

THE
HOLBURNE
MUSEUM

THE HOLBURNE MUSEUM

FINANCIAL STATEMENTS

31 DECEMBER 2016

THE HOLBURNE MUSEUM
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FOR THE YEAR ENDED 31 DECEMBER 2016

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**THE HOLBURNE MUSEUM
REPORT BY THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

STRUCTURE AND GOVERNANCE

Introduction

The Trustees submit their annual report and accounts for the year ended 31 December 2016. The Trustees have adopted the provisions 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 (FRS 102) (effective 1 January 2015).

Reference and administration information

The Holburne Museum ("The Museum") is an independent institution with registered charitable status, established by Deed of Trust in 1883. The sole Trustee, by whom the Trust is administered, is the Holburne Museum Trust Company ("The Company"), a company limited by guarantee.

The directors and senior management of The Company are detailed on pages 10 & 11, together with the names of directors of The Company who acted during the course of the year but are no longer directors at the date of this report. Relevant registration information is shown below:

▪ The Holburne Museum	Registered Charity Number:	310288
▪ Holburne Trading Company Ltd	Company Number:	6954139
▪ The Holburne Museum Trust Company	Company Number:	4104120
▪ Museums and Galleries Commission	Registered Museum Number:	930

The address of the principal offices and premises of The Museum, and of the registered office of The Company, is Great Pulteney Street, Bath BA2 4DB. The names and addresses of The Museum's professional advisers and bankers are shown on page 12.

Structure, governance and management

▪ Organisational structure

The Museum is an independent registered charitable trust of which The Company is the sole trustee.

The Company has one subsidiary, which was established in 2011 to operate the commercial activities of the Museum - being the café, shop, car park, commercial events and paying exhibitions.

▪ Governance

The charity is governed by the board of directors of The Company, known as "The Trustees" who are appointed by the members of The Company.

The maximum number of general Trustees is eighteen. In addition, the Board may have up to four Representative Trustees of whom one is nominated by The Council of the University of Bath, one by Bath Spa University, one by Bath & North East Somerset Council and one by the Friends of the Holburne Museum. New Trustees are required to sign a "Declaration of Eligibility to Act" and a "Declaration of Interests" in order to comply with the Board's Conflicts of Interest policy.

The Museum's responsibilities and duties as a University Museum are governed by the Higher Education Strategy Board.

▪ Management

The Trustees, who meet formally at least four times each year, are responsible for setting strategies and policies for the Museum and for ensuring that these are implemented. In 2015 the Chairman and the Chair of the Nominations Committee formalised committees of the Board in order to draw on the specific

strengths and expertise of Board members from fundraising to community engagement. These committees also allow increased opportunities for staff mentoring with opportunities for staff to join committee meetings. Trustee training and development is continually under review with the aim to introduce annual development sessions from 2017 onwards.

The Trustees are responsible, in particular, for:

- appointing the Director
- approving the annual budget
- approving the Trustee's report and audited financial statements

To achieve a closer connection of the Trustees with the 'day to day' operational control the *Finance and General Purposes Committee* which met monthly has been disbanded. In its place there are regular, normally at least weekly, informal meetings between senior executives and one of the Chairman, Treasurer or other Chairs of the committees below.

The primary functions of the Trustees are to:

- Oversee the key decisions affecting the operation of the Museum
- Assist the Director in formulating policy and with significant operational decisions
- Review quarterly management accounts and key financial performance indicators against budget
- Oversee the identification and management of risks

Full list of committees of the Board:

- Investment Committee. Chairman - Antony Constantinidi
- Development Committee. Chairman - Alexandra Chapman
- Nominations Committee. Chairman - Michael King
- Collections & Exhibitions Committee. Chairman - Brian Allen
- Learning & Engagement Advisory Committee. Chairman - Adrian Tinniswood

There is also a Higher Education Strategy Board Committee made up of University of Bath, Bath Spa University, University of Bristol and The University of the West of England. This committee meets twice a year.

The Trustees maintain a Risk Register which identifies the major risks to which the Museum, Trustees, staff and volunteers are exposed. This Register is maintained by the Treasurer and reviewed by the Trustees annually. Thus bringing risks to the attention of the Trustees and enabling them to establish strategies for dealing with them.

The Museum staff comprises 21 full time equivalents. Salary levels and job descriptions are benchmarked against Museum Association guidelines. A staff realignment exercise in December 2014 led to the formation of a Senior Management Team comprising the six heads of department (Finance, Development, Curatorial, Visitor & Commercial Operations, Communications, and Learning) to support the Director on overall Museum management. The Senior Management Team meets monthly in the week preceding the Board meeting. The aims of the Senior Management Team meetings are:

- To monitor the day-to-day performance (financial and operational) of the Museum in order to report to the Trustees
- To provide a forum for management support in particular by identifying staff professional development opportunities and addressing HR issues
- To provide a platform for joined-up thinking across departments in implementing the Museum's strategy

Objectives and activities for the public benefit:

The Holburne Museum was founded in 1882 as Bath's first art museum, with at its heart, the collection of Sir William Holburne (1793-1874). In 1916 the collection moved to its permanent location at the top of Great Pulteney Street and in May 2011 an award-winning extension by architect Eric Parry provided space for additional galleries and a garden café. The Holburne is a treasure house of Old Master paintings, portrait miniatures, porcelain, Renaissance bronzes and ceramics, silver, and embroidery. It is particularly renowned for its eighteenth-century British portraits, most notably by Ramsay, Stubbs, Zoffany and Gainsborough. The collection continues to develop with regular bequests, loans and acquisitions, including the purchase of the oil sketch by Thomas Lawrence of *Arthur Atherley* following a major fundraising campaign from September to December 2015. The Holburne stages international exhibitions and contemporary commissions and is admired for its dynamic displays, vibrant learning & community engagement programme and innovative interpretation.

The Holburne Museum Vision:

CHANGING LIVES THROUGH ART

The Holburne believes enjoyment of the arts changes people's lives. The Holburne promotes this by keeping the Museum free to enter and by:

- Caring for, understanding, developing, displaying and interpreting the collection, building and site
- Reaching as wide a public as possible by providing a welcoming, intimate experience of the arts
- Creating exhibitions, events and educational activities of outstanding quality, impact and imagination
- Being confident, adventurous and innovative

Statement of Purpose:

The Holburne's charitable objects for the public benefit, as set out in its original trust deed, are:

- The provision and maintenance of a museum in the city of Bath for the exhibition to the public of a collection of specimens of the fine and decorative arts
- The extension, enhancement, conservation, storage and maintenance of the art collection
- Promotion of education in art and allied subjects, and of the appreciation of art

As a University Museum it also seeks to:

- Develop and encourage the use of the Holburne's collection and the expertise of its staff as an educational resource

When reviewing the charity's aims and objectives and planning future activities, the Trustees have had due regard to the public benefit guidance published by the Charities Commission. The activities undertaken to assist in the delivery of the Museum's objectives are outlined below.

Achievement and performance

In January 2016, to mark the start of our centenary year, the exquisite oil sketch of 'Arthur Atherley' by Sir Thomas Lawrence took its permanent place among the great British portraits at the Holburne. The integration of this ambitious acquisition on the Holburne's walls set the tone for an exceptional year of artistic programming and activity at the Museum. It inspired us to deliver 'A New Portrait for Bath', a community engagement project for diverse audiences. This comprised artist-led sessions for school leavers

and nursing home residents, tactile sessions for those with sensory impairment, a family fun day, and a 'finish the portrait' competition for entrants of all ages, allowing us to connect with audiences who have never before experienced the Museum.

We pushed our '100 Years Here' programme to new heights by delivering three temporary exhibitions of outstanding quality inspired by our permanent Collection. Curated in house, each was accompanied by an accessible publication, demonstrating the unparalleled ability of our curatorial team to make the complex understandable. Each show received national and international critical acclaim and press coverage, increasing our reputation and attracting new visitors. At the same time, we enhanced the physical appearance of the site, with an improved shop and new-look car park and café terrace.

Impressionism: Capturing Life (13/2/16 - 5/6/16) was curated by the Museum's Director, Jennifer Scott. The show centred on the first Impressionists, who exhibited in Paris in 1874 – the year of the death Sir William Holburne - and their impact on artists in Britain. Masterpieces from Tate, The National Gallery and The Scottish National Gallery featured alongside the Holburne's previously uncelebrated works on paper by Sir George Clausen, founder-member of the New English Art Club.

