

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
FOR
GORDON RUSSELL TRUST**

Registered Charity Number 326446

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

**GORDON RUSSELL TRUST
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Report of the Trustees	1-3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7-11

**GORDON RUSSELL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2019**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2019.

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 Cambridge 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.

**GORDON RUSSELL TRUST
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019**

ACHIEVEMENTS AND PERFORMANCE

2019 has been one of our most successful years to date, with shop sales and admissions at record levels. This together with significant changes to reduce costs has enabled our P&L statement to remain neutral - our target for the year end.

After establishing the 5-year plan towards the end of 2018, 2019 was the first year of execution. We have kept to schedule and have been able to complete improvements and changes across a wide range of themes, such as:

- Visitors - improving training and targeting for group visits;
- Friends - developing a 1-year forward plan of events, including regular newsletters;
- Education - review of online material and establishing a database of schools/colleges (within GDPR legislation), continued support for design talent through our school and college design prizes;
- Projects - Oral histories - A day of recording to capture GR past masters that will animate our archives and collection further;
- Governance - SWOT analysis, finalising the POS system and integration with online accounts;
- Financial - recognition online and in-Museum for corporate sponsors, changes to significantly reduce running costs, including renegotiating contracts;
- Marketing - established shop branding, extending marketing into Social Media campaigns, developed press database of contacts;
- Operations - Volunteer recruitment, training and retention, Health, Safety, Security and GDPR changes for safe, secure and compliant operations.

Our revenue focus throughout 2019 has been on organic growth and sustainable revenue through trading activities (admissions and shop sales) rather than increased donations. Our target was to build on the gains made in 2018 and finish the year without trading losses.

We averaged 439 visitors and almost £2,500 of shop sales per month, with a spend per head of £5.66. In 2019 we first saw shop sales outperform admissions, a trend we will look to exploit further throughout 2020 as the shop continues to be our most important channel for revenue generation.

The Plane and Saw brand continued to be developed, as did our range of high quality British made craft and design shop at varying price points. The cloud-based POS system continues to be extremely useful in simpler daily operation with fewer mistakes, with extensive management information and with automatic integration with the online accounts system.

The Friends network run by Christopher Hotten continues to grow from strength to strength. A record number of guests attended the talks in 2019, Luke Hughes' talk in February having over 90 guests.

We continued to participate in national initiatives such as Museum Shop Sunday and Heritage open days and with the increased sales and visitor data we are able to make deliberate financial decisions on where we expend effort.

Future plans

The 5-year plan will continue into year two in 2020 and will continue to be central to our trustee meetings, helping shape financial security, improved visitor experience, improved governance and many more aspects of our Museum.

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 2019**

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 require 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 2019**

I report on the accounts for the year ended 31 December 2019 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: 30 October 2020

**GORDON RUSSELL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	Total Funds 2019 (£)	Total Funds 2018 (£)
INCOMING RESOURCES			
Donations, legacies and charitable activities	2	78,697	63,949
Investments		-	-
Total incoming resources		<u>78,697</u>	<u>63,949</u>
RESOURCES EXPENDED			
Costs of generating funds		-	-
Costs of charitable activities	4	25,605	32,382
Other resources expended	4	67,876	53,271
Total resources expended		<u>93,481</u>	<u>85,653</u>
Net (deficit) for the year		(14,784)	(21,704)
Net movement in funds for the year		<u>(14,784)</u>	<u>(21,704)</u>
Total funds brought forward		384,706	406,410
TOTAL FUNDS CARRIED FORWARD		<u>369,922</u>	<u>384,706</u>

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

**GORDON RUSSELL TRUST
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 (£)	2018 (£)
FIXED ASSETS			
Tangible assets	6	305,857	312,001
		<u>305,857</u>	<u>312,001</u>
CURRENT ASSETS			
Debtors		1,313	-
Stocks	7	42,126	44,045
Cash at bank and in hand		25,038	29,860
		<u>68,477</u>	<u>73,905</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	8	<u>(4,412)</u>	<u>(1,200)</u>
Net current assets		64,065	72,705
Total assets less current liabilities		<u>369,922</u>	<u>384,706</u>
Total net assets		<u><u>369,922</u></u>	<u><u>384,706</u></u>
Represented by:			
Restricted funds		-	-
Unrestricted funds:			
General funds		<u>369,922</u>	<u>384,706</u>
		369,922	384,706
Reserves:			
Total funds		<u><u>369,922</u></u>	<u><u>384,706</u></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 2019**

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 2019 £	Total 2018 £
Donations	65,256	46,774
Grants received	-	2,475
Corporate sponsorship / patronage	8,544	9,917
Friends' donations and membership	3,615	3,531
Gift aid	1,282	1,252
	78,697	63,949

All incoming resources in the years ended 31 December 2019 and 31 December 2018 were unrestricted.

