

BIGGIN HILL MEMORIAL MUSEUM TRUST

ACCOUNTS FOR THE YEAR ENDED

31 MARCH 2019

Charity number: 1162645

BIGGIN HILL MEMORIAL MUSEUM TRUST
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BIGGIN HILL MEMORIAL MUSEUM TRUST**REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2019**

Trustees	Bruce Walker (Chair) Colin Hitchins Julian Benington Paul Wright Sharon Millar Mike Render Angus Patterson James Ellis Samantha Bailey
Registered Office	St Georges R.A.F. Chapel of Remembrance Main Road Biggin Hill Westerham TN16 3EJ
Charity number	1162645
Bankers	Metro Bank PLC One Southampton Row London WC1B 5HA
Investment managers	Tilney Investment Management Services Limited 17th Floor 6 New Street Square New Fetter Lane London EC4A 3BF
Accountants	McBrides Accountants LLP Nexus House 2 Cray Road Sidcup, Kent DA14 5DA

BIGGIN HILL MEMORIAL MUSEUM TRUST**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019**

The Trustees of the Biggin Hill Memorial Museum Trust present their report as Trustees together with the financial statements for the year ended 31 March 2019 as required by Charity regulations and legislation.

Structure, Governance and Management***Nature of the Governing Document and constitution of the charity***

The charity is named the Biggin Hill Memorial Museum Trust with charity registration number 1162645 under a trust deed dated 27 April 2015.

Board of trustees

The trustees during the year were:

Bruce Walker (Chair)
Colin Hitchens
Julian Benington
Paul Wright
Sharon Millar
Mike Render
Angus Patterson
James Ellis (from July 2018)
Samantha Bailey (from July 2018)
David Harpur (September 2018 - January 2019)

The Biggin Hill Memorial Museum trustees were all aware of the guidance issued by the Charity Commission for England and Wales on meeting the legal requirements of the Charities Act regarding the public benefit. All trustees operated in a voluntary capacity and all operating activities of the Trust and museum staff were aimed at delivering the objectives above.

All Trustees are unpaid volunteers. The Trust and museum staff drew heavily on local support in a very active volunteer programme. During the period of this report, 22 volunteers contributed to the development of the project from operating as object and archive researchers, to developing audience engagement especially with local schools, digitising the collection, and, post-opening, assisting with the day-to-day running of the museum and the delivery of guided tours and talks.

The methods adopted for the recruitment and appointment of new trustees

Trustee vacancies are advertised and candidates are elected by majority. The Trust can remove a trustee by majority vote during his/her three-year term of office.

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

On recruitment, all trustees are issued with the Charity Commission document CC3 The Essential Trustee (most recent update: May 2018) and new trustees are required to sign that they have read and understood it.

The organisational structure of the charity and how decisions are made

The Trust's work, day-to-day, during this period was organised by sub-committees led by individual trustees covering Finance, Fundraising, Marketing and Communications, Curatorial, Education, Facilities Management and Chapel Matters. The Trust meets monthly where reports are lodged from each group and broader discussion is enabled. During the period of this report, no meetings were held in August 2018 and December 2018.

BIGGIN HILL MEMORIAL MUSEUM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

Financial Risk Management Objectives and Policies

The Trustees are aware of the major risks to which the charity is exposed and a business plan is in place to limit those risks. External risks to funding are that it is mainly based on investment income that can fluctuate annually. A strategic plan is in place that will allow for the growth of current activities. Internal risks are always under review, and budgeting by project ensures quality of delivery of service at a realistic cost, and monitoring of all operational aspects of the charity.

Charity objectives and activities in 2018/19

1. To advance the education of the public, by maintaining St George's RAF Chapel of Remembrance, and establishing and maintaining an associated museum exhibiting the story of World War 2 and the Battle of Britain.
2. To preserve for the benefit of the nation St George's RAF Chapel of Remembrance, in memory of those who served in the Royal Air Force during World War 2, and for historic interest.

Activities undertaken to achieve objectives

The Biggin Hill Memorial Museum opened on 30 January 2019 following a 3-year project led by the London Borough of Bromley (LBB) and the Biggin Hill Memorial Museum Trust. The museum tells the story of Britain's most famous fighter station through the experiences of those who served there, and the community that supported them, particularly during the Battle of Britain when Biggin Hill made its name. Every object and every picture has a close personal attachment to Biggin Hill.