Stubbs and the Wild (25/5/16 – 2/10/16) explored the visionary eighteenth-century world of George Stubbs through his animal studies and sublime fantasy pieces. Using our conversation piece by Stubbs as a starting point, we presented early encounters between domestic polite Georgian society and Stubbs' exotic wild creatures. Curated by the Museum's Senior Curator Amina Wright, it was awarded 5 Stars by Jonathan Jones in the Guardian who commented 'this is not a huge exhibition, but it might just change your life'.

Silver: Light and Shade (22/10/16 – 22/1/17) curated by Curator of Decorative Arts Catrin Jones told a new story about the properties of silver. Significant loans (The Shield of Achilles was loaned by Her Majesty The Queen for the first time; parts of the Mostyn family's dispersed heritage plate were reunited) perfectly complemented works from the Museum's own Collection to reveal the aesthetic potency of silver from the sixteenth century to today. We instigated an important relationship with Goldsmiths' Company, an organisation which shares our values, engaging new audiences and promoting craftsmanship. We commissioned silversmiths to design a bespoke jewellery range for our shop, which increased our retail income by 500% in the opening week of the exhibition alone.

A Handful of Dust (13/2/16 – 6/11/16) presented rarely seen and fragile pastels from our Collection in a didactic display in our Wirth Gallery. Later in the year we staged an intriguing new commission in stone, wood and metalwork with *Linda Brothwell: The Missing* (6/8/1616 - 2/1/17). Brothwell gave new purpose to display mounts from Sir William Holburne's original Collection. Having become separated from the historic artworks they used to showcase, she presented them as pieces in their own right 'On the Table' in our Davidson Ballroom Gallery.

In partnership with Hauser & Wirth, Somerset we invited the irrepressible painter and sculptor Djordje Ozbolt to 'invade' the Museum (17/11/16 – 5/3/17). He carried out a residency at Bruton, Somerset creating works that responded to our Old Masters with irreverence and intelligence. His Grand Detour saw gnomes on the front lawn, and included startling variations on the theme of our paintings that drew visitors in to discover more.

The conservation, technical analysis and attribution of a previously overlooked painting by Pieter Brueghel the Younger positioned the Holburne as the country's largest holder of works by this important Flemish master. This increased the anticipation for our major exhibition *Bruegel: Defining a Dynasty* (opens 11 February 2017). For the first time this subject will be covered in a UK exhibition. It has attracted considerable media interest and record advance ticket sales for the Museum.

We received additional support from the city's two universities as principal exhibition sponsors. This builds on our existing partnerships with both institutions, creating development opportunities for staff and students. The University of Bath's chemistry undergraduates devised family activities for *Silver: Light & Shade* and Bath Spa University's fine art, dance, drama and music students exhibited and performed on site in response to *Impressionism: Capturing Life*.

Over the past 14 months we delivered a particularly ambitious programme of creative activities for all ages, engaging with just over 19,000 people including 300 university students. This included 1,000 people who took part in the Lantern Procession plus 7,000 spectators. Formal learning for schools included the National Gallery-inspired 'Take One' Project, teacher training, workshops and displays of pupils' work. Free family fun days included an 'Easter Eggstravaganza' and a summer '100th Birthday Party'. We successfully ran the Bronze Art Award, launched a Youth Forum for volunteers aged 14-18, introduced Art Masterclasses for teenagers and held *Stubbs and the Wild* inspired drawing sessions using live animals as models. Around 40% of participants in these activities were experiencing the Holburne for the first time.

Our pioneering work with dementia patients and their carers was significantly extended in 2016 in partnership with Bath Preservation Trust and Avon & Wiltshire Mental Health Partnership NHS Trust. This ground-breaking project brings both the Collection and personal memories to life, enabling people to enjoy art in a non-clinical setting. The sessions are led by an artist and arts psychotherapist supported by Museum staff and volunteers.

In April 2016 our Learning Team were awarded a three year grant (£93k) from the Big Lottery Fund to extend our established work with people affected by mental health issues homelessness and social exclusion, opening it up to 200 new participants. 'Pathways to Wellbeing' offers different routes to improve confidence, skills and mental health. This led to one of the most memorable events in the Holburne's history: an evening of talks delivered with knowledge and passion by members of this group who were mentored one-to-one by our volunteers.

We were inspired throughout our 100th year to defy conservative expectations of what a small independent museum 'should be'. We transformed our outlook in order to create a sustainable platform - and an attractive prospect for future supporters and funders - as a leading national centre of creative programming and artistic excellence. Visitor feedback reflects a warm and welcoming experience thanks to our enthusiastic and skilled team of 21 FTEs supported by a pool of 300 volunteers (47% of whom are under the age of 30). Our Collection displays and contemporary commissions are accessible to all through our free entry policy. We significantly improved our exterior accessibility with improvements to our car park and grounds and the introduction of a new cafe terrace for *al fresco* summer dining and BBQs providing an improved setting for weddings and events and for the enjoyment of all our visitors. Most of all, we have developed our profile to cement our position as a must-see destination of international repute. Funding remains a significant challenge and the emphasis for next year will be on using the successes of 2016 to grow the Museum's endowment and commercial activities to ensure the long-term sustainability of this exceptional Museum.

FINANCIAL REVIEW

Responsibility for the accounts and financial statements

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year that provide a true and fair view of the state of affairs of the charity's financial activities during the year and of its financial position at the end of the year. In preparing the financial statements, The Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards 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 that the museum will continue operating

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position at any time and which ensure that the financial statements comply with the applicable rules and regulations. They are also responsible for safeguarding the assets of the charity and for their proper application under charity law, including taking reasonable steps for the prevention and detection of fraud and other irregularities.

Review of the year

The Trustees are satisfied that the responsibilities set out above have been discharged and that these accounts have been prepared in accordance with the applicable accounting standards, save where stated in respect of donated heritage assets.

The net cost of operating before transfers was £600,816 which has been funded in part by the growth on investments of £302,649 and the balance from our unrestricted funds (formerly the designated Capital fund). The total donations and grants receivable were £473,704 (2015 £774,816 which included grants of £334,926 towards the acquisition of Sir Thomas Lawrence's portrait of Arthur Atherley).

Overall the unrestricted income fund totalled £1,038,039 before the pension reserve deficit of £785,000, leaving a net unrestricted income fund of £253,039 at the year end. This is a net decrease of £628,000 for the year. The pension liability increased by £328,000, £325,000 of which is due to actuarial losses primarily as a result of the change in assumption on the discount rate used.

Investment income from dividends and interest was £14,657 (2015 £17,629). Whilst the actuarial adjustment to the pension deficit reserve is a non-cash item it is required to be held in unrestricted reserves. The Trustees are mindful of the impact of this and have reviewed the Capital element which represented a designation. The decision was that it was right, in the circumstances, to remove the designation and, following adoption of FRS 102, to represent the revaluation element as deemed cost on transition and therefore unrestricted.

Clearly this drain on the reserves is unsustainable and, in so far as it represents a cash outflow, is primarily the result of a failure to achieve the annual fundraising target. The Trustees appointed a new fundraiser and made detailed changes to the approach to third parties which are intended to address this however it is recognised that the response is likely to take at least a year and cash flow therefore remains a prime focus.

Our Catalyst Endowment Fund and Restricted Income Funds are discussed below.

At the end of 2016 the Museum Group's total net assets were £12,764,905, a reduction of £681,253. This reduction included two non-cash items – the actuarial loss on the defined benefit pension scheme (£325,000) and the provision for depreciation (£241,141). The total net assets includes £8,508,445 for the building and its redevelopment completed in 2011. The Trustees are satisfied that the Balance Sheet is in sound state showing sufficient resources for the short to medium term.

The Trustees' objective is to manage the Museum's annual operating costs ultimately to achieve at least breakeven after annual fundraising and the total return achieved on investments. In the long term the

objective is to build the unrestricted fund which taken together with the Catalyst and Education Endowment funds, will generate average total returns from investments sufficient to cover the Museum's core operating costs after annual fundraising and so ensure the longer term stability of the Museum and its operations. A detailed review was conducted in spring 2016 to achieve further savings in the cost base, to ensure that all not-for-profit activities were fully funded and to maximise commercial and fundraising income with the goal over the next 3 years of reducing the net annual operating deficit to zero.

