

Keswick Museum and Art Gallery
Trustee's report and financial statements
for the year ended 31 March 2019
Charity Number: 1088956

Contents

| | Page |
|--------------------------------------|-------------|
| Legal and administrative information | 1 |
| Trustee's Report | 2-3 |
| Independent Examiner's Report | 4 |
| Statement of financial activities | 5 |
| Balance Sheet | 6 |
| Notes to the financial statements | 7-8 |

Legal and administrative information

| | |
|-----------------------|--|
| Charity number | 1088956 |
| Business Address | Fitz park Station Road Keswick Cumbria CA12 4NF |
| Registered office | Allerdale House Workington Cumbria CA14 3YJ |
| Trustee | Allerdale Borough Council Allerdale House Workington Cumbria CA14 3YJ |
| Independent Examiners | Lamont Pridmore Milburn House 3 Oxford Street Workington Cumbria CA14 2AL |

Report of the trustee for the year ended 31 March 2019

The trustee presents its report and the financial statements for the year ended 31 March 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 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.

Structure, governance and managements

Governing document:

Keswick Museum and Art Gallery is constituted under a scheme sealed on 11 January 1995.

Operational management

The Charity is administered by Allerdale Borough Council. The Museum is managed and operated on behalf of the Council by Keswick Museum and Art Gallery Limited (registered Charity number 1156330), under a management agreement between the two parties.

Keswick Museum and Art Gallery Limited also hold a long-term (125-year) lease for the Museum building at Station Road, Keswick.

Trustees

Allerdale Borough Council are sole trustees of the Charity.

Objectives and activities

The Charity objectives are to provide and maintain a public museum to advance education.

Public benefit

The trustee has referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. In particular, the trustee considers how planned activities will contribute to the aims and objectives it has set.

Achievements and performance

The Charity continued to provide support and administrative services.

Expenditure on charitable activities during 2018/19 was £44,537 (2017-18: £46,469). This includes £18,000 (2017-18: £18,000) relating to the costs of external storage for the collection following water ingress to the basement store room.

Financial review

Unrestricted Designated Funds

At the balance sheet date the Charity held designated funds of £1,134,140 (2018: £1,134,140) representing the carrying value of heritage assets held.

General Unrestricted Funds

Each year Allerdale Borough Council subsidises the Charity to the extent of the excess of its expenditure over its income and accordingly the Charity holds no general unrestricted funds.

Risk management

The Trustee has assessed the major strategic, business and operational risks to which the organisation is exposed. The Trustee is satisfied that arrangements are in place to mitigate the exposure to these risks.

Statement as to disclosure of information to independent examiners

In so far as the trustee is aware:

- there is no relevant information which the Charity's independent examiners are unaware; and
- the trustee has taken all steps that it ought to have taken to make itself aware of any relevant information and to establish that the independent examiners are aware of that information.

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the Charity and of the incoming resources and application of resources of the Charity for that year. In preparing these financial statements the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charity Act 2011. It is 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.

For and on behalf of the Trustee



A Seekings
Acting Chief Executive
Allerdale Borough Council
Allerdale House
Workington
Cumbria
CA14 3YJ

16/12/19

Independent examiner's report to the trustee of Keswick Museum and Art Gallery

I report to the trustees on my examination of the financial statements for the year ended 31st March 2019, which are set out on pages 5 to 8.

Responsibilities and basis of report

As the Charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act')

I report in respect of my examination of the Trust's accounts, carried out under section 145 of the 2011 Act, and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- Accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

Susannah Nixon
Lamont Pridmore
Dated: 16th December 2019

SUSANNAH NIXON
CHARTERED ACCOUNTANT
LAMONT PRIDMORE (WEST CUMBRIA) LIMITED
MILBURN HOUSE
3 OXFORD STREET
WORKINGTON
CUMBRIA
CA14 2AL

Statement of Financial Activities for the year ended 31 March 2019

| | Unrestricted Funds General £ | Unrestricted Funds Designated £ | Total Funds £ | Prior Year Total Funds £ | Note |
|---|---------------------------------------|--|---------------------|-----------------------------------|------|
| Incoming Resources | | | | | |
| Income & endowments from: | | | | | |
| Donations and legacies | 44,537 | 0 | 44,537 | 46,469 | 4 |
| Other income | 0 | 0 | 0 | 0 | |
| Total incoming resources | 44,537 | 0 | 44,537 | 46,469 | |
| Resources Expended | | | | | |
| Expenditure on: | | | | | |
| Charitable activities | (44,537) | 0 | (44,537) | (46,469) | 5 |
| Total resources expended | (44,537) | 0 | (44,537) | (46,469) | |
| Net (income)/expenditure | 0 | 0 | 0 | 0 | |
| Other recognised gains/ (losses) | 0 | 0 | 0 | 0 | |
| Net movement in funds | 0 | 0 | 0 | 0 | |
| Reconciliation of Funds: | | | | | |
| Total funds brought forward | 0 | 1,134,140 | 1,134,140 | 1,134,140 | |
| Net Movement in funds | 0 | 0 | 0 | 0 | |
| Total funds carried forward | 0 | 1,134,140 | 1,134,140 | 1,134,140 | |