The museum offers visitors a reflective, thought-provoking and carefully choreographed tour through a range of human experiences before they enter St. George's RAF Chapel of Remembrance. This austere but moving memorial was built in 1951 at the instigation of Winston Churchill and has been restored as part of the project. Inside, on the reredos behind the altar, are the names of 454 airmen killed flying from the Biggin Hill sector during World War 2.

Biggin Hill is a special place: the museum tells a local history of global significance. A people-focussed and story-driven approach taken by the interpretation in both museum and chapel aims to keep this history alive in perpetuity. Our motto is 'Biggin Hill: inspiring generations; remembering the Few and honouring the Many.'

Phase 1, the restoration of the chapel, the building of the museum, shop and café and the landscaping of the grounds has been completed and has attracted considerable interest and excellent visitor feedback. Now we are fundraising for Phase 2, the building of the Learning Centre and Memorial Wall.

01 April 2018 – 29 January 2019: Prior to museum opening

10 months of the year focussed on the completion of the capital works, led by LBB, to restore the Grade 2 listed St. George's RAF Chapel of Remembrance, build the Biggin Hill Memorial Museum including its café and shop, and landscape the grounds including the memorial garden and car park.

The period before the museum opened included the final development of the gallery displays, the compilation of the collections, the arrangement of object loans, the development of the museum website and a busy programme of audience engagement.

The further development of the Business Plan, the Activity Plan and procedures and plans for good governance, financial management and HR and Recruitment for staff and trustees were also actioned in preparation for the handover of responsibility for the site from LBB to the Trust. Day-to-day operational procedures for the management of the museum were also finalised including defining staff and volunteer roles and duties.

30 January – 31 March 2019: After museum opening

Trust business in the two months after opening focussed on taking responsibility for the staffing and operational running of the museum, chapel, shop and café, attracting and catering for large numbers of visitors and developing activities and events for schools, families and special interest groups.

BIGGIN HILL MEMORIAL MUSEUM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

01 April 2018 – 29 January 2019: Prior to museum opening

1. The Trust worked closely with LBB to ensure the building and fit-out of the museum progressed efficiently and the risks from any delays were minimised.
2. The Trust reviewed the Business Plan and tasks were allocated to ensure we were ready to take full responsibility for the museum and chapel during this financial year.
3. Funds raised by the Trust ensured that the original RAF airfield railings that mark the western boundary of the museum site were restored and painted to their original colour.
4. The Trust Chair led negotiations with LBB for the site lease.
5. Tenders were advertised for the café operator but no acceptable offer was received. The museum subsequently appointed a salaried chef and the café began operating very successfully in-house, producing income and profit in excess of that forecast in the Business Plan.
6. The Trust developed and confirmed its policy on Trustee succession planning.
7. Following the departure of Sunil Chotai as Trustee in January 2018, James Ellis, Head of Biggin Hill Primary School, joined the Trust in July 2018 with responsibility for education activities. Samantha Bailey, Site Manager at Down House (EH), joined the Trust in July 2018 with responsibility for facilities and site management. David Harpur, Chartered Accountant, joined the Trust in September 2018 with responsibility for financial management, but departed after 4 months citing family issues.
8. The Trust and museum staff ensured the museum is compliant with new GDPR legislation which came into effect in May 2018.
9. The Trust and the museum team developed a project-specific website to communicate plans and progress and to aid public consultation. This website was superseded by a museum website on the day of opening.
10. The Trust engaged with the longstanding *Friends of St. George's RAF Chapel of Remembrance* with the aim of developing an effective working relationship and an understanding of each other's responsibilities once the museum opened.
11. The Trust, Museum Development Manager, Curator and Museum Assistant engaged with the local and wider community as part of the research for stories and to obtain object acquisitions and object loans for the museum. The Trust and volunteers hosted a promotional stall at the Biggin Hill Festival of Flight (18-19 Aug 2018) which attracted considerable interest and support as well as offers of objects as gifts and on loan. Talks were delivered to many local Residents' Associations, schools and special interest groups.
12. The Trust enabled special openings of the Chapel including for the Easter service on 1 April 2018, the centenary of the founding of the RAF, and the Remembrance Service on 11 November 2018, the centenary of Armistice Day.
13. The Trust publicised the museum and chapel to potential sponsors for future museum projects, most notably Phase 2, the building of the Learning Centre and Memorial Wall.
14. The Trust and museum staff also hosted guided tours for LBB Councillors, Members of Parliament and the local Residents' Associations to champion achievements so far and to generate support for Phase 2.

