

**The South West Heritage Trust**  
(A Charitable Company Limited by Guarantee)

**Annual Report and Financial Statements**

**For the Year Ended 31 October 2015**

**Company Number: 09053532**  
**Charity Registered in England and Wales Number: 1158791**

**The South West Heritage Trust**  
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For the Year Ended 31 October 2015

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**The South West Heritage Trust**  
Reference and Administrative Details  
For the Year Ended 31 October 2015

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<b>Trustee Directors</b>	Cllr R F Croad N J Denison Dr C L T Gray P J Gunner D H Gwyther (Chair) Cllr D Hall A Harper S V Maberley T Makewell M J R Motum D Sekers
<b>Chief Executive Officer</b>	T W Mayberry
<b>Charity Number</b>	1158791
<b>Company Number</b>	09053532
<b>Principal Address and Registered Office</b>	Somerset Heritage Centre Brunel Way Taunton Somerset TA2 6SF
<b>Auditors</b>	Albert Goodman LLP Mary Street House Mary Street Taunton Somerset TA1 3NW
<b>Bankers</b>	NatWest 49 North Street Taunton Somerset TA1 1NB
<b>Solicitors</b>	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE

## **FOREWORD**

I am delighted to present the first annual report of the South West Heritage Trust covering the period 1 November 2014 to 31 October 2015.

The Trust brings together services of outstanding quality that were previously provided by Somerset and Devon County Councils. The Museum of Somerset in Taunton is widely praised as a visitor attraction. Somerset Rural Life Museum in Glastonbury will be a strong heritage presence at the heart of the South West when its major refurbishment is complete in 2017. The Brick and Tile Museum in Bridgwater is a hidden gem waiting to be discovered.

In Taunton, Exeter and Barnstaple we make available the extraordinary archive and local studies collections of Somerset and Devon, collections which together constitute one of the largest in the country. We also provide essential advice and information about Somerset's historic environment and care for 400 acres of heritage landscapes.

The Trust is an independent charity. That brings us new opportunities to develop and prosper, to work in partnership with communities and organisations, and to embrace new ideas and ways of doing things. We want to provide for those who already love the heritage of the South West and reach out to those who have yet to discover it. We make a particular effort to engage with the disadvantaged, young people and the very old.

I have been hugely impressed by the commitment and dedication of heritage staff, both in Somerset and Devon, and by all they do to preserve and make available the rich evidence of our past. I am also very grateful to our many volunteers, Supporters, Founder Members and Friends for all that they contribute to the strength and success of the Trust. Together we want to make our shared heritage available to as many people as we can and in ways that provide many opportunities for learning, engagement and enjoyment.

Our first year has been one of remarkable achievement. I'm excited by the opportunities that lie ahead.

**David Gwyther**

Chair of the South West Heritage Trust

## **INTRODUCTION**

The Trustee Directors ("Trustees") present their report and accounts for the year ended 31 October 2015. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, applicable law and the requirement of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005, revised 2008).

The full name of the Charity is The South West Heritage Trust. It was incorporated on 22 May 2014 as a company limited by guarantee. Its company registration number is 09053532. Its Charity registration number is 1158791. The Charity is variously referred to throughout this report as either "the Charity", "the Company" or "the Trust".

### **References and Administrative Details**

Administrative information is given in a separate section at the front of these accounts.

### **Directors and Trustees**

The directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year end are as follows:

- Cllr R F Croad
- N J Denison
- Dr C L T Gray
- P J Gunner
- D H Gwyther (Chair)
- Cllr D Hall
- A Harper
- S V Maberley
- T Makewell
- Lt Col. M J R Motum
- D Sekers

None of the Trustees have any beneficial interest in the Company. All of the Trustees are members of the Company and guarantee to contribute £1 in the event of a winding up.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution and Formation of the South West Heritage Trust**

The South West Heritage Trust (the Trust) came into active being on 1 November 2014 as an independent company limited by guarantee with charitable status. The Company is governed by its memorandum and articles of association. Its charitable objects are set out in the articles of association, as follows:

- The advancement of education;

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- the promotion of arts, heritage, culture and science including by the preservation and safeguarding of such land, buildings, structures, archaeology, objects, records or books as may be of historic or educational interest or significance; and
- to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The Trust takes over the heritage service responsibilities previously carried out by Somerset County Council (comprising the Archives and Local Studies, Museums and Historic Environment Services) and Devon County Council (comprising the Archives and Local Studies Services).

A subsidiary trading company, South West Heritage Trust Trading Company Ltd (registered company number 09222720), has also been formed.

In its early years the Trust aims to establish itself as an innovative and sustainable independent organisation. It will have greater entrepreneurial and commercial freedom to develop services and partnership opportunities.

The legal agreements which underpin the operation of the Trust are the Transfer Agreements, Grant Agreements and Collections Management Agreements between Somerset County Council (SCC) and the Trust and Devon County Council (DCC) and the Trust. The Trust demonstrates its independence in line with Charity Commission guidance set out in RR7.

### **Organisational Management**

The Board of Trustees meets on a quarterly basis to discuss the progress of the organisation and to provide and agree strategic direction. A Chief Executive Officer is appointed by the Trustees to manage the day to day operation of the Trust and provide leadership and direction for the implementation of the Business Plan. Three Trustee committees take place quarterly to examine and deal with complex issues of the charity, with powers to exercise authority where delegated by the Board:

- The Personnel Committee – deals with all issues relating to human resources, terms and conditions and remuneration for all staff employed by the Trust (excepting the senior management team)
- The Marketing and Communications Committee – deals with the strategic direction and targeting of marketing, PR and communications as appropriate
- The Finance Committee – receives reports on income and expenditure and related activities to monitor financial stability and progress against the business plan

The management team meets formally not less than 9 times a year to ensure consistent and collaborative management of services across the Trust and to progress delivery of the business plan.

### **Selection and Training of Trustees**

The Trust operates with a Board of Trustees which has been selected following a full and open recruitment process. The recruitment process took place prior to the vesting of the Trust in the spring of 2014, with nominees at first forming a Shadow Board. This early involvement allowed induction and training to take place and Trustees to be involved with key decisions relating to the formation of the Trust. Further training for Trustees is arranged as required.

The experience and knowledge present within the Board of Trustees is considered from time to time to ensure that the correct mixture of skills is represented. A three-year term applies for all Trustees, which may be extended by one term.

### **Risk and Risk Management**

A risk register is maintained and reviewed by the Board of Trustees on a regular basis. The register assesses risk based on likelihood and impact, providing information about actions and controls in place to manage risk.

Risks include those which are financial, operational or reputational or that would otherwise be of concern for the future of the charity. The Trustees are satisfied that the charity is a going concern and that all risks are being actively and appropriately managed.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives**

#### ***Our Vision***

We will celebrate and protect our rich heritage, helping everyone to enjoy it now and in the future.

#### ***Our Mission***

##### Access, Learning and Enjoyment

- We will help people from all backgrounds to learn from our heritage and be inspired by it.
- We will encourage individuals and communities to get involved in our heritage.
- We will make our heritage as accessible as we can and will promote research and understanding.

##### Care, Conservation and Protection

- We will make sure our heritage is excellently cared for.

##### Resilience

- We will build partnerships with funders and stakeholders to increase sustainability.
- We will strive for excellent, ambitious and entrepreneurial services.
- We will foster links between heritage, the arts, tourism and economic prosperity for the benefit of all.

##### Staff and Volunteers

- We will ensure that our workforce is skilled and diverse.

### ***Our Strategic Priorities***

Four strategic priorities provide the framework for our work within the areas of Archives and Local Studies, Museums, and the Historic Environment:

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- **Audiences:** we will use collections and heritage assets to extend our reach and develop new and existing audiences.
- **Collections and Heritage Assets:** we will develop and protect collections and heritage assets.
- **Resources:** we will focus strongly on business development and income generation.
- **Management, Governance and Transformation:** we will focus strongly on staff and volunteer development and on establishing a successful and viable Trust.

