

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2006

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P Green M Heymann M Pollock D Tomlinson C Kesley
Charity number	1084969
Principal address	Singleton Chichester West Sussex PO18 OEU
Auditors	Jones Avens Piper House 4 Dukes Court Bognor Road Chichester West Sussex PO19 8FX
Bankers	Barclays Bank plc 74/75 East Street Chichester West Sussex PO19 1HT
Solicitors	Thomas Eggar Sussex House, North Street Horsham West Sussex RH12 1BJ
Investment advisors	Newton Investment Management Limited Mellon Financial Centre 160 Queen Victoria Street London EC4V 4LA

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

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WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2006

The trustees present their report and accounts for the year ended 31 December 2006.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Charities Act 1993 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The trust (charity no. 1084969) was established by a charitable trust deed on 23 October 2000.

The trustees who served during the year were:

P Green
M Heymann
M Pollock
D Tomlinson
C Kesley

Three of the trustees are appointed from the existing trustees of the Weald & Downland Open Air Museum. Additional trustees, currently two, are sought from individuals with commercial or investment management experience who can help further the objects of the trust. New trustees are provided with a package of information about the trust and the Museum together with the responsibilities of a charity trustee.

The trust is administered and managed by the trustees.

Weald and Downland Open Air Museum Limited is a charity connected to Weald and Downland Open Air Museum Endowment Trust.

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems or procedures have been established to manage those risks.

Objectives and activities

The trust's objects are to support and aid the Weald & Downland Open Air Museum Limited (registered Charity no. 306338) in pursuance of its objectives. The policy adopted in furtherance of these objects is to invest funds received with the objective of making annual grants to the Museum of up to one half of any capital gain in excess of the retail price index, plus the investment income, and there has been no change in this during the year.

The trust received legacy income totalling £14,636 during the year. Legacies which are left to the Weald & Downland Open Air Museum, which are not specified to be for a particular project, are transferred to the trust for investment.

The trust has maintained a balanced portfolio of investments comprising the Newton Global Growth and Income Fund for Charities and a COIF Charities Deposit Account. In May the Weald & Downland Open Air Museum Limited transferred £550,000 to the trust to invest on its behalf in the COIF Charities Deposit Account. This amount, plus all interest accrued, will be made available to the Museum on an unrestricted basis, and on request, for the Museum's use towards future project activity.

Achievements and performance

The Newton Global Growth and Income Fund for Charities performed well during the year and provided good growth and income. During the year the value of the fund passed the threshold, set by the trustees at £500,000, where the trustees determined that the trust could start making grants to the Museum in line with its policy. Specific amounts to be granted, or retained for investment and future distribution, will be agreed between the trust and the Museum.

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

Financial review

The intent of the trustees is to build up the reserves of the trust to meet the stated grant giving objectives. To this end the performance of the trust's investments are regularly reviewed.

On behalf of the board of trustees

P Green

Trustee

Dated: 27 March 2007

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the trust's financial activities during the year and of its financial position at the end of the year.

In preparing accounts giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the trust and which enable them to ascertain the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 1993 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

We have audited the accounts of Weald and Downland Open Air Museum Endowment Trust for the year ended 31 December 2006 set out on pages 6 to 11. These accounts have been prepared under the accounting policies set out on page 8.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of, and regulations made under Section 44 of, the Charities Act 1993. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 3, the trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the accounts, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

Opinion

In our opinion:

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the trust's affairs as at 31 December 2006 and of its incoming resources and application of resources in the year then ended; and
- the accounts have been properly prepared in accordance with the Charities Act 1993.

Jones Avens

Chartered Accountants
Registered Auditor
Piper House 4 Dukes Court
Bognor Road Chichester
West Sussex PO19 8FX

Dated: 16 April 2007

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
<u>Incoming resources from generated funds</u>					
Voluntary income	2	14,636	550,000	564,636	211,109
Investment income	3	349	16,131	16,480	137
Total incoming resources		14,985	566,131	581,116	211,246
<u>Resources expended</u>					
Costs of generating funds					
Fundraising and publicity costs	4	-	-	-	2,056
Net incoming resources available		14,985	566,131	581,116	209,190
Governance costs		1,058	-	1,058	470
Total resources expended		1,058	-	1,058	2,526
Net incoming resources		13,927	566,131	580,058	208,720
Other recognised gains and losses					
Gains on investment assets		64,779	-	64,779	74,240
Net movement in funds		78,706	566,131	644,837	282,960
Fund balances at 1 January 2006		512,872	-	512,872	229,912
Fund balances at 31 December 2006		591,578	566,131	1,157,709	512,872

