

2020 Annual Report of the Trustees

Trustees

Christine Jessop
Lizzie Induni
David Victor
Christopher Chanter
Sue Goodman
Robert Hutchings
David Reid
Mark Lidster
Harriet Induni

Charity Number: 201929

Office

Somerset Heritage Centre, Brunel Way, Norton Fitzwarren, TA2 6SF

Accountant

Amherst & Shapland, Unit 2, Old Brewery Road, Wiveliscombe, TA4 2PW

Investment Manager

Brewin Dolphin, The Paragon, Counterslip, Bristol, BS1 6BX

Management of the Society

The board have continued to meet via zoom during the current pandemic. Extra meetings have been held to deal with issues that required lengthy discussions.

At the delayed 2020 AGM David Dawson was presented to the membership as President for 20/21. The Board agreed to elect David for the coming year and he has agreed. There is nothing in the Constitution or rules to preclude this happening.

The Board looked at the interaction and recruitment of Holding Trustees, (H.T.). There is very little in the rules or Constitution. A meeting was held to discuss the number we should aim to maintain and the recruitment process. It was decided a minimum of four H.T. is required and there should be a meeting between the Board and H.Ts annually. Someone wishing to become a H.T. would be met informally by 1-2 trustees. If there were more than one candidate it would be a formal interview with three trustees as a minimum.

The South West Heritage Trust, (SWHT) have worked closely with the Hadspen Estate and the development of a Roman museum and Villa on the site following archaeological investigations. A list of Roman artefacts the estate wished to include in the museum for five years from the Society

collections was presented to the Museum Collection Panel (MCP). The Society were unaware of this development and two trustees present abstained stating it should be discussed at board. Some members of board felt that as it is a commercial venture, there should be a financial reward to the Society. We do have a policy of charges for images but not for the loan of our collections. The estate is quite happy to pay for the use of the images. They were not prepared to pay for the loan of the artefacts, having given a very generous grant towards the production of the Proceedings a while ago. They have offered to hold a Covid compliant meeting for trustees/members to see the project and discuss how we may be able to have some financial gain.

The trustees have met to discuss the financial situation and the Treasurer has pared the budget to the minimum. There have been three applications for financial assistance from the various covid grants on offer but all have been unsuccessful. A new strategic plan is being put together by our President and Dr Lizzie Induni to include in another application. We have also signed up with Easy Funding, something one of our trustees has been supporting for several years. You register to the site, there are thousands of companies that give a percentage of what you order online to your chosen charity. Nothing is added to your cost. We are also looking to approach companies that have not been badly affected by Covid, house builders, supermarkets etc. for financial support.

Due to the financial position of the Society, we have had to restrict Louisa our office manager to her contract hours for the second year. With all the work that has been required Trustees have had to take on tasks that had been previously carried out by Louisa. No face to face meetings has made life difficult in trying to decide who does what. A new job description has been written for the post of office manager by our interim treasurer David Victor, who has also recently acted as her line manager.

David is due to resign from the board as from the AGM having seen the completion of the 2020 accounts. Louisa has been trained in some elements of the treasurer role but we must have a treasurer to comply with the Charity Commission rules. This post has been advertised on several websites over the past two years, in our e-bulletin and also in our own website. with no response. If nobody has come forward by the time of the AGM the Charity Commission will have to be informed. David has written an up to date job description and the time he anticipates the role takes.

Work has continued on updating and developing the society website by Dr Harriet Induni. A members only area has been developed and this is where the electronic version of Proceedings can be accessed. To ensure we remain GDPR compliant Harriet amended the privacy policy and the amendment was accepted by the board.

The majority of our many policies are usually reviewed annually by Louisa but this task is now to be carried out by trustees. The Welfare policy has many elements and it is thought this may be better managed split into separate topics.

The Constitution and rules should also be reviewed and this needs to be considered in light of the boards wish to become a Charitable Incorporated Organisation. There is a considerable financial cost to this exercise and it is hoped to obtain funding for this to progress.

We wish to increase the skill mix on the Board of Trustees, those who have worked in Management, Finance, Human Resources or Fundraising are crucial to putting the society back to a strong functioning level. Our Constitution allows for twelve Trustees, but we have not had that number for some years, and we are losing two this year which will take us down to seven. This increases the work load for the trustees to a level that is not acceptable, trustees are all volunteers and most are of retirement age and over. Please consider joining us to help take the society forward.

We have successfully completed the construction repairs to the Castle gardens. The total cost was £150,000, the garden clearance and planting will take several more months to complete. The gardens have been known as the Norman gardens during the project, but they sometimes get confused with the Northern gardens.

The Trustees would then like to investigate taking back into our care the Wyndham hall and develop it for community and Society use.

The tenant has not payed the rent for the gardens which they have leased, but wish to be released from it before its expiry date.