### **Activities**

#### ***Museums***

The Trust manages the following museums and cares for their collections:

- The Museum of Somerset (including Somerset Military Museum) at Taunton Castle. The museum reopened in 2011 following a major redevelopment and has welcomed over 300,000 visitors since that time. It sits within the cultural quarter of Taunton, which includes the newly-regenerated Castle Green and Castle House.
- The Somerset Rural Life Museum in Glastonbury. This museum is currently undergoing a significant £2.3m redevelopment, funded by SCC and a range of grant-giving bodies including significant sums from the Heritage Lottery Fund (HLF) and Viridor Credits Environmental Company. It will reopen in 2017 as a major visitor attraction for Somerset.
- The Somerset Brick and Tile Museum, Bridgwater. It tells an important aspect of the County's industrial story.

The Trust has curatorial care of more than 3 million museum objects for Somerset, ranging from Bronze Age gold to modern art, and including major collections owned by Somerset Archaeological and Natural History Society, North Somerset Council, and Somerset Military Museum Trust. It has additional curatorial responsibilities under agreements with North Somerset Council and Weston-super-Mare Town Council.

The Trust discharges Somerset County Council's statutory responsibilities under the Treasure Act 1996 and manages the associated Portable Antiquities Scheme in partnership with the British Museum and Dorset County Council.

A learning, events and exhibitions programme is fundamental to the purpose, reach and impact of the Trust. Heritage learning activity for Somerset is partly traded through a subscription service.

#### ***Archives and Local Studies***

The Trust cares for the written evidence of the history of Somerset and Devon and holds millions of documents dating from the 8th century to the present day. These are made available to the public including through:

- The Somerset Heritage Centre, Taunton. The centre opened in 2010 and provides high-quality modern storage and access to the county's historic records.
- The Devon Heritage Centre, Exeter. The centre was opened in 2004 following significant investment by the HLF. It forms part of the Great Moor House site.
- The North Devon Record Office, Barnstaple. The Record Office forms part of Barnstaple Library.
- A range of fee-based outreach, advice and professional services to schools and others.

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- A growing range of digital resources.

It manages the Somerset Studies Library and the West Country Studies Library, and provides archive services to North Somerset Council and Torbay Council.

The Trust delivers the statutory archive responsibilities of SCC and DCC chiefly under the Local Government Act 1972, s224. The Act states that principal authorities must make 'proper arrangements' for records in their ownership or custody. The Local Studies libraries form part of the statutory provision of SCC and DCC under the Public Libraries and Museums Act 1964. The Trust also hosts the work of the Somerset Victoria County History, which operates through a small Somerset VCH Trust.

### ***Historic Environment and Estates Service***

The Trust delivers this service in Somerset through:

- Providing conservation, planning and archaeological advice to local authorities and others.
- Maintaining the online Historic Environment Record.
- Managing a range of historic land assets including Cothelstone Hill and the Blackmoor Reserve at Charterhouse-on-Mendip.
- Working with statutory partners and others to protect and enhance the historic environment.

The Trust helps SCC discharge its obligations under the National Planning Policy Framework (NPPF) (DCLG, 2012). A wide range of community archaeology programmes are also delivered with partners such as the Heritage Lottery Fund, English Heritage and Leader Plus, supported by EU, DEFRA, RDA and other funding.

## **PUBLIC BENEFIT**

The charity Trustees consider that they have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission (i.e. public benefit statement).

Public benefit is at the heart of the activity and work of the South West Heritage Trust. Our commitment to public benefit is reflected throughout the statement of Achievements and Performance given below, and is the foundation for our Vision that 'we will celebrate and protect our rich heritage, helping everyone to enjoy it now and in the future.'

The annual total of 125,161 visitors to our sites was unprecedented in the history of the Somerset services and included 111,950 visitors to the Museum of Somerset. 25,000 visitors came to see the Alfred Jewel during the month of February 2015, drawn not least by very strong media coverage. 20,939 came to the family-focused Brick Wonders exhibition over the summer. The museum is rated Taunton's chief visitor attraction by Tripadvisor, and the second highest-rated museum attraction in the ancient county (out of 64) after the Fleet Air Arm Museum.

The refurbishment of Somerset Rural Life Museum, which continued successfully during the review period, seeks not least to enhance the museum's role and potential in contributing to the tourist economy of central Somerset and the county as a whole.

The Trust collects and reports statistics about access to collections and sites (see below). This is done to demonstrate public benefit and also to help us improve what we do and how we do it.

125,161	<b>visitors to our sites</b>
10,683	children attending formal learning sessions
353	formal learning sessions
9,942	people at informal learning sessions
90	informal learning sessions
759,210	visitors to our websites
3,045	days of volunteer time
22,838	volunteer hours
508	heritage events held
19,566	people attending our heritage events
4	service complaints received, satisfactorily dealt with
0	service complaints received, unsatisfactorily dealt with
855	positive comments and compliments recorded
4.62	combined social media review (out of 5)

## **ACHIEVEMENTS AND PERFORMANCE**

### **The Museum of Somerset**

The Museum of Somerset was visited by 111,950 visitors in the Trust's first full year to 31 October 2015. This is the largest attendance at the museum in more than one hundred and forty years of its existence. In the previous year, recorded attendance was 75,102, meaning that there was an increase of nearly 50% year on year.

A highlight of the year was the loan of the Alfred Jewel, which returned to Somerset for the first time in 297 years. It was present throughout the month of February and accompanied by special events and activities. Extended opening hours and organised closed viewings maximised the opportunity for residents and visitors to view and find out more about the Jewel.

The loan of the Jewel from the Ashmolean Museum in Oxford was a remarkable success and attracted an unprecedented 24,500 visitors, compared with 6,500 for the same period in 2014. The Trust decided as a result to inaugurate a series of spotlight loans, allowing key heritage objects of national significance to be seen by a wide audience locally. In August the Victoria and Albert Museum confirmed its agreement to the loan of the Becket Casket from 30 January to 2 April 2016.

Over the summer, the Brick Wonders Lego exhibition was a major success with high visitor numbers and a high approval rating. This was the first charged exhibition held at the Museum and its positive reception by the public strengthened organisational confidence to mount family-orientated exhibitions on a similar basis in future. The exhibition attracted 20,939 visitors, many of whom were new to the Museum.

The Museum of Somerset hosted two events for national bodies, namely a meeting of ASPROM (The Association for the Study and Preservation of Roman Mosaics) and the Silver Society, both as a consequence of the strength of the museum's collections in relevant areas.

Heritage events at the Museum continued strongly and included popular lectures, film nights, finds identification days and many events focused around families and children.

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Visitors comment about the welcome and service provided by the Visitor Services staff and the volunteers continued to be overwhelmingly positive.

### **Castle House**

Castle House is a part of the Taunton Castle complex of buildings and was previously under the management of the Vivat Trust and the Castle House Taunton Management Trust.

The assignment to the South West Heritage Trust by Somerset County Council of the under-lease of Castle House was successfully completed on 9 July 2015. Castle House is now managed directly by the Trust, and early indications are that it will be an important addition to the Trust's responsibilities.

The ground floor of the building is open to the public for a minimum of five days a week and is managed as a part of the Museum of Somerset. The upper floors are managed as a holiday let.

### **Somerset Rural Life Museum**

The Trust is a major partner in a project to redevelop Somerset Rural Life Museum in Glastonbury. The lease is to be re-assigned to the Trust in 2016 following the building renovation works in 2015.

Rapid progress was made on the main-build works for Somerset Rural Life Museum during 2015. They were undertaken by Ken Biggs Contractors of High Littleton as part of a £2.3 m scheme and included the construction of a Community Learning Room. By the end of the year the works were nearing completion and, despite cost pressures, remained within budget. Fit-out works, to be undertaken by the Trust, are likely to begin in March, and will coincide with the granting of a long lease of the site by Somerset County Council to the Trust. A rapid review of the storyline process was undertaken with external help during October and November and suggested a number of new interpretative approaches.

