

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
GORDON RUSSELL TRUST**

Registered Charity Number 326446

Nicholas Cliffe & Co Limited
Chartered Accountants
Mill House
Mill Court
Great Shelford
CB22 5LD

**GORDON RUSSELL TRUST
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FOR THE YEAR ENDED 31 DECEMBER 2018**

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**GORDON RUSSELL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2018**

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number	326446
Principal address	15 Russell Square High Street Broadway Worcestershire WR12 7AP
Trustees	Jonathan Russell (Chairman) Anthony Gleave (Treasurer) Helen Brown Gabrielle Falkiner Sean Feeney (Education) Christopher Peter Hotten (Friends) Richard Paice David Russell Christopher Smith Laurie Wolder
Patrons	Anne Albright Sir Terence Conran James Riblat The Rt Hon Philip Smith
Founder Trustees appointed October 1983	Mrs K Bayes Mr T Chinn Mr R H Leigh
Examining Accountants	Nicholas Cliffe & Co Limited Chartered Accountants Mill House Mill Court Great Shelford CB22 5LD

STRUCTURE, GOVENANCE AND MANAGEMENT

The Gordon Russell Trust was established under a Trust deed dated 17th October 1983 and supplemented Trust Deed dated 10th July 1984. The Trust is an educational charity and is a totally independent body. The Trust operates in accordance with the Declaration of Trust adopted in 1983. The Charity is managed by a body of trustees to whom the Executive Committee report.

ACHIEVEMENTS AND PERFORMANCE

Promotions and Marketing

2018 was the 10th year of the museum's operation, and our most successful to date. The priority was to set down a financial plan to return the museum to profit. The strategy of streamlining the museum's processes, improving efficiency and focusing on marketing and retail saw visitor numbers increase by 105% and shop sales by 94% compared with the previous year. In addition we became more cost efficient and continue to drive down our operating expenditure.

**GORDON RUSSELL TRUST
REPORT OF THE TRUSTEES (cont.)
FOR THE YEAR ENDED 31 DECEMBER 2018**

A key element of the marketing strategy was refreshing the museum's branding, taking inspiration from the collection and archive to promote the museum's rich heritage whilst creating a contemporary feel befitting a design museum.

We invested in the future growth of the museum by increasing the size of the shop space and improving product selection, offering high quality British-made craft and design at a range of price points under the new shop identity, Plane and Saw. We introduced a new cloud based point of sale terminal and later in the year connected it up with new accounting software to make administration efficient and importantly to be able to collect data on costs, sales and admissions.

We joined the Art Fund as a Marketing Partner, offering half price entry to Art Fund members, and also ran a 2for1 ticket offer to passengers on the newly re-opened Gloucestershire Warwickshire Steam Railway. Alongside print and ticket promotions we focused on building our social media presence and creating opportunities for engagement. The museum also featured on the BBC's Antiques Road Trip and we received press coverage in a range of titles including Cotswold Life, Homes and Antiques, Period Living, Worcestershire Now, and Furniture and Cabinetmaking Magazine.

The museum displays were refreshed for the start of the season and in the summer we accepted the donation of a Bredon sideboard designed by Trevor Chinn in 1975, which addressed a gap in the collection, enabling us to animate the later years of the Gordon Russell story. We continued to work on documenting the archive and hope to establish this online at a later stage.

Our support for new design talent continued in 2018, with design prizes awarded to students at Leamington College and Peter Sefton Furniture School and we welcomed students from a number of secondary schools, colleges and universities throughout the year.

We participated in national initiatives including Museum Shop Sunday and Heritage Open Days and held an exhibition of watercolour paintings by Ray Leigh. In the autumn we collaborated with Lyon and Turnbull in London on an exhibition of Gordon Russell's early work, providing an opportunity to promote the museum's collection and bring together furniture, glassware and metalwork to explore the breadth of Russell's output.

We introduced new opportunities for volunteer training and recruitment and in 2018 were awarded a Certificate of Excellence by TripAdvisor for the second year running, highlighting the valuable contribution that our team of volunteers make in ensuring a high quality visitor experience.