Negotiations have been very slow and they are refusing to give written permission for the public to access the gardens over their car park, something they have always been happy to allow before. Mark Lidster the trustee involved has negotiated that the charging posts on the ancient scheduled monument are removed onto the hotel car park. Mark is also involved in negotiations with other organisations as to the future use of the gardens. The income from these activities will help offset the loss of the hotel rent.

Chris Jessop
Chairman

Financial Report

The past year was a particularly trying one for all of us and those difficulties played out into our financial results as they must. Whilst the accounts are accurate, the basics of SANHS day-to-day trading are obscured by the Norman Gardens Project and, to a much lesser extent, by the Dunster Project. In both of these cases, significant sums of money have been raised which impact the 2019, 2020 and 2021 accounts. Essentially, the monies raised appear in the account at the outset and the expenses follow as they are incurred. I must add that we do not expect to gain or lose money overall on these projects.

The under-lying, day-to-day trading did suffer last year. For most of the year we could not hold our normal events and conferences and, while we do not expect to earn significant sums of money from them, 2020 effectively produced nothing. However, it did lead us to something that I believe might be of great advantage to us in the future: Webinars i.e. on-line presentations of our material. These webinars open up a much wider potential audience for our events than can ever be achieved in a local hall. I hope that next year's accounts will reflect real success from our efforts in this direction.

Another area that suffered this year was our membership fees and Gift Aid income, which together reduced by about 8%. While in itself that is not a very significant reduction, looking back

six years the equivalent is a loss of over 20%. Membership income represents one of the two major income sources that support SANHS and is vital to our well-being.

Our other major income stream is Rent from the Castle Estate. As we all know, the events of the last year have played havoc with commercial property, with the major reductions in retail premises in our high streets and office blocks being left empty. We have suffered equivalent problems due to the works carried out on the Norman Gardens, which have left us in dispute with one of our tenants and the loss of more than a year's rent. While we are in the process of investigating ways to bring that situation to an agreed solution, the effect on last and this year's income is significant. We are also actively looking for ways to deploy the exciting re-invigorated gardens to the benefit of all of Taunton.

The last year was also a poor one for the investment markets. We and our investment managers have always followed a cautious approach to investing the Endowment and Restricted funds that we manage. However, no matter how cautious the approach, little could be done to avoid all the problems of the market. As a result, the net income available for distribution fell, as did the capital value of the funds: while the first is lost for ever, hopefully the latter will recover as the market does.

Risks facing the Society

Financial Risk

The Society has very large assets, consisting of a number of important collections lodged with the South West Heritage Trust, the Castle Estate of land and buildings and a number of important endowment and restricted funds. However, these assets are essentially of a heritage nature and cannot be used for running the day to day operation. A situation reminiscent of the large farmer with much land but little cash with which to manage it.

Over the past few years, every effort has been made to minimise the cost base of the operation to the extent that many reasonable expenses that should have been incurred, have not been. One example of this is that far too little has been spent on maintaining the membership base, so that it is steadily shrinking and, with it, one of the two major sources of income.

The SANHS Estate

The second leg of SANHS income arises from its ownership of the Castle Estate. This is a major property in a prime position in Taunton, the County town, which includes scheduled monument, known as the Norman Gardens. The properties on the estate are leased to a mix of local authorities and commercial lessees.

While there has been a successful re-development of the walls and gardens of the Norman Gardens over the past year, overall management of the estate has been weak, primarily due to a shortage of appropriate skills and professional advice, much of which is due to shortage of funds. Over the coming year, one of the leases is totally renewable and others have rent reviews due. Complex negotiations about the use of the Norman Gardens are just starting after a protracted period when rents that were due were not paid. There are thoughts of bringing back into use the Wyndham Hall, which has not been used for many years. However, there are no funds available to make this a reality.

Board Skills

Perhaps the greatest risk to SANHS is its inability to attract suitably skilled Trustees for a number of key roles. Generally management skills are low but, more importantly, several key roles are not filled.

One key area that has had a vacancy for some time is that of the Secretary. Currently, nobody fills that role, much of which is carried out by the Office Manager or other on an ad hoc basis. Unlike many charities, SANHS does not have anyone providing pro bono legal advice.

At the AGM this year, the current Treasurer retires and will not extend his stay. While not an accountant, the person retiring had extensive knowledge in general management and has managed to improve the financial management and controls significantly over the past few years. However, there is no-one else with suitable experience on the Board or joining the Board. Attempts to fill those two roles from the outside have failed to date.

The other essential role that is not currently filled is that of fund-raising. While individual trustees from time to time try to raise funds, there is no consistent work plan being carried out and, without one, it is unlikely that the serious funds that are needed will be raised.

This is my final report as Treasurer and I am sad to leave with SANHS in such a difficult financial situation. Today, we are in the position of a farmer with large estate assets but barely two pennies to rub together. I strongly believe that this problem can only be solved by significant fund-raising which starts now.

In saying my good-byes, I would like to thank my colleagues on the Board and elsewhere in SANHS and, particularly, Louisa Gillett, who has helped me enormously over the past few years.

David Victor