### **Somerset Archives and Local Studies**

The Somerset Archive and Local Studies Service is based at the Somerset Heritage Centre, Taunton. The state-of-the-art Heritage Centre opened in 2010 and is an Approved Place of Deposit for Public Records.

Collections held at the Heritage Centre are described in publicly-available finding aids to relevant professional standards. There were 406 accessions to the Somerset archive collections during the year under review, for each of which an accession record was generated.

Work is underway to replace Somerset's online archive catalogue because the existing system is in a software product which is no longer supported. The new catalogue has now been commissioned and will be ready before the end of March 2016. Work is also underway to improve the cataloguing system used for Local Studies materials both in Devon and in Somerset, and to provide online access.

A Round 2 bid to The National Archives Cataloguing Grants Programme for cataloguing the Wyndham Estate Archive was successful. In a very competitive bidding process the grant, for £31,570, was the only one made to a county-based archive service. We will now be able to appoint a project archivist for 15 months to work on this highly important West Country collection and to make it fully accessible.

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Digitisation of Somerset maps for the Know Your Place HLF-funded project was completed during October–November 2015. The project will make digitised historic mapping available online.

A contract recently entered into with Ancestry will make archive information relating to Somerset more accessible online than has ever been the case before. Access is through digitised images of original records, including parish registers. Digitisation of relevant Somerset sources was completed by Ancestry during the period under review.

During the year to 31 October 2015, 26,131 documents and microform surrogates were made available to personal visitors to the Somerset Heritage Centre searchroom.

The Archive Service and Local Studies Service has continued to deliver a programme of archive protection and conservation. The programme was extensively supported by volunteers who were hosted on a weekly basis from Friends groups and other stakeholder organisations.

The digital preservation of 30,000 acetate negatives from the Kenyon photographic collection has begun. The negatives, which are suffering from vinegar syndrome and are in urgent need of duplication, are a rich source of history relating to people, places and industrial sites in Somerset and beyond from 1938 to 1994.

### **Devon Archives and Local Studies**

The Devon Archives and Local Studies Service operates supervised public searchrooms in Exeter and Barnstaple. Storage conditions adhere to national standards.

Key achievements have included the following:

- A bid to the Heritage Lottery Fund for £267,400, in support of the Devon Remembers Project, was successful in June. This major community-based project commemorates the centenary of the First World War in a Devon context. The Devon Remembers Heritage Project was successfully launched at the Museum of Barnstaple and North Devon on 8 October, the centenary of the North Devon Yeomanry's arrival at Gallipoli. The Project Officer and the Project Assistant began work in September and are already making many links with Devon communities.
- Work on the Devon Manorial Records Project continues with new manors and records being discovered. In July the project officer delivered a talk to staff and volunteers from the Dartmoor National Park Authority's 'Parishscapes' project and in October delivered talks for the Friends of Devon Archives AGM and the Guild of One Names Studies 'Manorial and Older records' seminar.
- A 6-week course on palaeography was held during the autumn at the Devon Heritage Centre.

### **Historic Environment and Estates Service**

Throughout the year, the Historic Environment and Estates Service provided archaeological advice to local authorities and others on a wide range of planning and listed building applications. Over 774 applications were assessed by the Trust. During the summer of 2015 the Service gave specialist advice on over 90 applications for Higher Level Stewardship schemes in Somerset. This advice was part of the new consultation procedure put in place by Natural England to monitor Higher Level Stewardship agreements across England. Work with statutory providers continued to be undertaken to tight timescales.

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The Historic Environment and Estates team were involved in coordinating a number of community archaeology projects around the county. Two key projects were carried out in partnership with local groups and each project received grant funding from external bodies such as the Heritage Lottery Fund. At Curry Mallet a project took place for carrying out archaeological excavation in the village and to offer training to local school children and the wider community. The event was linked to the celebrations of the 800th anniversary of Magna Carta, and identified a previously unrecorded 13th-century moated site adjacent to the parish church.

The creation of heritage reconstruction buildings at the Avalon Marshes Centre (including a Roman dining room and a Saxon hall) progressed rapidly with the support of Heritage Lottery Fund. The work has benefited so far from 4,000 hours of volunteer time, and the volunteer component of the project has been crucial.

An outreach and education programme linked to the Hinkley C project continued throughout the year and numerous local groups learnt about the archaeological discoveries made at Hinkley Point. Field visits, hands-on heritage events, walks and talks all featured.

### **Heritage Landscape Assets**

The Trust holds a range of heritage landscape assets as leaseholds from Somerset County Council. They include the sites referred to below and amount in all to some 400 acres.

In partnership with the Quantock Hills Area of Outstanding Natural Beauty, and funded by the Heritage Lottery Fund's Sharing Heritage Programme, the Historic Environment Service worked with students from Bridgwater College to undertake an archaeological dig on Cothelstone Hill on 20–21 June. The dig sought to achieve a better understanding of archaeological features on the hilltop and to find a site for planting a ring of trees which will eventually replace the iconic Seven Sisters.

Meetings with the Quantock Hills Area of Outstanding Natural Beauty took place during the period under review to discuss the future management of Cothelstone Hill. It was agreed that a Partnership Agreement should be drawn up to clarify respective roles and responsibilities.

A draft management and access strategy for the Trust's Heritage Landscape Sites was begun during the review period. It is intended that the Trust will draw up management plans and visitor plans for each of the sites now in its care. The plans for the Beckery Chapel site have been completed. Revised and re-branded heritage panels are being drafted for some sites, and those for Cothelstone Hill have been installed.

The Historic Environment Service was in discussion with Avon and Somerset Constabulary and the Mendip Hills AONB following the solstice rave which took place at Charterhouse on 20–21 June. No damage was caused to the site managed by the Trust but fencing needs (already under consideration) and access controls were reviewed.

Discussions are ongoing with the Mendip Hills Area of Outstanding Natural Beauty partnership to discuss cooperation and the future management of the Charterhouse/Blackmoor Reserve site.

The Trust accepted an invitation to become a member of the Blackdown Hills AONB Partnership.

## **Learning**

The Learning Service in the year ended 31 October engaged with 10,683 school pupils in formal learning sessions and with some 9,942 informal learners.

A Formal Learning Review reported in February, which has led to the creation of an action plan to set out a series of detailed developmental actions on-going until June 2016.

The Somerset Formal Learning Service has developed several new school sessions to fit the new National Curriculum. They will be on offer to schools for the new academic year. New back-office software to manage school museum loans is almost ready and will be operational for the spring term.

The Community Heritage Officer in Devon successfully completed a City and Guilds Education and Training Award course, and a variety of community learning and volunteer opportunities were as a result organised for the autumn in Devon. Work has started on developing a reminiscence programme which will be launched during 2016. Workshops and training courses were provided for Exeter University, East Dartmoor History Association, the Parishscapes project (Dartmoor National Park Authority), and Devon History Society on using material and sources at the Devon Heritage Centre. New volunteers have also been recruited to work in various areas, including conservation, local studies, document processing, cataloguing and the Devon Remembers project.

## **Exhibitions**

An ambitious programme of exhibitions and events, and associated activity, continued throughout the year. Exhibitions and events are designed to appeal to as diverse an audience as possible.

The 'Waterloo Lives' Exhibition, undertaken by the Trust in partnership with the National Army Museum, opened at the Museum of Somerset on 21 April and continued until 4 July. The exhibition marked the 200th anniversary of the Battle of Waterloo and used artefacts from the collections of both organisations, including hair from Napoleon's horse. The exhibition was an excellent example of collaboration with a national institution and was seen by nearly 15,000 people.

A programme of activities funded by the Heritage Lottery Fund, associated with the acquisition of the Anglo-Saxon sculpture of St Peter, was undertaken. An Anglo-Saxon day at the Museum of Somerset was held in May and included a wide variety of demonstrations and practical activities. A day course on early medieval sculpture techniques also took place.

An event to celebrate the completion of the Take One Project, centred on the St Peter sculpture, was held at the Museum of Somerset on 4 July. Schools from Taunton, Bridgwater and Glastonbury participated in the project.