Details of Funds

The Trustees long term objective is to maintain the following five separate funds:

- **The General Fund** is the fund through which all the Trust's day-to-day operating transactions (other than those that relate solely to one or more of the other funds) are recorded. This fund operates routinely in deficit, and is subject to regular subsidy from the Capital fund.
- **The Unrestricted Fund** (formerly the Capital Fund) provides finance for the core operating costs relating to the on-going activities of the Museum. Total return income and gains from the Catalyst Endowment Fund, Education Endowment Fund and the Special Acquisition Fund are held within this fund.
- **The Development Fund** is a restricted fund operated solely for funds donated and grants raised for the purpose of financing the Trustees' major development scheme (which for these purposes included the Gardener's Lodge development).
- **The Specific Purposes Fund**, also a restricted fund, is an amalgam of the many donations to the charity over the years made with a specific purpose or intent expressed at the time of gift. It also contains the Special Acquisition Fund which holds the proceeds of sale of an item from the collection in 2011. All these transactions, both receipts and the use of the funding, are separately recorded and accounted for in the Trust's records.
- **The Endowment Funds** comprise of two grants: 1) The DCMS/Heritage Lottery Fund's Catalyst: Endowments Fund award together with the matched donations. 2) The Holburne Education Fund awarded by the Medlock Charitable Trust together with matched donations. Both funds are required to be held intact for a minimum of 25 years from the date of the receipt.

Investment policy and performance

The assets of the Endowment Fund and Special Acquisitions Fund have been invested:

- through a third party professional investment manager with a medium to low risk/capital preservation total return mandate in accordance with the powers given to the Trustee under the Trustee Investment Act 1961. Such funds totalled £1,241,544 at 31 December 2016, recording a surplus of £113,670 during the year; and
- with the Trojan Income Fund. These funds totalled £2,116,548 at 31 December 2016 recording a surplus of £188,979.

The total market value of the investment portfolio totalled £3,358,092 (2015 £3,518,069) at the end of the year.

The balance of the funds is held in cash and is invested at regular intervals as appropriate. The performance of the investments is reported monthly to the Trustees.

Unrestricted Funds operational approach

The Trustees are concerned to maintain a level of reserves which will provide sufficient working capital and enable the Museum to cope with unexpected shortfalls in income, or increases in operating costs. A five year Business Plan has been prepared and is under constant review, the objective of which is to preserve the Endowment funds and ultimately to increase them to a level at which the income generated will cover the core operating costs of the Museum.

It is the policy of the charity to maintain unrestricted reserves, which are the free reserves of the Charity, at a level that is sufficient to cover the running costs of the Charity for at least six months. During 2016 due both to the harsher climate affecting the grant making community and a shortfall in fundraising, it was necessary to drawdown £450,000 part of which was applied to the much needed improvements to the car park and grounds.

Pension Fund Deficit

The Museum's participation in the defined benefit scheme for its employees in the Avon Pension Fund resulted in a net actuarial loss in 2016 of £325,000 (2015 net gain £25,000).

The present value of funded obligations is £1,672,000 (2015 £1,338,000), giving rise to a net pension liability of £785,000 (2015 £457,000). This deficit is charged to the Unrestricted Reserves Fund. This shows that the pension fund covers some 53% (2015 66%) of the projected liability that is expected to crystallise over a period of 20 years and may have to be funded from the charity's resources in the future. The liability is reassessed by the Scheme's actuary on a triennial basis. As the Trustees take the view that this liability is most unlikely to crystallise at one point in time, the focus should be on funding the annual costs of servicing the scheme. Any further increases in the net pension liability will be also be charged to the Unrestricted Reserves Fund.

In 2010 the Trustees closed the defined benefit scheme to new employees and offered them a defined contribution scheme with Scottish Widows, which enables them to exercise some control over their entitlements. There was no take up of this scheme. In 2016 in line with government requirements, an automatic enrolment pension scheme was put into place, the provider being People's Pension.

Plans for future periods

Looking forward to 2017 and beyond, the priorities for the Trustees as set out in the Museum's Forward Plan are:

- **Excellence:** To maintain and develop the Holburne Museum's reputation for high quality in all of its activities
- **Resilience:** To create a sustainable museum through ambitious programming, fundraising, commercial activities, partnerships and staff development
- **Engagement:** To increase and broaden audiences by providing engaging, meaningful and welcoming experiences

In addition, the Museum will use the success of the 2016 *100 Years Here* anniversary year to implement its Endowment and Bequests scheme.

Dr Chris Stephens has recently been appointed as new Director to succeed Jennifer Scott. As Head of Displays and Lead Curator of Modern British Art at Tate Britain, Stephens is one of the foremost scholars of 20th century British art and the art of St Ives. He most recently curated the major 2017 David Hockney retrospective at Tate Britain, Centre Pompidou, Paris & Metropolitan Museum of Art, New York. The exhibition is projected to be the most visited exhibition in Tate Britain's history. He joins the Museum in early July 2017.

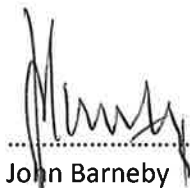
Auditors

Moore Stephens have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted to the forthcoming Annual General Meeting.

Thanks


The Trustees convey their sincere thanks to all the staff and volunteers who have provided their support to the Museum, without which it could not continue to honour and deliver its response to the charitable objectives laid down for it by its founder in 1882.

This report was approved by the Trustees and signed on their behalf on 07 07 2017 by:



.....

John Barneby
Chairman



.....

Antony Constantinidi
Treasurer

**THE HOLBURNE MUSEUM
OFFICERS AND MANAGEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The Board of Directors of The Holburne Museum Trust Company ('The Trustees')

John Barneby [1] [Appointed 13 January 2017]

CHAIRMAN

Former Chairmen of Czarnikow Group Ltd

Prof. Brian Allen FSA, DLitt [3, 5]

VICE CHAIRMAN

Chairman, Hazlitt Group

Former Director of Studies at the Paul Mellon Centre

Alexandra Chapman [2]

Trustee, Reed Foundation

Chair of Trustees, Ethiopaid

Dr Martin Clarke [2]

Founder partner at Ocean Bridge Partners

Director and Trustee of The Shakespeare's Globe Theatre, London

Chief Financial Officer, The AA

Cllr. Paul Crossley [2]

Nominated Trustee, Bath and North East Somerset Council

Antony Constantinidi FCA [1]

HON.TREASURER

Chartered Accountant

Former tax partner, PricewaterhouseCoopers

David Embleton [1]

Chairman, Wyvern Fund, a seed investment fund for the Universities of Bath, Bristol and Southampton

Co-Founder of Eden Ventures, Bath

Former Pro-Chancellor of the University of Bath, 1996-2003

Mark Humphriss [8] [Appointed Sept 2016]

Nominated Trustee, University of Bath Secretary

Antonia Johnson [3, 7]

Nominated Trustee, The Friends of The Holburne Museum

Michael King [5]

Consultant Solicitor

Former Chairman of Stone King LLP solicitors

Chairman, Prior Park Schools

Patricia Lankester [4, 5]

Educationalist

Trustee of the Chelsea Physic Garden

Former Trustee of the Tate and the National Gallery

Former Head of Education, National Trust

Desmond Shawe-Taylor LVO [3]

Surveyor of The Queen's Pictures

Former Director of Dulwich Picture Gallery

Prof. Christina Slade [9]

Nominated Trustee, Vice Chancellor of Bath Spa University

Adrian Tinniswood OBE [4, 5]

Architectural historian, author, lecturer and broadcaster.

A consultant with The National Trust and formerly Chairman of the HLF committee for the South West.