30 January – 31 March 2019: After museum opening

1. The museum opened to the public on 30 January 2019. The opening attracted considerable interest from independent museum visitors and was supported by excellent coverage in the local and national media. Written coverage was estimated to have reached 4.75 million people, an equivalent advertising value of £377,000. During the first 2 months after opening, the museum received 6524 visitors, 48 annual memberships were sold in the first 2 months of opening.
2. The museum hosted a teachers' evening and pilot sessions with local schools during February 2019. Weekly sessions for Under 5s began in February and continue each Wednesday.

BIGGIN HILL MEMORIAL MUSEUM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

3. Special interest groups attended talks and tours and a tea party was hosted for the Friends of the Chapel. Museum and chapel volunteers conducted talks on a wide variety of topics related to RAF history.

4. Public engagement with the collections led to offers of objects for acquisition or loan and for use as a teaching/handling collection including a collection of World War 2 newspapers and some personal effects of Group Captain Philip 'Dickie' Barwell, Commanding Officer at Biggin Hill from June 1941.

5. The first two months of the museum in operation have enabled the Trust to develop further its policies, procedures and operating strategies. At the end of this reporting period, a new organisational structure for the workings of the Trust in support of the museum staff was in development.

Fundraising

As part of the Business Plan, The Trust aims to raise a minimum of £15,000 per annum through sponsorship. This is a separate piece of fundraising from Phase 2 of the project, the Learning Centre and Memorial Wall. During this reporting period, the museum was open for two months. Measured against a pro rata figure of £2500, the museum received the following donations and pledges:

1. An anonymous local legacy of £1000 was donated as a 'Gate Guardian Fund'.
2. A concert in the chapel in September 2018 elicited a private donation of £500.
3. A sponsorship event on 26 March 2019 raised £1000 from a local company and a further £750 from a private individual.

The Trust also raised funds indirectly via Gift Aid on entry tickets. The Trust aims to raise a further £300,000 for the Learning Centre and Memorial Wall. The Trust has established a Fundraising subcommittee and a fundraising strategy for this is in development.

The Trust appointed Partners in Wealth/Tilney to manage the investment of the £1.55 million reserves. The Trust Chair holds quarterly meetings with the fund manager to monitor and nurture the endowment. During this period the fund has increased in value.

Financial review

The Charity invested £1.55 million in an endowment fund secured by the LBB from LIBOR grant funds, Section 106 monies and a contribution from the Council. The fund was held by LBB until the Trust took responsibility for the investment during this reporting period. The investments held by the Trust have been acquired in accordance with the powers available to the Trustees as specified within the Trust Deed. The long-term objective in managing the portfolio is to maximise the overall rate of return insofar as this is consistent with maintaining a prudent and balanced investment exposure, whilst in the short term giving regard to the Trust's cash requirements from time to time. The funds generated by this investment income are to bridge the expected shortfall of income to expenditure, approximately £60,000 per annum, the equivalent of a 4% return on the investment. This income shortfall is expected to be fully evident once the Heritage Lottery Fund grant expires in Jun 2021. The reserves held by the Trust may be deployed at the discretion of the Trust. The Trust aims to build the reserves where possible to manage investment risk.

Reserves Policy

The balance sheet shows total reserves of £1,607,555. Of this £1,538,534 is represented by the value of assets of the charity. Of the total funds, £51,380 represents a general reserve representing the surplus unrestricted accumulated income.

The charity has a policy of maintaining unrestricted reserves within the range of a minimum of 3 months, to a maximum of 12 months of average expenditure. Where the reserves fall outside this range, then a strategy needs to be formulated by the Board to bring them back into line – currently reserves fall within this range.

BIGGIN HILL MEMORIAL MUSEUM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Biggin Hill Memorial Museum capital and operational budget was funded by:

- The Libor Fund
- The Heritage Lottery Fund
- London Borough of Bromley's Section 106 monies
- London Borough of Bromley's Capital Programme

The subsidiary company, The Biggin Hill Memorial Museum Company Ltd., was incorporated on the 9 April 2018 with Bruce Walker (Chair) and Colin Hitchins (Vice Chair) as directors. The company deals with non-charitable operations, namely the museum café and shop, and all profits are paid up to the Trust.

The Trust also benefitted from smaller donations from individuals and small organisations as well as donations of museum objects and teaching tools.