The Brick Wonders exhibition ran from 11 July to 3 October and received a total of 20,939 visitors, divided almost equally between adults and children.

Its successor exhibition, Imprints, created by members of the South West Textiles Group, ran from 10 October to 2 January.

Throughout the period under review preparations continued for the display of the Becket Casket from 30 January to 2 April 2016 and for a programme of associated events.

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With funding from Arts Council England, the Museum of Somerset gallery known as Speaking Your Mind was repurposed as a second temporary exhibition gallery. The new gallery, called the Hammet Room, enables us to provide an enhanced programme of changing exhibitions using our own and external collections.

The War Stories Project and its associated exhibition, which received £47,300 from the Heritage Lottery Fund, focused on the filmed testimony of people whose lives were shaped by the Second World War. It was launched at a special event at the Museum of Somerset on 18 May. The main War Stories film has been shortlisted for the Imperial War Museum Short Film Festival, a competition which runs annually.

Family learning sessions at the Museum of Somerset have been very well attended, including half term activities such as Dino Day and Hallowe'en.

### **Collections Care and Acquisition**

Items acquired on behalf of the County Councils have included the following:

- As part of the Acceptance-in-Lieu procedures, the archives of the Helyar and Walker-Heneage families of Coker Court, East Coker, have been acquired. The collection is outstandingly rich in materials from the Middle Ages onwards. The valuation of the collection was £460,000, of which £58,290 was raised by the Trust, including through grant funding from the Arts Council/V&A Purchase Grant Fund, the Friends of the National Libraries and local funders.
- The prisoner-of-war diaries of Lewis Mills Burfitt of Ilfracombe, who was interned by the Japanese from 1943 to 1945, were acquired with funding from the Devon Family History Society and the Friends of Devon's Archives. The diaries are extensive, detailed and very rare.
- In addition to day-to-day collections care, the major volunteer project to list and protect the archive collection of the Dickinson family of Kingweston was completed, and work began on phase two of the volunteer project to list and protect the illustrative collections of Somerset Archaeological and Natural History Society.
- The outstanding Anglo-Saxon sculpture of St Peter, found at Dowlish Wake in 2004, was acquired from a dealer for £150,000. The acquisition was made possible by generous funding from the Heritage Lottery Fund, the Art Fund, The Arts Council/V&A Purchase Grant Fund, The Fairfield Trust, The Friends of the Museum of Somerset and others.
- A remarkable year-going longcase clock by James Cole of Nether Stowey, c. 1790 was purchased with generous support from local funders.
- The Arts Council England/Victoria and Albert Museum Purchase Grant Fund generously supported the acquisition of a Civil War hoard of 18 silver and gold coins found near Taunton in 2014. They were declared Treasure at a coroner's court in January 2015. The hoard is very rare in a Somerset context because of its gold content. The coins date from 1601 to 1645 and were evidently hidden in response to the sieges of Taunton in 1644–5.
- The Elizabethan chalice of St Nicholas's Church, Kilton, 1573, was added on loan to the museum collections and will be displayed at the Museum of Somerset. It is splendid example of its kind and among a group of Somerset chalices created in the 1570s following an order to destroy all pre-Reformation church silver.
- A portrait of the Somerset-born philosopher John Locke (1632–1704), was successfully acquired with generous support from the Trust's Founder Members. The portrait is a highly characteristic image of Locke in the last year of his life and is a studio variant of an original by Sir Godfrey Kneller. Locke was a pre-eminent English philosopher whose radical

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theories about the relationship of government and people helped to change the nature of society.

- Contemporary collecting to reflect distinctive aspects of today's Somerset remains important. Among acquisitions made during the year was a willow coffin donated by the Somerset Willow Company. It will be displayed in the Somerset Rural Life Museum.
- A review of the fine art collections made significant progress and included detailed research to amplify our knowledge of individual works.
- Generous funding made possible the acquisition of a painting, *The Vale of Cucklington* (1944), by the artist Tristram Hillier RA (1905–1983). Hillier established his reputation as one of Britain's leading avant-garde artists before the Second World War, and from 1943, following a period of war service, lived and worked in Somerset. His Surrealist artistic vision, often marked by a powerful sense of desolation, was accompanied by a deep devotion to landscape. *The Vale of Cucklington* is an outstanding example of his work.
- Partnership working continued for another season on the excavation and post-excavation of Gulleys Cave, Ebbor Gorge, with Royal Holloway, University of London. This work is of national importance in Pleistocene studies and will give rise to a highly significant additions to the Quaternary mammal bone collection.

### **Volunteers**

Volunteers remain central to the work and success of the Trust. During the year 3,045 days of volunteer time were given, amounting in all to 22,838 hours. Matters of particular note during the review period include the following:

- A celebration event was held in October to thank volunteers who give their time at the Somerset Heritage Centre. Notable recent volunteer projects have included work on the Dickinson of Kingweston archive collection and on illustrations belonging to Somerset Archaeological and Natural History Society.
- A team of volunteers have been created to support the work of the Portable Antiquities Scheme. Training and other support is being provided through PAST Explorers, a national initiative funded by the Heritage Lottery Fund.
- Volunteers gave 4,000 hours in support of the Avalon Marshes reconstructions during the year.
- New opportunities are being developed for Museum of Somerset volunteers including tours of Taunton. Volunteers will be undertaking the tours during 2016 and are now planning and researching them.

The Trust gratefully acknowledges that it would be impossible to deliver excellent services without the support and commitments of our loyal volunteers.

### **FINANCIAL REVIEW AND RESERVES POLICY**

Incoming unrestricted resources in the period totalled £2,868,536, with incoming restricted resources totalling £1,025,350. Of the £3,410,216 resources expended, £3,383,746 (99.22%) was for charitable purposes. The remainder was for trading costs and governance.

### **Reserves**

The Trust began the year with no reserves and during the year the Trustees established a number of designated funds for specific projects that they wish to undertake in the foreseeable future.

At the year end the Trust's reserves, excluding the long-term pension reserve, were as follows:

	<b>£'000</b>
Unrestricted general funds	38
Designated funds	457
Total unrestricted funds	<u>495</u>
Restricted funds	<u>303</u>

The Trust established a Reserves Policy during its first year of operation. It states that the 'target provision of reserves should meet operational costs for three months'. This target is an organisational aspiration to be achieved by 2025. For our core operations, the target position would be reserves of approximately £700k.

The majority of Trust employees transferred from Devon and Somerset County Councils and are members of the final salary (defined benefit) pension schemes operated by those councils. Valuations of the Trust's share of the net liabilities of these schemes have been undertaken by the scheme actuaries as at 31 October 2015 on an FRS17 (accounting) basis. These liabilities, totalling £3.156m are included within the accounts along with a corresponding pension reserve.

Triennial revaluations of the schemes on a funding basis, to determine the employer's contribution rate for future years, are being undertaken by the scheme actuaries and early indications are that the deficits on a funding basis will be substantially lower than on an FRS17 accounting basis. In the light of the revaluations the employer's contribution rate will, as necessary, be re-set in 2017 so as to ensure the long-term balance of assets and liabilities within the schemes. Under the terms of the funding agreement with Somerset County Council any necessary adjustments to the annual funding, as the result of an increase in the employer's contribution rate, will be considered by the parties.

## **Major Income**

The Trustees are extremely grateful for the financial support and commitment of all funders of the Trust. In particular, the financial and other support provided by Somerset and Devon County Councils has been fundamental to the Trust's success and has allowed it to celebrate, preserve and make accessible the remarkable heritage of the two counties. We here express our thanks to both local authorities for their support.

The Trustees are also most grateful to individual donors, and to the Trust's Founder Members, for their outstanding generosity. It is very greatly appreciated.

## **FUTURE PLANS**

### **Resilience**

In the forward period we will continue as a top priority to seek new income from contracts, sponsorship, grants, donations and legacies. We will maintain and further develop relationships with major funders, stakeholders and partners. Remaining Trust transition work will be completed.