Future plans

We are establishing a 5 year plan which will map the road to Accreditation. We will continue to develop the new branding to optimise income and establish the Museum as a must-visit destination.

FINANCIAL REVIEW

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**GORDON RUSSELL TRUST
REPORT OF THE TRUSTEES (cont.)
FOR THE YEAR ENDED 31 DECEMBER 2018**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the board of trustees on and signed on its behalf by:

.....

.....

**GORDON RUSSELL TRUST
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2018**

I report on the accounts for the year ended 31 December 2018 set out on pages 5 to 11.

Respective responsibilities of the trustee and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequentially no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material aspect, the requirements
 - to keep accounting records in accordance with Section 130 of the Act 2011; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act.have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Andrew Nicholas Cliffe
Nicholas Cliffe & Co. Limited
Mill House
Mill Court
Great Shelford
Cambridge
CB22 5LD

Date: 6 February 2020

**GORDON RUSSELL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	Total Funds 2018 (£)	Total Funds 2017 (£)
INCOMING RESOURCES			
Donations, legacies and charitable activities	2	63,949	57,336
Investments		-	433
Total incoming resources		63,949	57,769
RESOURCES EXPENDED			
Costs of generating funds		-	1,115
Costs of charitable activities	4	32,382	13,613
Other resources expended	4	53,271	59,789
Total resources expended		85,653	74,517
Net (deficit) for the year		(21,704)	(16,748)
Net movement in funds for the year		(21,704)	(16,748)
Total funds brought forward		406,410	423,158
TOTAL FUNDS CARRIED FORWARD		384,706	406,410

The notes on pages 7 to 11 form part of these financial statements

**GORDON RUSSELL TRUST
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 (£)	2017 (£)
FIXED ASSETS			
Tangible assets	6	312,001	312,079
		<u>312,001</u>	<u>312,079</u>
CURRENT ASSETS			
Stocks	7	44,045	39,924
Cash at bank and in hand		29,860	55,142
		<u>73,905</u>	<u>95,066</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	8	(1,200)	(735)
Net current assets		72,705	94,331
Total assets less current liabilities		<u>384,706</u>	<u>406,410</u>
Total net assets		<u>384,06</u>	<u>406,410</u>
Represented by:			
Restricted funds		-	-
Unrestricted funds:			
General funds		<u>384,706</u>	<u>406,410</u>
		384,706	406,410
Reserves:			
Total funds		<u>384,706</u>	<u>406,410</u>

The financial statements were approved by the trustees on and signed on their behalf by:

.....

The notes on pages 7 to 11 form part of these financial statements

**GORDON RUSSELL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. ACCOUNTING POLICIES

Basis of preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Debtors

Trade and other debtors are recognised at the net settlement value. Prepayments are valued at the net prepaid amount.

Creditors

Creditors and provisions are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their net settlement value.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity.

2. INCOMING RESOURCES

	Total 2018 £	Total 2017 £
Donations	46,774	18,976
Grants received	2,475	733
Corporate sponsorship / patronage	9,917	5,500
Friends' donations and membership	3,531	3,308
Gift aid	1,252	2,086
	63,949	30,603

All incoming resources in the years ended 31 December 2018 and 31 December 2017 were unrestricted.

GORDON RUSSELL TRUST
NOTES TO THE FINANCIAL STATEMENTS (cont.)
FOR THE YEAR ENDED 31 DECEMBER 2018

3. INCOME FROM INVESTMENTS

	Total 2018 £	Total 2017 £
Interest received	-	433
	<u>-</u>	<u>433</u>

4. RESOURCES EXPENDED

Costs of charitable activities	Total 2018 £	Total 2017 £
Advertising and sales	6,716	1,217
Conservation		417
Museum awards, grants and donations	1,250	500
Opening stock for resale	39,924	37,554
Purchases for resale	18,984	8,510
Book printing costs	6,205	2,070
Closing stock for resale	(44,045)	(39,924)
Governance costs		
Independent examiner's fee and accountancy	2,861	1,440
Meeting costs	1,087	1,829
	<u>32,982</u>	<u>13,613</u>