Notes

[1] Member of Investment Committee

[2] Member of the Development Committee

[3] Member of the Collection and Exhibitions Committee

[4] Member of the Learning and Engagement Advisory Committee

[5] Member of the Nominations Committee

[6] Nominee, Bath and North East Somerset Council

[7] Nominee, The Friends of The Holburne Museum

[8] Nominee, The University of Bath

[9] Nominee, Bath Spa University

Trustees and management who served during the year, but who are no longer in post at the date of this report:

Chairman of The Holburne Museum

Richard Fleck CBE until 13 January 2017

Director of The Holburne Museum

Ms Jennifer Scott until 10 March 2017

**THE HOLBURNE MUSEUM
PROFESSIONAL ADVISORS AND BANKERS
FOR THE YEAR ENDED 31 DECEMBER 2016**

Solicitors
Thrings LLP
2 Queen Square
Bath BA1 2HQ

Withy King
Midland Bridge House
Midland Bridge Road
Bath BA2 3FP

Auditors
Moore Stephens
Chartered Accountants & Statutory Auditors
30 Gay Street
Bath BA1 2PA

Investment managers and advisors
Ruffer LLP
80 Victoria Street
London SW1E 5JL

Capita Financial Managers Ltd
2 The Boulevard
City West One Office Park
Gelderd Road
Leeds LS12 6NT

Insurance Brokers
Bluefin Insurance Services Ltd
Castlemead
Lower Castle Street
Bristol BS1 3AG

Blackwall Green
The Wallbrook Building
25 Wallbrook
London EC4N 8AW

Bankers
CafBank Ltd
PO Box 289
West Malling
Kent ME19 4TA

**THE HOLBURNE MUSEUM
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE MUSEUM
FOR THE YEAR ENDED 31 DECEMBER 2016**

We have audited the financial statements of The Holburne Museum for the year ended 31 December 2016 which are set out on pages 15 to 35. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's 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 charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 31 December 2016 and of its incoming resources and application of resources, 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 Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Moore Stephens

Moore Stephens

Statutory Auditor

30 Gay Street

Bath

Somerset

BA1 2PA

Moore Stephens Bath is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

7th July 2017

THE HOLBURNE MUSEUM OF ART

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR YEAR ENDED 31 DECEMBER 2016

	Note	Unrestricted Funds	Restricted Funds	Endowment fund	Total Funds 2016	Total Funds 2015
		£	£	£	£	£
INCOME AND ENDOWMENTS						
Donations and legacies	1	285,175	63,798	124,731	473,704	774,816
Income from charitable activities	2	155,243	40,325	-	195,568	141,188
Other trading activities	3	305,199	-	-	305,199	269,294
Income from investments	4	2,615	-	12,042	14,657	17,629
TOTAL INCOME AND ENDOWMENTS		748,232	104,123	136,773	989,128	1,202,927
EXPENDITURE						
Expenditure on raising funds	5	68,211	-	-	68,211	71,652
Investment management costs	6	1,654	-	9,103	10,757	12,477
Expenditure on charitable activities	7/8	1,279,183	289,879	-	1,569,062	1,566,513
TOTAL EXPENDITURE		1,349,048	289,879	9,103	1,648,030	1,650,642
NET INCOME/ (EXPENDITURE)	10	(600,816)	(185,756)	127,670	(658,902)	(447,715)
TRANSFERS BETWEEN FUNDS	11	251,293	-	(251,293)	-	-
NET INCOME/(EXPENDITURE) AFTER TRANSFERS		(349,523)	(185,756)	(123,623)	(658,902)	(447,715)
Gain on investments	15a	46,523	-	256,126	302,649	218,623
Actuarial (loss)/gain on defined benefit pension scheme	19	(325,000)	-	-	(325,000)	25,000
NET MOVEMENT IN FUNDS		(628,000)	(185,756)	132,503	(681,253)	(204,092)
FUND BALANCES BROUGHT FORWARD		881,039	10,626,541	1,938,578	13,446,158	13,650,250
FUND BALANCES CARRIED FORWARD		253,039	10,440,785	2,071,081	12,764,905	13,446,158

The above results relate wholly to continuing activities; there were no other recognised gains or losses in the year.

The accompanying accounting policies and notes form an integral part of these financial statements.

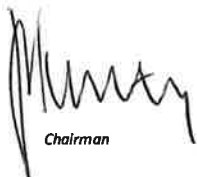
THE HOLBURNE MUSEUM OF ART

BALANCE SHEET

31 DECEMBER 2016

Note	Unrestricted Funds		Restricted Funds	Endowment Fund	Total Funds 2016	Total Funds 2015
	General Funds	Pension Funds	£	£	£	£
FIXED ASSETS						
Tangible fixed assets						
The Museum	13	550,000	-	7,958,445	8,508,445	8,558,004
Others	13	50,381	-	784,321	834,702	875,659
Heritage assets	14	-	-	748,000	748,000	748,000
Investments	15a	381,583	-	920,000	2,056,609	3,518,169
TOTAL FIXED ASSETS		981,964	-	10,410,766	2,056,609	13,449,339
CURRENT ASSETS						
Bookshop stock	16b	2,500	-	-	2,500	2,500
Debtors	17b	162,852	-	9,900	172,752	517,153
Bank balances and cash in hand		101,240	-	32,806	14,472	148,518
		266,592	-	42,706	14,472	895,392
CREDITORS: Amounts falling due within one year	18b	(210,528)	-	(12,687)	(223,215)	(692,077)
NET CURRENT ASSETS/(LIABILITIES)		56,064	-	30,019	14,472	203,315
NET ASSETS/(LIABILITIES) BEFORE PENSION DEFICIT		1,038,028	-	10,440,785	2,071,081	13,549,894
Pension scheme deficit	19	-	(785,000)	-	(785,000)	(457,000)
NET ASSETS/(LIABILITIES)		1,038,028	(785,000)	10,440,785	2,071,081	13,446,147
ENDOWMENT FUND	20	-	-	-	2,071,081	1,938,578
RESTRICTED FUNDS	21					
Specific Purposes Fund: Revenue		-	-	77,740	77,740	41,133
Specific Purposes Fund:Capital		-	-	22,548	22,548	22,548
Specific Purposes Fund:Heritage assets		-	-	748,000	748,000	742,926
Special Acquisitions Fund		-	-	920,000	920,000	920,000
Development Fund		-	-	8,672,497	8,672,497	8,899,934
		-	-	10,440,785	10,440,785	10,626,541
UNRESTRICTED FUNDS						
Designated funds:						
Revaluation fund	22b	-	-	-	-	550,000
Capital Fund	22b	-	-	-	-	788,028
General fund		1,038,028	-	-	1,038,028	1,338,028
Pension fund	19	-	(785,000)	-	(785,000)	(457,000)
	22b	1,038,028	(785,000)	-	253,028	881,028
		1,038,028	(785,000)	10,440,785	2,071,081	13,446,147

The financial statements were approved by the Trustees at their meeting on and are signed on their behalf on 7/7/2017 by:


Chairman


Treasurer

The accompanying accounting policies and notes form an integral part of these financial statements.

THE HOLBURNE MUSEUM OF ART

CONSOLIDATED BALANCE SHEET

31 DECEMBER 2016

Note	Unrestricted Funds		Restricted Funds	Endowment Fund	Total Funds 2016	Total Funds restated 2015
	General Funds	Pension fund				
	£	£	£	£	£	£
FIXED ASSETS						
Tangible fixed assets						
The Museum	13	550,000	7,958,445	-	8,508,445	8,558,004
Others	13	50,381	784,321	-	834,702	875,659
Heritage assets	14	-	748,000	-	748,000	748,000
Investments	15a	381,483	920,000	2,056,609	3,358,092	3,518,069
TOTAL FIXED ASSETS		981,864	10,410,766	2,056,609	13,449,239	13,699,732
CURRENT ASSETS						
Stock	16a	45,028	-	-	45,028	42,902
Debtors	17a	127,136	9,900	-	137,036	456,411
Bank balances and cash in hand		135,779	32,806	14,472	183,057	425,759
		307,943	42,706	14,472	365,121	925,072
CREDITORS: Amounts falling due within one year	18a	(251,768)	(12,687)	-	(264,455)	(721,646)
NET CURRENT ASSETS/(LIABILITIES)		56,175	30,019	14,472	100,666	203,426
NET ASSETS BEFORE PENSION DEFICIT		1,038,039	10,440,785	2,071,081	13,549,905	13,903,158
Pension scheme deficit	19	-	(785,000)	-	(785,000)	(457,000)
NET ASSETS/(LIABILITIES)		1,038,039	10,440,785	2,071,081	12,764,905	13,446,158
ENDOWMENT FUND	20	-	-	2,071,081	2,071,081	1,938,578
RESTRICTED FUNDS	21					
Specific Purposes Fund: Revenue		-	77,740	-	77,740	41,133
Specific Purposes Fund:Capital		-	22,548	-	22,548	22,548
Specific Purposes Fund:Heritage assets		-	748,000	-	748,000	742,926
Special Acquisitions Fund		-	920,000	-	920,000	920,000
Development Fund		-	8,672,497	-	8,672,497	8,899,934
		-	10,440,785	-	10,440,785	10,626,541
UNRESTRICTED FUNDS						
Designated Funds:						
Revaluation Fund	22a	-	-	-	-	550,000
Capital Fund	22a	-	-	-	-	788,039
		-	-	-	-	1,338,039
General fund		1,038,039	-	-	1,038,039	-
Less: Pension reserve deficit	19	-	(785,000)	-	(785,000)	(457,000)
	22a	1,038,039	(785,000)	-	253,039	881,039
		1,038,039	(785,000)	10,440,785	12,764,905	13,446,158

The financial statements were approved by the Trustees at their meeting on 7/7/2017 and are signed on their behalf on 7/7/2017 by:


Chairman


Treasurer

The accompanying accounting policies and notes form an integral part of these financial statements.