## **Exhibitions and Events**

The Spotlight Loans that began so successfully with the Alfred Jewel in February 2015 will continue. In February and March 2016 the Becket Casket will be on display at the Museum of Somerset (with associated events in Devon and Somerset), and a further spotlight exhibition is planned for later in the year.

## **On-Line**

We will implement a Digital Communications Strategy to extend our online audiences and reach.

New on-line catalogues for Devon and Somerset archive and local studies collections will be developed and launched, along with a new on-line Historic Environment Record.

The Trust will begin to enable on-line access to Somerset parish registers through our contract with Ancestry.

## **Historic Environment and Estates**

More work will be done to create and implement management plans for our heritage landscape assets, including the Heritage Sites Visitor Management Strategy.

We will provide archaeological monitoring and community outreach related to the Hinkley C Project.

Through staff restructuring we will enhance our ability to provide regulatory advice about the built environment.

## **Museums**

The chief commitment of the Museums Service, and of the whole Trust, during 2016 will be the successful delivery of Somerset Rural Life Museum through the fit-out and gearing up phases.

In parallel with the Rural Life Museum works we will be continuing to support Weston-super-Mare Museum in delivering a new museum, especially in respect of storyline and exhibition design.

We will be supporting Somerset Military Museum in its collections review, and moving the fine art review to the conservation phase.

With the support of Arts Council funding we will continue to be partners in testing the viability of a commercial museum conservation service which uses the facilities of the Somerset Heritage Centre.

## **Archives and Local Studies**

Full Archive Accreditation for the Devon and Somerset services will be sought.

Working with partners we will continue to seek a financially sustainable future for the North Devon Record Office from 1 April 2016.

We will begin delivery of the Wyndham Archive Cataloguing Project with funding from The National Archives.

## **Learning**

Learning is at the heart of heritage and will be a fundamental part of many of the activities already highlighted.

We will develop the learning offer in Devon, using knowledge and skills gained through developing the Somerset learning offer.

New ways to develop and extend our offer to sufferers from dementia will be explored.

We will continue to seek new partnerships through which to develop our learning offer generally.

## **AUDITORS**

The auditors, Albert Goodman LLP, are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

## **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

By order of the Trustees.

.....  
**D H Gwyther**  
Trustee  
The South West Heritage Trust

Date:.....

**The South West Heritage Trust**  
Statement of Trustees' Responsibilities  
For the Year Ended 31 October 2015

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The Trustees (who are directors of The South West Heritage Trust for the purposes of company law) are responsible for preparing the Trustee Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## **The South West Heritage Trust**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 October 2015

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We have audited the financial statements of The South West Heritage Trust for the year ended 31 October 2015, which comprise the Consolidated Statement of Financial Activities, the Consolidated Summary Income and Expenditure Account, the Consolidated and Parent Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective Responsibilities of Trustees and Auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 group's and the parent charitable company'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 Trustees 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 implication for our report.

### **Matters on which we are Required to Report by Exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

**The South West Heritage Trust**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 October 2015

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**Opinion on Financial Statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 October 2015, and of the group's incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

**Opinion on Other Matters Prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

.....

**Paul Hake FCCA**  
Senior Statutory Auditor  
for and on behalf of  
Albert Goodman LLP  
Chartered Accountants  
Statutory Auditor

Mary Street House  
Mary Street  
Taunton  
Somerset  
TA1 3NW

Date: .....

## The South West Heritage Trust

Consolidated Statement of Financial Activities (including an Income & Expenditure account)  
For the Year Ended 31 October 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
<b>Incoming resources</b>					
Incoming resources from generated funds:					
Voluntary income	2	90,869	177,221	268,090	-
Activities for generating funds	3	242,717	49,854	292,571	-
Investment income	4	-	64	64	-
		<u>333,586</u>	<u>227,139</u>	<u>560,725</u>	<u>-</u>
Incoming resources from charitable activities:					
Fees for services and grants	5	2,494,438	798,211	3,292,649	-
Memberships and subscriptions		40,512	-	40,512	-
		<u>2,868,536</u>	<u>1,025,350</u>	<u>3,893,886</u>	<u>-</u>
<b>Resources expended</b>					
Costs of generating funds:					
Trading costs	6	15,640	-	15,640	-
Direct Charitable expenditure	6	2,654,603	729,143	3,383,746	-
Governance costs	7	10,830	-	10,830	-
		<u>2,681,073</u>	<u>729,143</u>	<u>3,410,216</u>	<u>-</u>
<b>Net incoming resources before transfers</b>					
		187,463	296,207	483,670	-
Transfers	14	(7,099)	7,099	-	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes					
		16,000	-	16,000	-
Transfer of defined benefit pension schemes from local authorities					
	17	(2,857,000)	-	(2,857,000)	-
		<u>(2,660,636)</u>	<u>303,306</u>	<u>(2,357,330)</u>	<u>-</u>
<b>Net income for the year</b>					
Fund balances at 1 November 2014					
		-	-	-	-
		<u>(2,660,636)</u>	<u>303,306</u>	<u>(2,357,330)</u>	<u>-</u>
<b>Fund balances at 31 October 2015</b>					

The statement of financial activities has been prepared on the basis that all operations are continuing operations. There were no gains or losses arising in the year that are not shown above.

**The South West Heritage Trust – Company Registration Number: 09053532**

Balance Sheet

As at 31 October 2015

		2015		2014	
	Notes	£ Group	£ Charity	£ Group	£ Charity
<b>Fixed assets</b>					
Tangible fixed assets	9	40,069	40,069	-	-
Investments	10	-	1	-	1
		<u>40,069</u>	<u>40,070</u>	<u>-</u>	<u>1</u>
<b>Current assets</b>					
Stocks	11	24,670	-	-	-
Debtors	12	545,948	677,492	-	-
Cash at bank and in hand		1,193,968	1,080,103	-	-
		<u>1,764,586</u>	<u>1,757,595</u>	<u>-</u>	<u>-</u>
<b>Creditors</b>					
Amounts falling due within one year	13	(1,005,985)	(998,995)	-	(1)
<b>Net current assets/ (liabilities)</b>		<u>758,601</u>	<u>758,600</u>	<u>-</u>	<u>(1)</u>
<b>Net assets excluding pension liabilities</b>		<b>798,670</b>	<b>798,670</b>	<b>-</b>	<b>-</b>
Defined benefit pension scheme liabilities	17	(3,156,000)	(3,156,000)	-	-
<b>Net liabilities including pension liabilities</b>		<u><b>(2,357,330)</b></u>	<u><b>(2,357,330)</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>The funds of the charity</b>					
Unrestricted funds					
General funds		38,364	38,364	-	-
Designated funds		457,000	457,000	-	-
		<u>495,364</u>	<u>495,364</u>	<u>-</u>	<u>-</u>
Unrestricted funds excluding pension liabilities		495,364	495,364	-	-
Pension reserve		(3,156,000)	(3,156,000)	-	-
		<u>(2,660,636)</u>	<u>(2,660,636)</u>	<u>-</u>	<u>-</u>
Total unrestricted funds	14	(2,660,636)	(2,660,636)	-	-
Restricted funds	14	303,306	303,306	-	-
		<u><b>(2,357,330)</b></u>	<u><b>(2,357,330)</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

**The South West Heritage Trust – Company Registration Number: 09053532**

Balance Sheet (continued)

As at 31 October 2015

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These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board and authorised for issue on .....

.....

**D H Gwyther**

Trustee Director

## **1 Accounting Policies**

### **1.1 Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 (revised 2008), the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, South West Heritage Trust Trading Limited, on a line by line basis.

A separate Statement of Financial Activities or income and expenditure account, for the Charity itself has not been presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005 (revised 2008).

The "Group" heading within the balance sheet refers to the consolidated accounts of The South West Heritage Trust and South West Heritage Trust Trading Limited.

### **1.2 Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in the furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor. The purposes and uses of restricted funds are set out in the notes to the financial statements.

### **1.3 Incoming resources**

Voluntary income from donations and bequests is recognised on a cash basis, in the year in which the income is physically received.

Income from activities for generating funds is included in the period in which the group is entitled to receipt.