GORDON RUSSELL TRUST
NOTES TO THE FINANCIAL STATEMENTS (cont.)
FOR THE YEAR ENDED 31 DECEMBER 2019

3. INCOME FROM INVESTMENTS

	Total 2019 £	Total 2018 £
Interest received	-	-
	<u>-</u>	<u>-</u>

4. RESOURCES EXPENDED

Costs of charitable activities	Total 2019 £	Total 2018 £
Advertising and sales	3,854	6,716
Conservation	530	-
Museum awards, grants and donations	-	1,250
Opening stock for resale	44,045	39,924
Purchases for resale	16,457	18,984
Book printing costs	-	6,205
Closing stock for resale	(42,126)	(44,045)
Governance costs		
Independent examiner's fee and accountancy	1,911	2,861
Meeting costs	934	1,087
	<u>25,605</u>	<u>32,982</u>

Other resources expended

	Total 2019 £	Total 2018 £
Employee costs	36,616	30,997
Motor and travel costs	-	595
Premises costs	9,151	8,575
Depreciation, impairment, profit/loss on disposal of fixed assets	6,144	6,139
General administrative costs	14,665	6,718
Legal and professional costs	1,300	247
	<u>67,876</u>	<u>53,271</u>

5. STAFF COSTS

	Total 2019 £	Total 2018 £
Salaries and wages	35,352	30,593
Pension costs	621	293
Training	643	111
	<u>36,616</u>	<u>30,997</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 2019

6. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Archive collection	Fixtures, fittings and equipment	Total
	£	£	£	£	£
Cost or revaluation					
At 1 January 2019	229,081	222,170	302,571	18,435	772,257
Additions	-	-	-	-	-
At 31 December 2019	<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 2019	229,081	222,170	-	9,005	460,256
Depreciation charge for the year				6,144	6,144
At 31 December 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,149</u>	<u>466,400</u>
Net book values					
At 31 December 2019	<u>-</u>	<u>-</u>	<u>302,571</u>	<u>3,286</u>	<u>305,857</u>
At 31 December 2018	<u>-</u>	<u>-</u>	<u>302,571</u>	<u>9,430</u>	<u>312,001</u>

7. STOCKS

	2019 £	2018 £
Stock held for resale	42,126	44,045
	<u>42,126</u>	<u>44,045</u>

8. CREDITORS

	2019 £	2018 £
Amounts falling due within one year		
Accruals and deferred income	4,412	1,200
	<u>4,412</u>	<u>1,200</u>

GORDON RUSSELL TRUST
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019

	Total funds 2019 £	Total funds 2018 £
Income:		
Donations, admissions, shop sales	65,256	46,774
Grants received	-	2,475
Corporate sponsorship/patronage	8,544	9,917
Friends donations and membership	3,615	3,531
Gift aid	1,282	1,252
	<u>78,697</u>	<u>63,949</u>
Investments	-	-
Total income	78,697	63,949
Expenditure on:		
Costs of generating donations and legacies	-	-
	<u>-</u>	<u>-</u>
Total expenditure on raising funds		
Charitable activities		
Advertising and sales	3,854	6,716
Conservation	530	-
Museum awards, grants and donations	-	1,250
Opening stock for resale	44,045	39,924
Purchases for resale	16,457	18,984
Book printing costs	-	6,205
Closing stock for resale	(42,126)	(44,045)
	<u>22,760</u>	<u>29,034</u>
Governance costs		
Independent examiner's fee and accountancy	1,911	2,261
Meeting costs	934	1,087
	<u>2,845</u>	<u>3,348</u>
Total expenditure on charitable activities	25,605	32,382

GORDON RUSSELL TRUST
DETAILED STATEMENT OF FINANCIAL ACTIVITIES (cont.)
FOR THE YEAR ENDED 31 DECEMBER 2019

	Total funds	Total funds
	2019	2018
	£	£
Employee costs		
Salaries and wages	35,352	30,593
Pension costs	621	293
Training	643	111
	<u>36,616</u>	<u>30,997</u>
Motor and travel costs	-	595
Premises costs	9,151	8,575
Administrative costs, including depreciation	20,809	12,257
Legal and professional costs	1,300	247
	<u>67,876</u>	<u>53,271</u>
Total expenditure of other costs	67,876	53,271
Total expenditure	93,481	85,653
Net gains on investments	-	-
Net expenditure	(14,784)	(21,704)
	<u>(14,784)</u>	<u>(21,704)</u>
Net expenditure before other gains/(losses)	(14,784)	(21,704)
Other gains	-	-
Net movement in funds	<u>(14,784)</u>	<u>(21,704)</u>