THE HOLBURNE MUSEUM

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2016

	2016	2015
	£	£
Cash flows from operating activities		
Net expenditure for the reporting period	(681,253)	(204,092)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	241,141	239,615
Net gains on investments	(302,649)	(218,623)
Dividends and rents from investments	(14,229)	(17,171)
Movement in pension reserve deficit	328,000	(16,000)
<i>Changes in:</i>		
Stocks	(2,126)	4,828
Trade and other debtors	319,375	(309,216)
Trade and other creditors	(457,191)	478,441
Net cash used in operating activities	(568,932)	(42,218)
Cash flows from investing activities		
Dividends and rents from investments	14,229	17,171
Purchase of tangible assets	(150,625)	(18,413)
Purchase of heritage assets	–	(420,000)
Purchases of other investments	(441,262)	(635,964)
Proceeds from sale of other investments	903,888	1,052,026
Net cash provided by (used in) investing activities	326,230	(5,180)
Net decrease in cash and cash equivalents	(242,702)	(47,398)
Cash and cash equivalents at beginning of year	425,759	473,157
Cash and cash equivalents at end of year	183,057	425,759

**THE HOLBURNE MUSEUM
ACCOUNTING POLICIES
YEAR ENDED 31 DECEMBER 2016**

General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is Great Pulteney Street, Bath, BA2 4DB.

Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

The accounts (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.

Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure.

The consolidated accounts include the trading activities, assets and liabilities of the subsidiary company.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The Museum makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Defined benefit pension and other post-employment benefits

The present value of the defined benefit pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pension and other post-employment benefits include the discount rate. Any changes in these assumptions will have an effect on the carrying amount of pension and other post-employment benefits.

After taking appropriate professional advice, Bath and North East Somerset Council determine the appropriate discount rate at the end of each reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, consideration is given to the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions relevant to the defined benefit pension and other post-employment benefit obligations are based in part on current market conditions. Additional disclosures concerning these obligations are given in note 19.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 23.

THE HOLBURNE MUSEUM
ACCOUNTING POLICIES (*continued*)
YEAR ENDED 31 DECEMBER 2016

Revenue recognition

Donations, grants, sponsorship and legacies are credited to income only when it is probable that they will be received and the amount can be measured with sufficient reliability.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

No monetary value is attributed to the substantial amount of time and effort contributed by the many volunteers essential to the Museum's activities and who have not been paid for their assistance.

Income

Donations and legacies include all gifts, donations and related gift aid, grants which provide core funding and patrons' subscriptions.

Other trading activities are the trading and other fundraising activities primarily to generate incoming resources to undertake charitable activities.

Income from charitable activities includes any incoming resources received that are a payment for goods and services provided for the benefit of the charity's beneficiaries. 'Charitable activities' for the purposes of the Museum's financial statement are:

- a) Exhibitions and display
- b) Learning
- c) Events (lectures and concerts etc), room hire and catering.

Expenditure

Expenditure is recognised when incurred, and is reported gross of related income on the following bases:

- a) Expenditure on raising funds comprises the costs associated with attracting voluntary income and the costs of other income generation, e.g. the costs associated with management of the investment portfolio.
- b) Expenditure on charitable activities comprises direct expenditure including staff costs attributable to its activities. Where costs cannot be directly attributed, they are allocated to activities on a basis consistent with the use of resources as described below.
- c) Governance costs are costs incurred in the governance of the Trust's assets in order to comply with constitutional and statutory requirements and are included within expenditure on charitable activities.
- d) Support costs include the central functions and are allocated to activity cost categories on a basis consistent with the use of the resources, e.g. allocating staff costs according to time spent and other costs according to usage.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Investment assets and income

Dividends and interest from investments are credited to income on receipt.

The charity's investment in its subsidiary company is shown at cost.

All other investments are shown in the Balance Sheet at their mid-market price as quoted on the London Stock Exchange. Gains and losses on the revaluation and realisation of investments are taken or charged to income in the Statement of Financial Activities.

THE HOLBURNE MUSEUM
ACCOUNTING POLICIES (continued)
YEAR ENDED 31 DECEMBER 2016

Taxation

No provision is made for Corporation Tax as the charity is able to claim full statutory exemption subject to the proper application of all its charitable resources. Gift Aid is recoverable on certain donations, and where applicable, has been included in income.

Liabilities

Liabilities are recognised in full in the financial statements as soon as the obligation arises.

Restricted and unrestricted income funds

Unrestricted income funds are expendable at the discretion of the Trustees in furtherance of the objects of the Museum.

Funds designated for a particular purpose are also unrestricted. The Trustee had in previous years designated the Capital Fund as a separate unrestricted fund from the General Fund for the future development and maintenance of the Museum's buildings and collection. The Trustee considers such designation is no longer appropriate and the designation has been removed.

The Museum receives grants and donations for purposes specified by the donors and funds are expended in accordance with donors' wishes. Such funds are restricted funds and are disclosed in the accounts under one of the headings Specific Purposes Funds or Development Funds.

Endowment fund

The charity's Catalyst endowment fund is the Heritage Lottery Fund/Department for Culture Media and Sport Catalyst: Endowment fund created from a grant of £1 million from the Heritage Lottery Fund which, together with 1:1 matched funding, will be received and raised over the period to June 2016. The capital must be retained as a permanent endowment for a minimum period of 25 years. The real value of investment returns on this fund will be used to support the operations of the Museum and will be transferred annually to the general fund.

The Holburne Learning endowment fund has been created by the Medlock Charitable Trust, Bath. It is a grant to be treated as a restricted endowment fund, the capital of which will be ring fenced to remain intact for a minimum of 25 years. The income, on a "total return" basis, from the fund will be used to support learning activities at the Holburne Museum.

Fixed Assets

Freehold property is shown in the Balance Sheet using a pre development valuation of £550,000 as deemed cost on transition to SORP (FRS102) plus subsequent costs of development of £8,949,750.

Since re opening in May 2011, depreciation has been provided on the Museum's building.

Expenditure on fixed assets is capitalised where material. Where capitalised, assets are stated at cost less subsequent depreciation unless otherwise stated. Other fixed asset expenditure of less than £200 is charged to general income or specific grants as appropriate. Where expenditure on material fixed assets is funded by specific grants or donations depreciation thereon is charged to the Specific Purposes Fund.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold property - 50 years straight line (SL)

Fixtures and fittings - pre development, 20% reducing balance - post development, 15 to 30 years SL Leasehold property - over the period of the lease

Where the recoverable amount of a tangible fixed asset is found to be below its net book value, the asset is written down to its recoverable amount and the loss on impairment is charged to the relevant expenditure category of the statement of financial activities. Where an asset is not primarily used to generate income its impairment is assessed by reference to its service potential on its initial acquisition. In the year, the charity currently has no tangible fixed assets to which impairment provisions apply.

THE HOLBURNE MUSEUM
ACCOUNTING POLICIES (continued)
YEAR ENDED 31 DECEMBER 2016

Heritage assets

The charity holds heritage assets, which are tangible fixed assets of historical, artistic or scientific importance that are held to advance preservation and conservation objectives of the charity.

The directors of the trustee company have identified three heritage assets acquired in earlier years and these have been capitalised.

With the exception of the three assets mentioned above the collection is the legacy of the Holburne family and it would be difficult and costly to attribute a cost or value to the collection. As such these assets are excluded from the balance sheet as reliable cost information is not available and conventional valuation approaches lack sufficient reliability and significant costs would be involved in the reconstruction or analysis of past accounting records or in valuation, which are onerous compared with the additional benefit derived by users of the accounts in assessing the trustees' stewardship of the assets.

The very long expected lives of heritage assets, due to their nature, value and need to be protected and preserved means that depreciation is not material and is, therefore, not provided.

Stock

Stock in the Museum shop is included in the financial statements at the lower of its original cost and net realisable value.

Operating lease agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are included in expenditure on a straight-line basis over the period of the lease.

Pension costs

For defined contribution pension schemes, contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

For defined benefit pension schemes, current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme deficit is recognised in full on the balance sheet.