Income from fees for services and grants is recognised in the year in which they are receivable.

Income from memberships and subscriptions is accounted for on an accruals basis from the date the membership commences, deferring amounts relating to future accounting periods.

### **1.4 Resources expended**

Resources expended are recognised on the accruals basis to match the period in which the expenditure was incurred.

Grants payable are at the discretion of the Trustees.

Governance costs are those costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to those costs associated with charitable activity.

**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Fixed assets under £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:

Fixtures and fittings	5 years straight line
Computer equipment	5 years straight line
Motor Vehicles	5 years straight line

**1.6 Stock**

Stock consists of shop stock for resale and publication stocks. Stock is valued at the lower of cost and net realisable value, after making allowances for obsolete and slow moving stock.

**1.7 Pensions**

Defined benefit

The majority of employees of the charity are members of the Local Government Pension Schemes (LGPS) managed by Devon and Somerset County Councils.

These are funded defined benefit schemes where the assets are held separately from those of the charity in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities in accordance with FRS17. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

The net liability in the schemes at the date of the transfer of the employees from the respective councils is shown as a separate item in the Statement of Financial Activities.

Defined contribution

The charity also operates a defined contribution pension scheme. Contributions are recognised in the Statement of Financial Activities in the period in which they become payable in accordance with the rules of the scheme.

**1.8 Operating lease rentals**

Rentals payable under operating leases are charged to the SOFA on a straight line basis over the lease term.

**1.9 Taxation**

As a registered charity, the company is not liable to corporation tax or capital gains tax.

**1.10 Prior period comparatives**

The South West Heritage Trust was incorporated on 22 May 2014 and its trading subsidiary on 17 September 2014. Both companies commenced activities on 1 November 2014. The prior year comparatives consist of the dormant period from incorporation to 31 October 2014. The 2014 comparatives are unaudited.

**The South West Heritage Trust**  
Notes to the Financial Statements  
For the Year Ended 31 October 2015

**2 Voluntary Income**

Note	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Donations and bequests	49,369	177,221	226,590	-
Value of donated assets	41,500	-	41,500	-
	<u>90,869</u>	<u>177,221</u>	<u>268,090</u>	<u>-</u>

**3 Activities for generating funds**

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
<b>Merchandising income</b>				
Shop sales	55,105	-	55,105	-
Café concession	18,038	-	18,038	-
	<u>73,143</u>	<u>-</u>	<u>73,143</u>	<u>-</u>
<b>Events and other sales</b>				
Digital images, publications and research income	60,430	3,655	64,085	-
Room hire	4,476	-	4,476	-
Education income	22,240	-	22,240	-
Other income	82,428	46,199	128,627	-
	<u>169,574</u>	<u>49,854</u>	<u>219,428</u>	<u>-</u>
	<u>242,717</u>	<u>49,854</u>	<u>292,571</u>	<u>-</u>

**4 Investment income**

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Bank interest	-	64	64	-
	<u>-</u>	<u>64</u>	<u>64</u>	<u>-</u>

**5 Income resources from charitable activities**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>2015 Total £</b>	<b>2014 Total £</b>
<b>Fees for services and grants</b>				
<u>Heritage services</u>				
Somerset County Council (SCC)	1,736,709	42,000	1,778,709	-
Devon County Council	347,358	104,000	451,358	-
North Somerset Council	140,600	-	140,600	-
Weston-Super-Mare Town Council	48,526	-	48,526	-
Torbay Council	105,050	-	105,050	-
<u>Other services</u>				
SCC - Registration Service	13,131	-	13,131	-
SCC - Records Management	49,814	-	49,814	-
Under £10k	11,941	-	11,941	-
<u>Grant income</u>				
Somerset Wildlife Trust	-	72,288	72,288	-
The National Archives	-	85,785	85,785	-
The British Museum	-	62,734	62,734	-
Somerset County Council	-	126,050	126,050	-
Arts Council England	-	77,123	77,123	-
National Heritage Memorial Fund	-	42,570	42,570	-
Royal Albert Memorial Museum	-	38,228	38,228	-
English Heritage	-	31,711	31,711	-
Art Fund	-	12,000	12,000	-
Victoria and Albert Museum	-	11,000	11,000	-
Devon County Council	-	20,000	20,000	-
Under £10k	41,309	72,722	114,031	-
	<u>2,494,438</u>	<u>798,211</u>	<u>3,292,649</u>	<u>-</u>

**The South West Heritage Trust**  
Notes to the Financial Statements  
For the Year Ended 31 October 2015

**6 Total resources expended**

	<b>Staff costs</b>	<b>Other direct costs</b>	<b>2015 Total</b>	<b>2014 Total</b>
	£	£	£	£
<b>Cost of generating funds</b>				
Trading costs	-	15,640	15,640	-
<b>Charitable activities</b>				
Provision of services and grants	2,457,694	926,052	3,383,746	-
<b>Governance costs</b>	-	10,830	10,830	-
	<u>2,457,694</u>	<u>952,522</u>	<u>3,410,216</u>	<u>-</u>

	<b>2015</b>	<b>Charity</b>	<b>Subsidiary</b>	<b>2015</b>	<b>Total</b>
	£	2014	2015	2014	2014
		£	£	£	£
Depreciation of owned assets	10,017	-	-	-	10,017
Auditors' remuneration for:					
Current auditors					
- Audit services	6,450	-	750	-	7,200
- Other services	1,100	-	-	-	1,100
	<u>10,017</u>	<u>-</u>	<u>750</u>	<u>-</u>	<u>10,017</u>

**7 Trustee directors**

None of the Trustee Directors (or any persons connected) received any remuneration during the year.

Six Trustee Directors were reimbursed £2,530 for travel expenses (2014: none).

**8 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2015</b>	<b>2014</b>
Management	4.8	-
Finance and admin	6.3	-
Fundraising	0.3	-
Service provision	58.4	-
	<u>69.8</u>	<u>-</u>

**8 Employees (cont'd)**

<b>Employment costs</b>	<b>2015</b> <b>£</b>	<b>2014</b> <b>£</b>
Wages and salaries	1,766,453	-
Social security costs	108,107	-
Other pension costs – defined contribution	10,134	-
Other pension costs – defined benefit	573,000	-
	<u>2,457,694</u>	<u>-</u>

The number of employees whose annual emoluments were £60,000 or more were:

	<b>2015</b> <b>number</b>	<b>2014</b> <b>number</b>
£60,000 - £70,000	<u>1</u>	<u>-</u>

This employee is a member of the defined contribution pension scheme, into which contributions of £10,448 (2014 - £nil) were made.

**Pension costs**

The company operates both defined benefit and defined contribution pension schemes.

The charge to the Statement of Financial Activities for the year is shown above.

Contributions totalling £33,010 (2014 - £nil) were payable to the schemes at the end of the year and are included in creditors.

Further details of the defined benefit schemes are given in note 17.

**The South West Heritage Trust**  
Notes to the Financial Statements  
For the Year Ended 31 October 2015

**9 Tangible fixed assets**

Group	Computer Equipment	Motor Vehicles	Fixtures & Fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 November 2014	-	-	-	-
Additions	4,396	41,500	4,190	50,086
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 October 2015	4,396	41,500	4,190	50,086
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 November 2014	-	-	-	-
Charge for the year	879	8,300	838	10,017
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 October 2015	879	8,300	838	10,017
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31 October 2015	3,517	33,200	3,352	40,069
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 October 2014	-	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The above assets are all held by the charity. On the 1 November 2014, fixed assets belonging to Somerset County Council were transferred to South West Heritage Trust. The motor vehicles were the only assets considered to have significant monetary value and have been included in the accounts. The remainder of the assets were considered to have trivial individual net book values and have therefore not been included in the accounts.

**10 Investments**

	Charity	
	Total 2015 £	Total 2014 £
South West Heritage Trust Trading Limited Ordinary shares of £1 each	1	1
	<hr/> <hr/>	<hr/> <hr/>

South West Heritage Trust Trading Limited was incorporated on 17 September 2014 as a wholly owned trading subsidiary of The South West Heritage Trust. The parent charity holds 100% of the issued share capital and 100% of the voting rights of the subsidiary trading company.