Balance Sheet as at 31 March 2019

| | Total Funds £ | Prior Year Funds £ | Note |
|-------------------------------------|------------------|--------------------------|------|
| Fixed Assets | | | |
| Heritage assets – Museum Collection | 1,134,140 | 1,134,140 | 6 |
| Total fixed assets | 1,134,140 | 1,134,140 | |
| The funds of the Charity: | | | |
| Designated funds: | | | |
| Museum Collections & Exhibits | 1,134,140 | 1,134,140 | 6 |
| | 1,134,140 | 1,134,140 | |

For and on behalf of the Trustee



A Seekings
Acting Chief Executive
Allerdale Borough Council

Date: 16/12/19

Notes to the accounts for the year ended 31 March 2019

1 Statement of compliance

These financial statements have been prepared in compliance with FRS 102 'The Financial Reporting Standards applicable in the UK and Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in UK and Republic of Ireland (FRS102) (Charities SORP (FRS 102)) and the Charities Act 2011.

2 Accounting policies

Basis of preparation

These accounts 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 are prepared in sterling, which is the functional currency of the entity.

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The financial statements have been prepared on a going concern basis. The trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustee to further any of the Charity's purposes.

Designated funds are unrestricted funds earmarked by the Trustee for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor through the terms of an appeal and fall into one of two sub-classes: restricted income funds and endowment funds.

3 Cash flow

The Charity is not required to prepare a Statement of Cash Flows.

4 Related party - Allerdale Borough Council

During 2018-19 the Charity was administered by Allerdale Borough Council, its sole trustee. The Charity does not maintain its own bank account and all transactions of the Charity are recorded in the Council's accounting records.

Each year the Council subsidises the Charity to the extent of the excess of its expenses over its income.

5 **Charitable activities**

The expenditure recorded in the Council's accounting records in relation to the Museum for 2018-19 is £44,537 (2017-18: £46,469) and comprises:

| | 2018/19 £ | 2017/18 £ |
|---|---------------|---------------|
| Collection storage costs | 18,000 | 18,000 |
| Support, administrative and other costs | 26,537 | 28,469 |
| | 44,537 | 46,469 |

6 **Heritage Assets**

Heritage Assets reported in the balance sheet comprise the collection held at the Keswick Museum and Art Gallery. These include collections of fine art and decorative art, documents, maps and literary material primarily associated with the Lakes poet and writers, as well as with various social and natural history, geological and architectural collections. The collections are managed on behalf of the Authority by Keswick Museum and Art Gallery Limited (registered Charity number 1156330).

Museum collections are reported in the Balance Sheet at an insurance valuation based on open market replacement cost for items of a comparable nature, age and condition. The latest full valuation was undertaken in March 2017 by external valuers - Mitchells Antiques & Fine Art Auctioneers and Valuers. Values were assigned to all individual items with a replacement cost in excess of £1,000 that were on display, or accessible in store at the time of the re-valuation. Items with an expected replacement cost of less than £1,000 were reappraised by reference to previous inventories and valuations, accession books, MODES records and information provided by museum staff. These items are categorised by the valuer as 'unspecified Accessions'. Valuations are reviewed and updated annually to ensure they remain current. All items within the museum collections have been grouped and reported together in the balance sheet.

| | 2018/19 Museum Collections £ | 2017/18 Museum Collections £ |
|--|---------------------------------------|---------------------------------------|
| Cost or valuation | | |
| At beginning of the year | 1,134,140 | 1,134,140 |
| Revaluation | 0 | 0 |
| At end of the year | 1,134,140 | 1,134,140 |
| Depreciation and impairments | | |
| At beginning of the year | 0 | 0 |
| Depreciation | 0 | 0 |
| At end of the year | 0 | 0 |
| Net book value at beginning of the year | 1,134,140 | 1,134,140 |
| Net book value at end of the year | 1,134,140 | 1,134,140 |

Heritage assets comprising the museum collection have indefinite lives and are therefore not depreciated.