Financial instruments

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

1. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2016 £
Donations				
Specific purposes revenue fund	74,375	39,478	–	113,853
General donations and grants	56,273	12,251	–	68,524
Patrons' subscriptions and donations	49,527	–	–	49,527
Friends of the Holburne Museum	35,000	–	–	35,000
Endowment donations	–	–	124,731	124,731
University contributions	70,000	–	–	70,000
ACE grants	–	6,995	–	6,995
Grants and donations for Atherley acquisition	–	5,074	–	5,074
	<u>285,175</u>	<u>63,798</u>	<u>124,731</u>	<u>473,704</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2015 £
Donations				
Specific purposes revenue fund	5,864	55,000	–	60,864
General donations and grants	79,277	54,255	–	133,532
Patrons' subscriptions and donations	46,620	–	–	46,620
Friends of the Holburne Museum	31,618	–	–	31,618
Endowment donations	–	–	58,328	58,328
University contributions	70,000	–	–	70,000
ACE grants	–	38,928	–	38,928
Grants and donations for Atherley acquisition	–	334,926	–	334,926
	<u>233,379</u>	<u>483,109</u>	<u>58,328</u>	<u>774,816</u>

2. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Exhibition admissions and touring income	121,425	–	121,425
Learning lectures, concerts, workshops etc	33,818	40,325	74,143
	<u>155,243</u>	<u>40,325</u>	<u>195,568</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Exhibition admissions and touring income	106,742	–	106,742
Learning lectures, concerts, workshops etc	34,224	222	34,446
	<u>140,966</u>	<u>222</u>	<u>141,188</u>

THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

3. Other trading activities

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Corporate Sponsorship and membership	60,100	60,100	9,198	9,198
Other activities for generating funds	244,243	244,243	256,091	256,091
Museum room hire and lettings	856	856	4,005	4,005
	<u>305,199</u>	<u>305,199</u>	<u>269,294</u>	<u>269,294</u>

4. Income from investments

	Unrestricted Funds £	Endowment Funds £	Total Funds 2016 £
Income from UK listed investments	2,187	12,042	14,229
Bank interest receivable	428	–	428
	<u>2,615</u>	<u>12,042</u>	<u>14,657</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2015 £
Income from UK listed investments	4,403	12,768	17,171
Bank interest receivable	458	–	458
	<u>4,861</u>	<u>12,768</u>	<u>17,629</u>

5. Expenditure on raising funds

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Other costs of raising funds	68,211	68,211	71,652	71,652
	<u>68,211</u>	<u>68,211</u>	<u>71,652</u>	<u>71,652</u>

6. Investment management costs

	Unrestricted Funds £	Endowment Funds £	Total Funds 2016 £
Investment management fees	1,654	9,103	10,757
	<u>1,654</u>	<u>9,103</u>	<u>10,757</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2015 £
Investment management fees	3,199	9,278	12,477
	<u>3,199</u>	<u>9,278</u>	<u>12,477</u>

THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Museum activities	515,876	263,602	779,478
Learning activities	116,562	23,777	140,339
Exhibition activities	216,545	2,500	219,045
Support costs	430,200	–	430,200
	<u>1,279,183</u>	<u>289,879</u>	<u>1,569,062</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Museum activities	509,692	318,667	828,359
Learning activities	118,454	4,936	123,390
Exhibition activities	149,980	51,176	201,156
Support costs	413,608	–	413,608
	<u>1,191,734</u>	<u>374,779</u>	<u>1,566,513</u>

8. Expenditure on charitable activities by activity type

	Staff costs £	Other direct costs £	Support costs £	Total Funds 2016 £	Total Funds 2015 £
Museum activities	319,916	459,562	160,518	939,996	982,672
Learning activities	91,541	48,798	100,323	240,662	219,836
Exhibition activities	25,245	193,800	136,439	355,484	332,322
	<u>436,702</u>	<u>702,160</u>	<u>397,280</u>	<u>1,536,142</u>	1,534,830
Governance costs	–	–	32,920	32,920	31,683
	<u>436,702</u>	<u>702,160</u>	<u>430,200</u>	<u>1,569,062</u>	<u>1,566,513</u>

9. Analysis of support costs

	Museum activities £	Education activities £	Exhibition activities £	Total 2016 £	Total 2015 £
Staff costs	53,376	33,360	45,369	132,105	123,049
Premises	85,285	53,303	72,492	211,080	194,380
Other administrative costs	21,857	13,660	18,578	54,095	64,496
	<u>160,518</u>	<u>100,323</u>	<u>136,439</u>	<u>397,280</u>	<u>381,925</u>

**THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016**

10. Net income/expenditure for the year

This is stated after charging:

	2016	2015
	£	£
Depreciation	241,141	239,615
Inventories recognised as an expenses	60,737	47,192
Auditors' remuneration:		
- audit of the group financial statements	10,700	10,500
- audit of the charity financial statements	8,525	7,500
	<u><u> </u></u>	<u><u> </u></u>

11. Fund transfers

The transfer from endowment funds to unrestricted funds is the unapplied total return on the endowment fund which has been allocated to income in the reporting period.

12. Staff costs and emoluments

Total staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	505,145	518,457
Social security costs	43,784	43,784
Other pension costs – defined benefit	22,000	26,000
Other pension costs – defined contribution	5,871	-
	<u><u>576,800</u></u>	<u><u>588,241</u></u>

Other pension costs above represents the total operating charge included in expenditure in the Statement of financial activities and does not include amounts included in other finance costs.

Particulars of employees:

The average number of full time equivalent employees during the year, was as follows:

	2016	2015
	No.	No.
Director	1	1
Curatorial	2	2
Learning	4	3
Exhibitions	1	1
Shop	1	1
Administration & finance	2	2
Fundraising	2	2
Communications	2	2
Facilities	1	1
Front of House	5	5
	<u><u>21</u></u>	<u><u>20</u></u>

There were 17 part time employees and 8 full time employees during the year, being 25 employees in total. Then average full time equivalent being 21 employees.

No employee received remuneration of more than £60,000 during the year (2015 - Nil).

**THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016**

12. Staff costs and emoluments cont

Trustees

No remuneration is payable to the sole trustee of the Museum, or to any of the directors of that company. Expenses of £277 (2015 £250) were reimbursed to one director of the Trustee company for expenses incurred on travel to quarterly board meetings.

Key Management Personnel

The total amount of employee benefits received by key management personnel is £140,700 (2015 - £143,418).

13. Tangible Fixed Assets

The group and the charity

	Freehold property £	Fixtures & Fittings £	Leasehold Property £	Total £
COST				
At 1 January 2016	9,373,077	1,097,512	90,423	10,561,012
Additions	126,673	23,952	–	150,625
At 31 December 2016	<u>9,499,750</u>	<u>1,121,464</u>	<u>90,423</u>	<u>10,711,637</u>
DEPRECIATION				
At 1 January 2016	815,073	263,359	48,917	1,127,349
Charge for the year	176,232	60,210	4,699	241,141
At 31 December 2016	<u>991,305</u>	<u>323,569</u>	<u>53,616</u>	<u>1,368,490</u>
NET BOOK VALUE				
At 31 December 2016	<u>8,508,445</u>	<u>797,895</u>	<u>36,807</u>	<u>9,343,147</u>
At 31 December 2015	<u>8,558,004</u>	<u>834,153</u>	<u>41,506</u>	<u>9,433,663</u>

Freehold property

The freehold of the Museum buildings and grounds is held by the Trustee, in Trust for the charity.

The Museum building and grounds were professionally valued at £550,000 in 1994 and this valuation has been used as a deemed cost on transition to SORP (FRS 102).

During 2011 the Development project was completed and the total cost of £8,811,623 reanalysed as freehold property.

Since the opening of the Museum in May 2011, depreciation commenced on the freehold property on a straight line basis over a period of 50 years.

In August 2016 the building was valued at just over £16m (2015 £15.8m) by the Charity's insurers, this being based on the cost of restoring or repairing the building using modern techniques and materials or replacing the property with a modern equivalent.

Leasehold property

The leasehold property is the Gardener's Lodge. The cost included in the accounts represents the cost of the premium paid to Bath & North East Somerset Council for the grant by them of a 20 year rent-free lease on these premises in Sydney Gardens, together with the cost of small subsequent improvements. The lease commenced on 20 November 2004 and its costs are being amortised by equal annual instalments over the life of the lease. The amount of the depreciation is charged against the Development Fund

THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

14. Heritage Assets

The group and the charity

	Heritage Assets £
COST	
At 1 January 2016	748,000
At 31 December 2016	<u>748,000</u>
DEPRECIATION	
At 1 January and 31 December 2016	-
NET BOOK VALUE	
At 31 December 2016	<u>748,000</u>
At 31 December 2015	<u>748,000</u>

A Bead Basket costing £78,000 and a cabinet costing £250,000 were purchased in earlier years and capitalised as a prior year adjustment as at 1 January 2015. The Atherley portrait costing £420,000 was purchased in 2015.