**The South West Heritage Trust**  
Notes to the Financial Statements  
For the Year Ended 31 October 2015

**10 Investments (cont'd)**

The subsidiary gift aids its taxable profits to The South West Heritage Trust, and files audited accounts with the Registrar of Companies.

A summary of the trading results is shown below:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Turnover	156,000	-
Cost of sales	(15,640)	-
	<hr/>	<hr/>
Gross profit	140,360	-
Administrative expenses	(47,756)	-
	<hr/>	<hr/>
Operating profit	92,604	-
Investment income	-	-
	<hr/>	<hr/>
Profit before tax	92,604	-
Gift aid to The South West Heritage Trust	(92,604)	-
	<hr/>	<hr/>
Retained in subsidiary	-	-
	<hr/>	<hr/>
The assets and liabilities were:		
Current assets	146,859	1
Current liabilities	(146,858)	-
	<hr/>	<hr/>
Total net assets	1	1
	<hr/>	<hr/>
Called up share capital	1	1
	<hr/>	<hr/>
	1	1
	<hr/>	<hr/>

**11 Stocks**

	<b>Group</b>	<b>2015</b>	<b>Group</b>	<b>2014</b>
	<b>£</b>	<b>Charity</b>	<b>£</b>	<b>Charity</b>
		<b>£</b>		<b>£</b>
Goods for resale	24,670	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

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12	Debtors	2015		2014	
		Group £	Charity £	Group £	Charity £
	Trade debtors	443,632	436,986	-	-
	Other debtors	1,936	1,936	-	-
	Prepayments and accrued income	100,380	98,703	-	-
	Amounts owed by group undertakings	-	139,867	-	-
		<u>545,948</u>	<u>677,492</u>	<u>-</u>	<u>-</u>
		<u><u>545,948</u></u>	<u><u>677,492</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
13	Creditors: Amounts falling due within one year	2015		2014	
		Group £	Charity £	Group £	Charity £
	Trade creditors	102,412	100,539	-	-
	Other creditors	33,010	33,010	-	1
	Accruals and deferred income	702,577	701,180	-	-
	Taxation and social security	167,986	164,266	-	-
		<u>1,005,985</u>	<u>998,995</u>	<u>-</u>	<u>1</u>
		<u><u>1,005,985</u></u>	<u><u>998,995</u></u>	<u><u>-</u></u>	<u><u>1</u></u>

**The South West Heritage Trust**  
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**14 Summary of movement in funds**

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Transfers, & losses £	Closing Balance £
<b>Unrestricted funds – Group and Charity</b>					
General	-	2,868,536	(2,366,073)	(464,099)	38,364
<b>Designated funds- Group and Charity</b>					
Project development fund	-	-	-	125,000	125,000
ICT development and investment	-	-	-	100,000	100,000
Capital reserve	-	-	-	100,000	100,000
Reserve fund	-	-	-	53,000	53,000
Archives online catalogue projects	-	-	-	25,000	25,000
Kenyon digital archive project	-	-	-	24,000	24,000
Historic environmental record project	-	-	-	20,000	20,000
Founder member acquisition fund	-	-	-	10,000	10,000
<b>Pension fund</b>	-	-	(315,000)	(2,841,000)	(3,156,000)
	-	2,868,536	(2,681,073)	(2,848,099)	(2,660,636)
<b>Restricted funds – Group and Charity</b>					
Archive and museum donations	-	119,200	(585)	-	118,615
Historic Environment and Estates	-	104,250	(56,444)	-	47,806
Manorial Document Register- Devon	-	70,000	(23,835)	-	46,165
North Devon Record Office	-	150,116	(114,181)	-	35,935
Somerset Levels	-	32,462	(5,342)	-	27,120
Wyndham Catalogue Project	-	15,785	-	-	15,785
Devon Remembers	-	20,583	(12,347)	-	8,236
War Stories	-	42,570	(35,739)	-	6,831
Portable Antiques	-	62,780	(58,421)	-	4,359
Somerset Remembers	-	9,494	(7,441)	-	2,053
ACE Resilience Fund	-	49,175	(48,392)	-	783
Acquisitions	-	54,647	(54,632)	-	15
Picture Racking Building 2 Project	-	3,250	(3,396)	-	(146)
Museum Development Officer Programme-	-	27,948	(32,117)	-	(4,169)
Avalon Marshes	-	72,288	(78,370)	-	(6,082)
SCC- Maintenance Fund	-	42,000	(42,000)	-	-
SRLM Redevelopment	-	(6,044)	-	6,044	-
Manorial Documents Register	-	7,483	(7,508)	25	-
HES Hinkley	-	73,048	(73,048)	-	-
Curatorial- General Project	-	797	(797)	-	-
Devon Archives & Local Studies	-	3,000	(3,000)	-	-
Helyar & Walker Henage Project	-	32,290	(32,290)	-	-
ACE Museum Development	-	38,228	(39,258)	1,030	-
	-	1,025,350	(729,143)	7,099	303,306
	-	<b>3,893,886</b>	<b>(3,410,216)</b>	<b>(2,841,000)</b>	<b>(2,357,330)</b>

**14 Summary of movement in funds (cont'd)**

- The Archive and Museum donations – Accumulated funds comprising of donations and bequests for acquisitions for the Somerset Archives and Museum services.
- Manorial Document Register, Devon – A National Archives funded project, employing a project officer to research, record and compile a complete register of the historic manors of Devon.
- North Devon Record Office – Archive service provided in Barnstaple to serve the North Devon area. Although linked to the Devon Archive and Local Studies Team, the funding is provided through a separate arrangement.
- Conservation Team, General Project – Providing conservation services for features in the public realm of Somerset.
- Portable Antiques – Partnership project with the British Museum to employ Finds Liaison Officers in Somerset and Dorset, recording and where appropriate receiving finds and treasure discovered by metal detectorists.
- Avalon Marshes – Partnership programme led by Somerset Wildlife Trust and funded by HLF to deliver a range of projects in the Avalon Marshes near Glastonbury in Somerset.
- HES Hinkley Outreach – Project supported by EDF through Somerset County Council to interpret archaeological findings and landscape features discovered as a result of the excavations and development work to create the new Hinkley Point nuclear power station.

**15 Analysis of assets between funds - Group**

	<b>Tangible Fixed Assets</b>	<b>Net Current Assets £</b>	<b>Pension liabilities £</b>	<b>Total £</b>
Unrestricted general funds	40,069	(1,705)	-	38,364
Designated funds	-	457,000	-	457,000
Restricted funds	-	303,306	-	303,306
Pension reserve	-	-	(3,156,000)	(3,156,000)
<b>As at 31 October 2015</b>	<b>40,069</b>	<b>758,601</b>	<b>(3,156,000)</b>	<b>(2,357,330)</b>
As at 31 October 2014	-	-	-	-

The analysis for the Trust is identical to the Group with the exception of the unrestricted funds, where investments represent £1 and net current liabilities £(1). The difference relates to the issued share capital of South West Heritage Trust Trading Limited.

**16 Income and expenditure account of the company**

The company has taken advantage of Section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005 (revised 2008), and has not included its own Income and Expenditure Account or separate Statement of Financial Activities.

Prior to gift aid amounts received from the subsidiary, The South West Heritage Trust has net incoming resources for the year of £711,431 (2014 - £Nil) based on income of £3,733,557 (2014 - £Nil)

**17 Pension commitments**

The majority of the Trust's employees belong to the Local Government Pension Schemes (LGPS) managed by Devon County Council ("DCC") and Somerset County Council ("SCC").

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation for both LGPSs was 31 March 2013, with the next valuations being undertaken as at 31 March 2016.

At the year end there were outstanding contributions due to the schemes totalling £29,596 which are included within creditors.