The Charity benefitted from a Heritage Lottery Fund grant secured by the London Borough of Bromley in association with the Trust for the construction and delivery of the Biggin Hill Memorial Museum and the preservation of the chapel and grounds. This includes support for revenue costs in the first three years of operation. Although LBB is formally handing over responsibility for the museum and chapel to the Trust, it will continue to work with the Trust for the next 3 years as part of the agreement with the Heritage Lottery Fund.

Until shortly before the opening of the Museum on 30 January 2019, the Trust was supported by officers working for the London Borough of Bromley including a Museum Development Manager, Project Managers and an Assistant Curator and also received administrative support. Subsequently, the Trust managed the museum staff directly. The staff was headed by the Museum Director and supported part-time by a Commercial and Operations Officer, a Museum Assistant and an Access and Learning Officer. Additionally, the Trust employed a café manager, because, as mentioned above, the café unexpectedly had to be operated in-house using the Trust's resources. The Museum Director received mentoring support from an advisor appointed by the Heritage Lottery Fund.

The trustees confirm that the accounts comply with current statutory requirements and those of the charity's trust deed.

Approved by the Trustees on.....30/1/2020..... and signed by:



Bruce Walker

Date:

BIGGIN HILL MEMORIAL MUSEUM TRUST**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The charity trustees are responsible for preparing a trustees' annual report and 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 requires the charity trustees to prepare financial statements for each 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, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice ("SORP");
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 trustees are responsible for keeping proper accounting records that 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

BIGGIN HILL MEMORIAL MUSEUM TRUST**INDEPENDENT EXAMINERS REPORT
THE TRUSTEES OF BIGGIN HILL MEMORIAL MUSEUM TRUST**

I report to the trustees on my examination of the financial statements of Biggin Hill Memorial Museum Trust ('the charity') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 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.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements 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 financial statements to be reached.


A Warren, FCA

For and on behalf of McBrides Accountants LLP, Nexus House, 2 Cray Road, Kent, DA14 5DA

Date:

30/1/2020

BIGGIN HILL MEMORIAL MUSEUM TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £	Total 2018 £
Income and endowments						
Donations		15,890	3,000	1,550,000	1,568,890	10,612
Charitable activities		126,563	-	-	126,563	-
Investments	2	-	-	11,183	11,183	-
Total income		142,453	3,000	1,561,183	1,706,636	10,612
Expenditure						
Raising funds:						
Investment management costs	3a	-	-	13,345	13,345	-
Charitable activities:						
Direct costs	3a	94,961	-	-	94,961	15,355
Support costs	3a, 3b	17,460	-	-	17,460	-
Total expenditure		112,421	-	13,345	125,766	15,355
Net income/(expenditure) before gains and losses on investments		30,032	3,000	1,547,838	1,580,870	(4,743)
Net gains/(losses) on investments		-	-	(9,306)	(9,306)	-
Net income/(expenditure)		30,032	3,000	1,538,532	1,571,564	(4,743)
Reconciliation of funds						
Funds b/f at 1 April 2018		21,348	14,643	-	35,991	40,734
Funds c/f at 31 March 2019		51,380	17,643	1,538,532	1,607,555	35,991

All of the activities of the charity are classed as continuing.

The notes set out on pages 12 to 17 form part of these accounts.

BIGGIN HILL MEMORIAL MUSEUM TRUST

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BALANCE SHEET AS AT 31 MARCH 2019

	Notes	£	2019 £	2018 £
Fixed assets				
Investments	6		<u>1,538,534</u>	-
			1,538,534	-
Current assets				
Debtors: amounts falling due within one year	7	22,534		8,776
Cash at bank and in hand		<u>59,380</u>		<u>30,173</u>
		81,914		38,949
Creditors: Amounts falling due within one year				
Other creditors and accruals	8	<u>(12,893)</u>		<u>(2,958)</u>
Net current assets			69,021	35,991
Creditors: Amounts falling due greater than one year			-	-
Net assets			<u>1,607,555</u>	<u>35,991</u>
Funds				
Capital funds				
Endowment fund	9		1,534,896	-
Income funds				
General unrestricted fund	10		55,016	21,348
Restricted funds	11		17,643	14,643
			<u>1,607,555</u>	<u>35,991</u>

The accounts were approved by the Board of Trustees on 30/1/2020 and signed by:


Bruce Walker

The notes set out on pages 12 to 17 form part of these accounts.

BIGGIN HILL MEMORIAL MUSEUM TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Net movement on funds - historical cost basis		
Net movement in funds for the year	1,571,564	(4,743)
Unrealised (gains)/losses on investments	9,306	-
Difference between the gain realised on investments calculated on the historical cost basis and that calculated on market value	-	-
Net movement of funds for the year on historical cost basis	<u>1,580,870</u>	<u>(4,743)</u>

The notes set out on pages 12 to 17 form part of these accounts.