15a. INVESTMENTS

Movement in market value

	2016 £	2015 £
Market value at 1 January	3,518,069	3,715,508
Acquisitions at cost	441,262	635,964
Disposals at opening book value	(917,360)	(1,036,908)
Net gains on revaluations in the year ended 31 December	302,649	218,623
Movement in cash account during the year	13,472	(15,118)
Market value at 31 December	<u>3,358,092</u>	<u>3,518,069</u>
Historical cost at 31 December	<u>2,235,345</u>	<u>2,883,857</u>

Analysis of investments at 31 December 2016 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2016 £	Total Funds 2015 £
Listed investments					
UK Quoted Shares	344,412	920,000	2,056,609	3,321,021	2,485,438
Non-UK Quoted Shares	-	-	-	-	1,009,033
	<u>344,412</u>	<u>920,000</u>	<u>2,056,609</u>	<u>3,321,021</u>	3,494,471
Other investments					
UK Cash held as part of Portfolio	37,071	-	-	37,071	23,598
	<u>381,483</u>	<u>920,000</u>	<u>2,056,609</u>	<u>3,358,092</u>	<u>3,518,069</u>

Individual holdings in excess of 5% of the total portfolio are as follows:

Trojan income fund - 'S' accumulation shares £2,116,548

The charity

	2016 £	2015 £
Investment in subsidiary	100	100

**THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016**

15b. SUBSIDIARY UNDERTAKING

The charity owns the whole of the issued share capital of Holburne Trading Company Limited, a company registered in England. The address of the principal office is Great Pulteney Street, Bath, BA2 4DB.

Its principal activity is the operation of the commercial activities at the Holburne Museum and a summary of its results and balance sheet is provided below:

	2016	2015
	£	£
Profit and loss account		
Turnover	430,630	384,806
Cost of sales	(230,020)	(169,862)
	<hr/>	<hr/>
Gross profit	200,610	214,944
Administrative expenses	116,060	100,213
	<hr/>	<hr/>
Operating profit	84,550	114,731
Interest receivable	134	92
Distribution to Holburne Museum	(84,684)	(114,823)
	<hr/>	<hr/>
Result for the financial year	-	-
	<hr/>	<hr/>
Balance sheet		
Assets	130,846	118,724
Liabilities	(130,735)	(118,613)
	<hr/>	<hr/>
Retained reserves	111	111
	<hr/>	<hr/>

16a. STOCKS

The group

	2016	2015
	£	£
Stock	45,028	42,902
	<hr/> <hr/>	<hr/> <hr/>

16b. STOCKS

The charity

	2016	2015
	£	£
Stock	2,500	2,500
	<hr/> <hr/>	<hr/> <hr/>

THE HOLBURNE MUSEUM
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED 31 DECEMBER 2016

17a. DEBTORS

The group

	2016	2015
	£	£
Trade debtors	19,311	21,216
Other debtors	21,140	281,610
VAT	22,755	107,716
Prepayments	73,830	45,869
	<u>137,036</u>	<u>456,411</u>

17b. DEBTORS

The charity

	2016	2015
	£	£
Trade debtors	371	1,473
Amounts owed by group undertakings	85,608	79,098
Other debtors	19,900	280,769
VAT	26,542	117,561
Prepayments	40,331	38,252
	<u>172,752</u>	<u>517,153</u>

18a. CREDITORS: Amounts falling due within one year

The group

	2016	2015
	£	£
Trade creditors	104,760	609,212
Other creditors	5,912	5,849
Accruals and deferred income	153,783	106,585
	<u>264,455</u>	<u>721,646</u>

18b. CREDITORS: Amounts falling due within one year

The charity

	2016	2015
	£	£
Trade creditors	96,747	604,585
Accruals and deferred income	121,381	82,468
Other creditors	5,087	5,024
	<u>223,215</u>	<u>692,077</u>

All financial instrument liabilities are carried at amortised cost.

THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

19. PENSIONS AND OTHER POST RETIREMENT BENEFITS
The group and the charity

Auto enrolment with Peoples Pension came into force February 2016. Therefore all eligible staff are automatically enrolled on to the scheme. The old Scottish Widows pension had no members and is no longer available to employees.

The Museum also participates in a multi-employer defined benefit scheme which has some 65,000 members. The assets of the scheme are held in the Avon pension fund administered by Bath & North East Somerset council. The Avon pension scheme was closed to new members in September 2010. The last actuarial valuation was undertaken as at 31 March 2016.

The amounts recognised in the statement of financial activities are as follows:

	2016	2015
	£	£
<i>Total operating charge in resources expended:</i>		
Current service cost	22,000	26,000
	<hr/>	<hr/>
Total operating charge	22,000	26,000
	<hr/> <hr/>	<hr/> <hr/>
<i>Amounts included in other finance cost:</i>		
Expected return on scheme assets	(36,000)	(32,000)
Interest on scheme liabilities	53,000	49,000
	<hr/>	<hr/>
Other finance cost	17,000	17,000
	<hr/> <hr/>	<hr/> <hr/>
	2016	2015
	£	£
<i>Amounts included in other recognised gains and losses:</i>		
Actuarial loss/(gain)	325,000	(25,000)
<i>Amounts included in non-operating exceptional items:</i>		
Other recognised losses/(gains)	325,000	(25,000)
	<hr/> <hr/>	<hr/> <hr/>
Total charge to the statement of financial activities	364,000	18,000
Less employer's contributions	(36,000)	(34,000)
	<hr/>	<hr/>
Increase/(decrease) in net liability	328,000	(16,000)
	<hr/> <hr/>	<hr/> <hr/>

The total operating charge and other finance cost are recognised in the following line items in the statement of financial activities:

	2016	2015
	£	£
Costs of generating funds	22,000	26,000
Governance costs	17,000	17,000
	<hr/>	<hr/>
	39,000	43,000
	<hr/> <hr/>	<hr/> <hr/>

The amounts recognised in the balance sheet are as follows:

	2016	2015
	£	£
Present value of funded obligations	(1,672,000)	(1,338,000)
Fair value of scheme assets	887,000	881,000
	<hr/>	<hr/>
Net pension liability	(785,000)	(457,000)
	<hr/> <hr/>	<hr/> <hr/>

THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

19. PENSIONS AND OTHER POST RETIREMENT BENEFITS cont.

The group and the charity

Changes in the present value of the defined benefit obligation scheme are as follows:

	2016	2015
	£	£
Opening defined benefit obligation	1,338,000	1,302,000
Current service cost	22,000	26,000
Interest on scheme liabilities	53,000	49,000
Actuarial loss/(gain)	266,000	(33,000)
Contributions by scheme participants	7,000	8,000
Benefits paid	(14,000)	(14,000)
	<hr/>	<hr/>
Closing defined benefit obligation	1,672,000	1,338,000
	<hr/> <hr/>	<hr/> <hr/>

Changes in the fair value of scheme assets are as follows:

	2016	2015
	£	£
Opening fair value of scheme assets	881,000	829,000
Expected return on scheme assets	36,000	32,000
Contributions by employer	36,000	35,000
Contributions by scheme participants	7,000	8,000
Actuarial loss	(59,000)	(8,000)
Benefits paid	(14,000)	(14,000)
Administration expenses	–	(1,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	887,000	881,000
	<hr/> <hr/>	<hr/> <hr/>

The pension contributions rates for the year were 15.8% of salary plus a fixed contribution of £19,700. This is expected to change to 19.3% plus a fixed contribution of £29,300 for the year commencing 1 April 2017.