Other resources expended

	Total 2018 £	Total 2017 £
Employee costs	30,997	30,771
Motor and travel costs	595	531
Premises costs	8,575	14,802
Depreciation, impairment, profit/loss on disposal of fixed assets	6,139	1,635
General administrative costs	6,718	12,042
Legal and professional costs	247	8
	<u>53,271</u>	<u>59,789</u>

5. STAFF COSTS

	Total 2018 £	Total 2017 £
Salaries and wages	30,593	29,852
Pension costs	293	185
Training	111	734
	<u>30,997</u>	<u>30,771</u>

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

GORDON RUSSELL TRUST
NOTES TO THE FINANCIAL STATEMENTS (cont.)
FOR THE YEAR ENDED 31 DECEMBER 2018

6. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Archive collection	Fixtures, fittings and equipment	Total
	£	£	£	£	£
Cost or revaluation					
At 1 January 2018	229,081	222,170	302,571	12,374	766,196
Additions	-	-	-	6,061	6,061
At 31 December 2018	<u>229,081</u>	<u>222,170</u>	<u>302,571</u>	<u>18,435</u>	<u>772,257</u>
Depreciation and impairment					
At 1 January 2018	229,081	222,170	-	2,866	454,117
Depreciation charge for the year				6,139	6,139
At 31 December 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,005</u>	<u>460,256</u>
Net book values					
At 31 December 2018	<u>-</u>	<u>-</u>	<u>302,571</u>	<u>9,430</u>	<u>312,001</u>
At 31 December 2017	<u>-</u>	<u>-</u>	<u>302,571</u>	<u>9,508</u>	<u>312,079</u>

7. STOCKS

	2018 £	2017 £
Stock held for resale	44,045	39,924
	<u>44,045</u>	<u>39,924</u>

8. CREDITORS

	2018 £	2017 £
Amounts falling due within one year		
Accruals and deferred income	1,200	735
	<u>1,200</u>	<u>735</u>

GORDON RUSSELL TRUST
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Total funds 2018 £	Total funds 2017 £
Income:		
Donations, admissions, shop sales	46,774	45,709
Grants received	2,475	733
Corporate sponsorship/patronage	9,917	5,500
Friends donations and membership	3,531	3,308
Gift aid	1,252	2,086
	<u>63,949</u>	<u>57,336</u>
Investments	-	433
Total income	63,949	57,769
Expenditure on:		
Costs of generating donations and legacies	-	1,115
	<u>-</u>	<u>1,115</u>
Total expenditure on raising funds		
Charitable activities		
Advertising and sales	6,716	1,217
Conservation	-	417
Museum awards, grants and donations	1,250	500
Opening stock for resale	39,924	37,554
Purchases for resale	18,984	8,510
Book printing costs	6,205	2,070
Closing stock for resale	(44,045)	(39,924)
	<u>29,034</u>	<u>10,344</u>
Governance costs		
Independent examiner's fee and accountancy	2,261	1,440
Meeting costs	1,087	1,829
	<u>3,348</u>	<u>3,269</u>
Total expenditure on charitable activities	32,382	13,613

GORDON RUSSELL TRUST
DETAILED STATEMENT OF FINANCIAL ACTIVITIES (cont.)
FOR THE YEAR ENDED 31 DECEMBER 2018

	Total funds	Total funds
	2018	2017
	£	£
Employee costs		
Salaries and wages	30,593	29,852
Pension costs	293	185
Training	111	734
	<u>30,997</u>	<u>30,771</u>
Motor and travel costs	595	531
Premises costs	8,575	14,802
Administrative costs, including depreciation	12,257	13,677
Legal and professional costs	247	8
	<u>53,271</u>	<u>59,789</u>
Total expenditure of other costs	53,271	59,789
Total expenditure	85,653	74,517
Net gains on investments	-	-
Net expenditure	(21,704)	(16,748)
	<u>(21,704)</u>	<u>(16,748)</u>
Net expenditure before other gains/(losses)	-	-
Other gains	-	-
Net movement in funds	<u>(21,704)</u>	<u>(16,748)</u>