BIGGIN HILL MEMORIAL MUSEUM TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

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) and applicable regulations.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Biggin Hill Memorial Museum Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Group accounts have not been prepared on the basis that the Trust qualifies as "small".

The following are the accounting policies which have been applied in dealing with material items: -

- a) Going concern:
It is the opinion of the Trustees that the use of the going concern basis of accounting is appropriate because:
- there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the charity to continue as a going concern;
 - there is reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

- b) Funds structure:
Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds to be used in accordance with specific restrictions imposed by the donor or trust deed.

There is a single Capital Fund, which represents money held as expendable permanent endowments whereby the income can be applied for general purposes and net proceeds arising from the sale of the funds arising can be used for charitable purposes.

Further details of each fund are disclosed in the notes.

- c) Incoming resources:
All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they have been communicated is received in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

BIGGIN HILL MEMORIAL MUSEUM TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (Continued)

d) Resources expended:

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. For more information on this allocation refer to the note below.

e) Allocation of support and governance costs:

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs relating to Board meetings.

Governance costs and support costs relating to charitable activities have been apportioned appropriately. The allocation of support and governance costs is analysed in the notes.

f) Costs of generating funds

The costs of generating funds consist of investment management and certain legal fees.

g) Charitable activities:

The expenditure on charitable activities includes grants made, governance costs and an apportionment of support costs as shown in the notes.

i) Listed investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire or use put options, derivatives or other complex financial instruments.

k) Reserves

The regular, unrestricted income is sufficient to cover the day to day running of the charity.

The agreed reserve policy for 2019 was to have available a minimum of 3 months expenditure in unrestricted funds. Based on the risk profile of the income and expenditure, this was deemed an appropriate amount to cover any sudden increases in expenditure or decreases in income.

Any unrestricted funds held over and above this are regularly monitored with the intention of using them to forward the charity's objectives.

The reserve policy is regularly assessed by the trustees for appropriateness.

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

BIGGIN HILL MEMORIAL MUSEUM TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (Continued)

- m) Cash at bank and in hand
Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition.
- n) Creditors and provisions
Creditors and provisions are recognised where 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 transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial. In such cases creditors are stated at the transaction value.
- o) Financial instruments
Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial, in which case they are stated at cost (less impairment where appropriate).
- p) Key judgements and estimations
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

2. Investment income

	2019 £	2018 £
Dividends and interest - UK investments	11,183	-
	<u>11,183</u>	<u>-</u>

3a. Analysis of charitable expenditure

Costs directly allocated to activities

	Investment £	Charitable £	Total 2019 £	Total 2018 £
Salaries	-	63,218	63,218	-
Employer NI	-	15,808	15,808	-
Employer pension	-	2,205	2,205	-
Utilities	-	6,000	6,000	2,040
Marketing	-	1,195	1,195	6,190
Repairs and maintenance	-	6,535	6,535	672
Investment management fees	13,345	-	13,345	-
	<u>13,345</u>	<u>94,961</u>	<u>108,306</u>	<u>8,902</u>

3b. Support costs

	Investment £	Charitable £	Total 2019 £	Total 2018 £
HR/ health and safety	-	4,082	4,082	-
Software	-	937	937	-
Insurance	-	336	336	318
Training	-	3,656	3,656	-
Printing & stationery	-	417	417	1,995
Legal & professional	-	6,055	6,055	3,753
Other	-	1,977	1,977	387
	<u>-</u>	<u>17,460</u>	<u>17,460</u>	<u>6,453</u>

The financial administration costs have been allocated to legal and professional costs, and include an independent examiners fee of £2,600 (2018: £Nil).

4. Staff costs

No employees received remuneration of £60,000 or over during the year (2018: £Nil).