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Investments	7		576,138		511,359
Current assets					
Debtors	8	-		1,000	
Cash at bank and in hand		582,747		1,101	
		<u>582,747</u>		<u>2,101</u>	
Creditors: amounts falling due within one year	9	<u>(1,176)</u>		<u>(588)</u>	
Net current assets			<u>581,571</u>		<u>1,513</u>
Total assets less current liabilities			<u><u>1,157,709</u></u>		<u><u>512,872</u></u>
Income funds					
Restricted funds	10		566,131		-
Unrestricted funds			<u>591,578</u>		<u>512,872</u>
			<u><u>1,157,709</u></u>		<u><u>512,872</u></u>

The accounts were approved by the Trustees on 27 March 2007

M Pollock
Trustee

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2006

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 1993.

1.2 Incoming resources

Income comprises donations and legacies received and investment income. These are recognised on a receivables basis.

1.3 Resources expended

Expenditure has been identified between costs of generating funds and governance costs. Fundraising and publicity expenses have been allocated to costs of generating funds and accountancy fees to governance costs. All expenditure is recognised on an accruals basis.

1.4 Investments

Fixed asset investments are stated at market value.

Unrealised and realised gains and losses are recognised in the Statement Of Financial Activities.

1.5 Accumulated funds

The restricted funds represent the monies transferred from the Weald & Downland Open Air Museum Limited to the trust to invest on the museums behalf. This amount, plus all interest received, will be made available to the Museum upon reasonable request.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Donations and gifts	-	550,000	550,000	-
Legacies receivable	14,636	-	14,636	211,109
	<u>14,636</u>	<u>550,000</u>	<u>564,636</u>	<u>211,109</u>

Donations and gifts

Restricted funds:

Grant from Weald and Downland Open Air Museum			550,000	-
			<u>550,000</u>	<u>-</u>

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

3 Investment income

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Interest receivable	349	16,131	16,480	137

4 Total resources expended

	2006 £	2005 £
Costs of generating funds		
Fundraising and publicity costs	-	2,056
Governance costs	1,058	470
	1,058	2,526

Governance costs includes payments to the auditors of £588 (2005: £0) for audit fees and £470 (2005: £470) for other services.

5 Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursement of expenses during the year.

6 Employees

There were no employees during the year.

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

7 Fixed asset investments

	Stocks, shares and cash deposits
	£
Market value at 1 January 2006	511,359
Change in value in the year	64,779
Market value at 31 December 2006	576,138
Historical cost:	
At 31 December 2006	442,250
At 31 December 2005	442,250

There are two investments, one of which is material (over 5 percent by value of the portfolio). This is Newton Global Growth & Income Fund for Charities which has a market value of £576,083 at 31 December 2006.

8 Debtors	2006 £	2005 £
Other debtors	-	1,000

9 Creditors: amounts falling due within one year	2006 £	2005 £
Accruals	1,176	588

WEALD AND DOWNLAND OPEN AIR MUSEUM ENDOWMENT TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

10 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of transfers from the Museum and related interest received held on trust for specific purposes:

	Balance at 1 January 2006	Movement in funds		Balance at 31 December 2006
	£	Incoming resources £	Resources expended £	£
Weald & Downland Open Air Museum Funds	-	566,131	-	566,131
	-	566,131	-	566,131

11 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2006 are represented by:			
Investments	576,138	-	576,138
Current assets	16,616	566,131	582,747
Creditors: amounts falling due within one year	(1,176)	-	(1,176)
	<u>591,578</u>	<u>566,131</u>	<u>1,157,709</u>
Unrealised gains included above:			
On investments	133,888	-	133,888
	<u>133,888</u>	<u>-</u>	<u>133,888</u>
Reconciliation of movements in unrealised gains			
Unrealised gains at 1 January 2006	69,109	-	69,109
Net gains on revaluations in year	64,779	-	64,779
	<u>133,888</u>	<u>-</u>	<u>133,888</u>

12 Related parties

During the year £550,000 was transferred from Weald & Downland Open Air Museum Limited. The restricted fund balance at the year end of £566,131 represents monies held on behalf of the museum.