The fair value of the major categories of scheme assets as a percentage of total scheme assets are as follows:

	2016	2015
	%	%
Equities	52	52
Government bonds	12	10
Other bonds	8	12
Property	9	9
Cash	1	3
Other assets	18	14

The principal actuarial assumptions as at the balance sheet date were:

	2016	2015
	%	%
Discount rate	3	4
Rate of increase in salaries	4	4
Rate of increase in pensions in payment	2	2
Inflation	2	2

Amounts for the current and previous four periods are as follows:

	2016	2015	2014	2013	2012
	£	£	£	£	£
Defined benefit obligation	(1,672,000)	(1,338,000)	(1,302,000)	(1,045,000)	(1,033,000)
Fair value of scheme assets	887,000	881,000	829,000	723,000	609,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Deficit in the scheme	(785,000)	(457,000)	(473,000)	(322,000)	(424,000)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE HOLBURNE MUSEUM
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED 31 DECEMBER 2016

20. ENDOWMENT FUNDS
 The group and the charity

	Balance at 1 Jan 2016 £	Income £	Expenditure and transfers £	Gains and losses £	Balance at 31 Dec 2016 £
Permanent endowments					
Catalyst endowment fund	1,888,578	136,773	(260,396)	256,126	2,021,081
Learning endowment fund	50,000	–	–	–	50,000
	<u>1,938,578</u>	<u>136,773</u>	<u>(260,396)</u>	<u>256,126</u>	<u>2,071,081</u>

The charity's endowment fund is a Heritage grant of £1 million from the Heritage Lottery Fund which, together with 1:1 matched funding, will be received and raised over the period to June 2016. The capital must be retained as an endowment for a minimum period of 25 years. The real value of investment returns on this fund will be used to support the operations of the Museum.

The Holburne Learning endowment fund has been created by the Medlock Charitable Trust, Bath. It is a grant to be treated as a restricted endowment fund, the capital of which will be ring fenced to remain intact for a minimum of 25 years. The income, on a "total return" basis, from the fund will be used to support learning activities at the Holburne Museum.

Disclosure of total return approach to investment of permanent endowment	Trust for Investment	Unapplied Total Return	Total Endowment
Balance as at 1 January 2016			
Gift component of the permanent endowment	1,931,878	-	1,931,878
Unapplied total return	-	6,700	6,700
Total	<u>1,931,878</u>	<u>6,700</u>	<u>1,938,578</u>
Movements in the reporting period			
Gift of endowment funds	124,731	-	124,731
Investment return: dividends & interest	-	12,042	12,042
Investment return: realised & unrealised gains & (losses)	-	256,126	256,126
Less: Investment management costs		(9,103)	(9,103)
	<u>124,731</u>	<u>259,065</u>	<u>383,796</u>
Unapplied total return allocated to income in the reporting period	-	(251,293)	(251,293)
Net movements in the reporting period	<u>124,731</u>	<u>7,772</u>	<u>132,503</u>
Balance as at 31 December 2016			
Gift component of the permanent endowment	2,056,609	-	2,056,609
Unapplied total return	-	14,472	14,472
Total	<u>2,056,609</u>	<u>14,472</u>	<u>2,071,081</u>

THE HOLBURNE MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

21. RESTRICTED INCOME FUNDS
The group and the charity

	Balance at 1 Jan 2016 £	Income £	Expenditure £	Balance at 31 Dec 2016 £
Development fund				
Gardener's lodge	36,162	–	(4,699)	31,463
Major development project	8,863,772	–	(222,738)	8,641,034
Specific purposes				
-Capital funds				
Assets	8,270	–	–	8,270
Cash	14,278	–	–	14,278
-Revenue funds				
Learning	4,940	500	(4,722)	718
Railings	2,412	–	–	2,412
Conservation	19,305	9,751	(13,707)	15,349
Adopt a Treasure	1,202	–	–	1,202
ACE grant fund	6,827	6,995	(13,822)	–
Exhibitions	4,065	2,500	(6,565)	–
Collections for Music Fund	2,382	–	–	2,382
Pathways	–	25,375	(13,918)	11,457
Atherley project	–	38,978	(7,189)	31,789
Silver	–	14,950	(2,519)	12,431
-Heritage asset funds				
Atherley acquisition fund	414,926	5,074	–	420,000
Bead basket fund	78,000	–	–	78,000
Cabinet fund	250,000	–	–	250,000
Special Acquisitions fund	920,000	–	–	920,000
	<u>10,626,541</u>	<u>104,123</u>	<u>(289,879)</u>	<u>10,440,785</u>

The Development project fund is monies received specifically to finance the Museum's development project.

The Special Acquisitions Fund holds £920k received from the sale of an item in the collection and under the charity's constitution is required to be held and applied for the further purchase of other works of art for the collection. Therefore, any income, gains or losses on the investments held in the Special Acquisitions fund are allocated to unrestricted funds in order to maintain the balance within the fund.

The Bead Basket fund, the Cabinet fund and the Atherley acquisition fund are funds used to acquire, in earlier years, heritage assets which have now been capitalised

THE HOLBURNE MUSEUM
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED 31 DECEMBER 2016

22a. UNRESTRICTED INCOME FUNDS

The group

	Balance at 1 Jan 2016	Income	Expenditure and transfers	Gains and losses	Balance at 31 Dec 2016
	£	£	£	£	£
Capital fund	788,039	2,187	(836,749)	46,523	–
Revaluation fund	550,000	–	(550,000)	–	–
Pension fund	–	–	(460,000)	(325,000)	(785,000)
General Funds	(457,000)	746,045	748,994	–	1,038,039
	<u>881,039</u>	<u>748,232</u>	<u>(1,097,755)</u>	<u>(278,477)</u>	<u>253,039</u>

22b. UNRESTRICTED INCOME FUNDS

The charity

	Balance at 1 Jan 2016	Income	Expenditure and transfers	Gains and losses	Balance at 31 Dec 2016
	£	£	£	£	£
Capital fund	788,028	2,187	(836,738)	46,523	–
Revaluation fund	550,000	–	(550,000)	–	–
Pension fund	–	–	(460,000)	(325,000)	(785,000)
General Funds	(457,000)	509,634	985,394	–	1,038,028
	<u>881,028</u>	<u>511,821</u>	<u>(861,344)</u>	<u>(278,477)</u>	<u>253,028</u>

23. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in the retained funds or income or expenditure for the year.

24. RELATED PARTIES

There were no related party transactions to be disclosed for the current or the previous year.

THE HOLBURNE MUSEUM

DONORS TO THE MUSEUM FOR THE YEAR ENDED 31 DECEMBER 2016

The Holburne Museum is fortunate to receive both financial gifts and gifts of time from many Foundations and Trusts, Companies, Individuals and Partners Organisations. In particular we would like to thank: our 300 volunteers who give us 35,000 hours each year, the University of Bath and Bath Spa University, all our Benefactors and Patrons and the Friends of Holburne Museum. It is because of you we are Changing Lives through Art.

We do not have room to thank absolutely everyone who supported us during 2016, but we would like to say special thanks to:

The Holburne Museum Benefactors

The Osborne Charitable Trust

Trusts

The Joyce Fletcher Charitable Trust

The Medlock Charitable Trust

Public Bodies and Organisations

Arts Council England

Bath Spa University

Benugo

The Friends of the Holburne

Fuller Smith & Turner PLC

Heritage Lottery Fund

The Silver Society

South West Museums Development Programme

University of Bath

V&A Purchase Grant

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Sidney Blackmore and David Wiltshire

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Sir Timothy and Lady Lloyd

Nigel and George Mackintosh

Sandra le Marchant

Bel Mooney and Robin Allison –Smith

John Nicoll

Kevin and Victoria O’Sullivan

William and Veronica Otley

The Paravicini Dyer Charitable Trust

William and Vanessa Parker

David Pike

The Pitt-Rivers Charitable Trust

David and Suki Posnett

John Robinson

Margaret Roper (deceased)

Adrian Sassoon

Juliet Schubart

The Andrew and Belinda Scott Charitable Trust

Hugh and Catherine Stevenson

The MJC Stone Charitable Trust

Michael and Julia Samuel

The Peter Stormonth Darling Charitable Trust

Lady Evelyn Strasburger

Ian Thorn

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Momentum Consulting Engineers Ltd
Pearson May Chartered Accountants
Stone King

Corporate in Kind support

Apple Tree Guest House
Benugo
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Great Western Wine

Hotel Partners

Abbey Hotel
Gainsborough Bath Spa

Endowment Fund

Established with significant support from:

The Heritage Lottery Fund
The Esmée Fairbairn Foundation
Miss Barbara Ellis (deceased)
Mr Brian Roper (deceased)

Our particular thanks to those who supported our Endowment through the Catalyst Campaign in 2016

Donations to Endowment 2016

Sidney Blackmore
Rosalie Challis
Dr Martin A Clarke
Morny & Ian Hay Davison
Bruce Doern
Kristin Doern
Andrew Fletcher
Phil Honey
David Lees
Lowell Libson
The Medlock Charitable Trust
Marnie Middlemiss
Matthew Thorne

We could also like to thank those donors who supported us throughout the year and wish to remain anonymous.

Our thanks also to the many visitors who chose to make a donation during the year. The Holburne Museum receives no regular government or council funding so every donation helps us achieve our vision of Changing Lives Through Art.