The schemes are funded defined benefit pension schemes, with assets held in separate Trustee-administrated funds. The total contributions made for the year ended 31 October 2015 were £360,000, of which employer's contributions totalled £258,000 and employees' contributions totalled £102,000. The current employer contribution rates for future years are 16% (SCC) and 19% (DCC).

The LGPS obligation relates to employees of the Trust who transferred as under the transfer agreements when the activities of the Trust were transferred from DCC and SCC on 1 November 2014. The obligation in respect of employees who transferred represents their cumulative service both prior to the transfer and following it.

**Summary of net pension liability as at 31 October 2015:**

	<b>SCC</b> <b>£'000</b>	<b>DCC</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>
Present value of defined benefit obligations	(6,002)	(3,161)	(9,163)
Fair value of share of scheme assets	3,857	2,150	6,007
	<hr/>	<hr/>	<hr/>
Deficit in the schemes	(2,145)	(1,011)	(3,156)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Summary of net pension liability as at 1 November 2014:**

	<b>SCC</b> <b>£'000</b>	<b>DCC</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>
Present value of defined benefit obligations	(5,506)	(2,890)	(8,396)
Fair value of share of scheme assets	3,528	2,011	5,539
	<hr/>	<hr/>	<hr/>
Deficit in the schemes	(1,978)	(879)	(2,857)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**Somerset County Council Pension Scheme**

**Principal Actuarial Assumptions**

	<b>At 31 October 2015</b>	<b>At 1 November 2014</b>
Salary increases	4.50%	4.60%
Pension increases	2.70%	2.80%
Discount rate	4.10%	4.10%
CPI increases	2.70%	2.80%
RPI increases	3.60%	3.60%

The current mortality assumptions include sufficient allowance for the future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

	<b>At 31 October 2015</b>
<i>Retiring today</i>	
Males	23.7
Females	26.1
<i>Retiring in 20 years</i>	
Males	26.0
Females	28.4

The Trust's share of the assets and liabilities in the Somerset County Council Pension Fund are as follows:

	As at 31 October 2015			As at 1 November 2014		
	Expected return	Fair value £'000	%age of total scheme assets	Expected return	Fair value £'000	%age of total scheme assets
Equities		2,629	68%		2,434	69%
Gilts		275	7%		212	6%
Other bonds		425	11%		388	11%
Property		407	11%		353	10%
Cash		76	2%		106	3%
Other		45	1%		35	1%
Total market value of assets	6.1%	3,857	100%		3,528	100%
Present value of scheme liabilities - funded		(6,002)			(5,506)	
Deficit in the scheme		(2,145)			(1,978)	

The actual return on scheme assets was £58,000.

**Amounts recognised in the statement of financial activities are as follows:**

	<b>31 October 2015 £'000</b>
Current service cost	(330)
Interest on obligation	(234)
Expected return on scheme assets	222
	<hr/>
<b>Total</b>	<b>(342)</b>
	<hr/> <hr/>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £14,000 loss.

**Movements in the present value of defined benefit obligations were as follows:**

	<b>31 October 2015 £'000</b>
<b>At 1 November 2014</b>	(5,506)
Current service cost	(330)
Interest cost	(234)
Estimated benefits paid	(3)
Employee contributions	(79)
Actuarial gains/ (losses)	150
Past service cost	-
	<hr/>
<b>At 31 October 2015</b>	<b>(6,002)</b>
	<hr/> <hr/>

**Movements in the fair value of the charity's share of scheme assets were as follows:**

	<b>31 October 2015 £000</b>
<b>At 1 November 2014</b>	3,528
Expected return on assets	222
Employer contributions	189
Employee contributions	79
Estimated benefits paid	3
Actuarial gains/ (losses)	(164)
Benefits paid	-
	<hr/>
<b>At 31 October 2015</b>	<b>3,857</b>
	<hr/> <hr/>

The estimated value of employer contributions for the year ended 31 October 2016 is £189,000.

**The history of experience adjustments is as follows:**

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Present value of defined benefit obligations	(6,002)	(5,506)
Fair value of share of scheme assets	3,857	3,528
	<hr/>	<hr/>
Deficit in the scheme	(2,145)	(1,978)
	<hr/> <hr/>	<hr/> <hr/>
<b>Experience adjustments on share of scheme assets:</b>	(164)	-
<b>Experience adjustments on scheme liabilities:</b>	-	-

**Devon County Council Pension Scheme**

**Principal Actuarial Assumptions**

	<b>At 31 October</b>	<b>At 1 November</b>
	<b>2015</b>	<b>2014</b>
Salary increases	4.40%	4.50%
Pension increases	2.60%	2.70%
Discount rate	4.00%	4.00%
CPI increases	2.60%	2.70%
RPI increases	3.50%	3.50%

The current mortality assumptions include sufficient allowance for the future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

	<b>At 31 October</b>	<b>At 1 November</b>
	<b>2015</b>	<b>2014</b>
<i>Retiring today</i>		
Males	22.8	22.7
Females	26.1	26.0
<i>Retiring in 20 years</i>		
Males	25.1	24.9
Females	28.4	28.3

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The Trust's share of the assets and liabilities in the Somerset County Council Pension Fund are as follows:

	As at 31 October 2015			As at 1 November 2014		
	Expected return	Fair value £'000	%age of total scheme assets	Expected return	Fair value £'000	%age of total scheme assets
Gilts	2.7%	79	4%	3.0%	112	5%
UK equities	7.1%	529	25%	6.8%	517	26%
Overseas equities	7.1%	697	32%	6.8%	679	34%
Property	6.0%	230	11%	6.0%	195	10%
Infrastructure	3.5%	78	4%	3.7%	57	3%
Target return portfolio	5.2%	320	15%	5.8%	291	14%
Cash	2.2%	51	2%	2.8%	41	2%
Other bonds	3.5%	95	4%	3.7%	82	4%
Alternative assets	5.2%	71	3%	5.8%	37	2%
Total market value of assets	6.1%	2,150	100%	6.1%	2,011	100%
Present value of scheme liabilities - funded		(3,161)			(2,890)	
Deficit in the scheme		(1,011)			(879)	

The actual return on scheme assets was £88,000.

**Amounts recognised in the statement of financial activities for are as follows:**

	<b>31 October 2015 £000</b>
Current service cost	(111)
Interest on obligation	(120)
Expected return on scheme assets	124
Settlements and curtailments	(124)
	<hr/>
<b>Total</b>	<b>(231)</b>
	<hr/> <hr/>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £30,000 gain.

**Movements in the present value of defined benefit obligations were as follows:**

	<b>31 October 2015 £000</b>
<b>At 1 November 2014</b>	(2,890)
Current service cost	(111)
Interest cost	(120)
Estimated benefits paid	41
Employee contributions	(23)
Actuarial gains/ (losses)	66
Losses/ (gains) on curtailments	(124)
	<hr/>
<b>At 31 October 2015</b>	<b>(3,161)</b>
	<hr/> <hr/>

**Movements in the fair value of the charity's share of scheme assets were as follows:**

	<b>31 October 2015 £000</b>
<b>At 1 November 2014</b>	2,011
Expected return on assets	124
Employer contributions	69
Employee contributions	23
Estimated benefits paid	(41)
Actuarial gains/ (losses)	(36)
Benefits paid	-
	<hr/>
<b>At 31 October 2015</b>	<b>2,150</b>
	<hr/> <hr/>

The estimated value of employer contributions for the period ended 31 October 2016 is £69,000.

**The history of experience adjustments is as follows:**

	<b>2015 £000</b>	<b>2014 £000</b>
Present value of defined benefit obligations	(3,161)	(2,890)
Fair value of share of scheme assets	2,150	2,011
	<hr/>	<hr/>
Deficit in the scheme	(1,001)	(879)
	<hr/> <hr/>	<hr/> <hr/>
<b>Experience adjustments on share of scheme assets:</b>	(36)	-
<b>Experience adjustments on scheme liabilities:</b>	-	-

**18 Related party transactions**

The charity has taken advantage of the exemption in FRS8 “Related Party Disclosures” from disclosing transactions with other members of the group.

There were no other related party transactions other than with members of the group (2014: none).