The average employee numbers, analysed by function was as follows:

	2019	2018
Charitable activities	4	3
Total	<u>4</u>	<u>3</u>

5. Prior Year Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total 2018 £
INCOME			
Investment income			
Donations	3,092	7,520	10,612
Other income	-	-	-
	<u>3,092</u>	<u>7,520</u>	<u>10,612</u>
EXPENDITURE			
Cost of charitable activities:			
Other charitable expenditure	-	15,355	15,355
	<u>-</u>	<u>15,355</u>	<u>15,355</u>
Net gains/(losses) on investments	-	-	-
Net movement in funds	<u>3,092</u>	<u>(7,835)</u>	<u>(4,743)</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

6. Investments

a) Subsidiaries

Cost at 1 April 2018
Additions
Disposals
Cost at 31 March 2019

£

-
2
-
<u>2</u>

The Biggin Hill Memorial Museum Company Ltd., was incorporated on the 9 April 2018 and deals with non-charitable operations, namely the museum café and shop. The company donates all profits to the Trust.

b) Securities

Market value at 1 April 2018
Additions at cost
Disposals at opening market value
Net investment gains/(losses)

2019
£2018
£

-	-
1,628,233	-
(101,795)	-
(9,306)	-
<u>1,517,132</u>	<u>-</u>
21,400	-
<u>1,538,532</u>	<u>-</u>

Cash held for reinvestment

Market value at 31 March 2019

The cost of the investments was £1,523,233 (2018: £Nil).

Investments are all listed in the United Kingdom (except where stated) and are dealt with on a recognised stock exchange:

	£	%
UK investments	697,880	45%
European investments	166,885	11%
Rest of the world investments	652,367	42%
Fixed and index-linked	-	0%
Cash and deposits	21,400	1%
	<u>1,538,532</u>	<u>100%</u>

The trustees consider individual investment holdings in excess of 5% of the portfolio to be material; at 31 March 2019 each of the following holdings had a material value:-

	£
Fundsmith Equity I Acc	111,427
Lindsell Train Global Equity D GBP Inc	108,254
J O Hambro Cap Mgm UK Dynamic Y GBP Inc	81,339
Liontrust Special Situations I Inc	87,853
Tb Evenlode Income C GBP Inc	81,929
Findlay Park American GBP Unhedged Inc	92,562
Schroder Asian Total Return Investment Company	91,899
Insight Global II High Grade Abs B GBP	100,831
Muzinich Enhancedyield Short Term Hedged GBP	101,020
Twentyfour Absolute Return Credit Aqng GBP	99,185
Merian UK Specialist Equity R Group	88,148
MW Tops Ucits G GBP	152,824

7. Debtors

	2019 £	2018 £
Other debtors	22,534	8,776
	<u>22,534</u>	<u>8,776</u>

8. Creditors: Amounts Falling Due Within One Year

	2019 £	2018 £
Accruals	9,900	2,090
Other creditors	2,993	868
	<u>12,893</u>	<u>2,958</u>

BIGGIN HILL MEMORIAL MUSEUM TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

9. Endowment fund

	2019 £	2018 £
Balance at 1 April 2018	-	-
Investments	1,550,000	-
Unrealised profits/(losses) on investment revaluation	(5,670)	-
Realised gains/(losses)	(5,798)	-
Balance at 31 March 2019	<u>1,538,532</u>	<u>-</u>

This fund represents the value of investments relating to the expendable endowment fund received from the London Borough of Bromley.

10. Unrestricted fund

	2019 £	2018 £
Balance at 1 April 2018	21,348	33,611
Excess/(deficit) of income over general expenditure for the year	30,032	(12,263)
Transfer to designated funds	-	-
Balance at 31 March 2019	<u>51,380</u>	<u>21,348</u>

This fund represents the surplus unrestricted accumulated income of the Trust.

11. Restricted fund

	2019 £	2018 £
Balance at 1 April 2018	14,643	7,123
Excess/(deficit) of income over general expenditure for the year	3,000	7,520
Transfer to designated funds	-	-
Balance at 31 March 2019	<u>17,643</u>	<u>14,643</u>

Restricted funds represent donations that are to be used for specific purposes.

12. Analysis of net assets between funds

	Endowment fund £	Income funds £	Total £
Investments	1,538,532	-	1,538,532
Net current assets	-	69,023	69,023
	<u>1,538,532</u>	<u>69,023</u>	<u>1,607,554</u>

13. Financial Instruments

Categorisation of financial instruments:

	2019 £	2018 £
Financial assets that are debt instruments measured at amortised cost	<u>22,534</u>	<u>8,776</u>
Financial liabilities measured at amortised cost	<u>2,993</u>	<u>868</u>

14. Taxation

Biggin Hill Memorial Museum Trust is a charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

15. Related Party Transactions

There was no expenditure reimbursed to the trustees in this or the preceding period. There were no other transactions with trustees during the year and no trustee received any remuneration in the year.

Stock totalling £5,039 was donated from a related party in the year.

16. Ultimate controlling party

There is no ultimate controlling party.