Antiquities Scheme	5,660	39,843	45,503	-	-
Hampshire County Council	-	183,049	183,049	-	-
De Lazlo - Wessex Dance Academy	-	10,000	-	-	10,000
David Collinson donation	-	7,500	-	-	7,500
Hampshire Learning grant	-	50,958	-	(50,958)	-
Artswork	-	35,000	35,000	-	-
NHS Sussex Partners	-	25,000	10,000	-	15,000
Coles-Medlock Foundation	-	10,000	10,000	-	-
Lymington Museum Trust	-	27,680	27,680	-	-
Jane Austen Sculpture	-	25,000	25,000	-	-
Ministry of Defence – 100 Thank Yous	-	20,000	10,000	-	10,000
University of Winchester	-	20,000	20,000	-	-
Hampshire Adult Services	-	14,143	14,143	-	-
Hampshire & Isle of Wight CRC	-	8,000	8,000	-	-
Historic England publication project	-	8,000	6,036	-	1,964
Step by Step Partnership Limited	-	6,939	6,939	-	-
Radian Group Limited	-	5,300	1,125	-	4,175
Other grants (below £5,000)	15,561	37,063	40,714	-	11,910
	<u>262,493</u>	<u>1,507,975</u>	<u>1,425,640</u>	<u>(35,958)</u>	<u>308,870</u>

Notes to financial statements
for the year ended 31 March 2019

19. Commitments and contingent liabilities

Neither the Trust nor group had any capital commitments or contingent liabilities at 31 March 2019.

20. Other related party transactions

Grant funding received from Hampshire County Council and Winchester City Council is detailed in note 2 to the accounts.

21. Taxation

All of the Trust's income is applied for charitable purposes and is therefore exempt from corporation tax. The Trust's trading subsidiary had a corporation tax liability of £Nil as at 31 March 2019.

22. Ultimate controlling party

The ultimate controlling party is the Board of Trustees.

