

BLETCHLEYPARK

**Bletchley Park Trust Limited
and its subsidiary undertaking**

Trustees' Report & Financial Statements
For the year ended 31 December 2022

**Company no. 2730618
Charity no. 1012743**

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Reference and administrative details

Bletchley Park Trust Limited is a company limited by guarantee and is a registered charity governed by its Memorandum and Articles of Association. For the purposes of charity law the trustees are the directors of the charity and throughout this report are collectively referred to as Trustees.

Company registration number: 2730618

Charity registration number: 1012743

Registered office: The Mansion
Bletchley Park
Bletchley
Milton Keynes
MK3 6EB

Trust Board: Sir David Brown (Chair)
Professor Liz Bacon
Ms Zahra Bardai
Mrs Jane Bleach
Professor Tilly Blyth
Mr Jon Card (retired 9 March 2023)
Mr Robert Hannigan
Mr Charles Macdonald
Professor Andrew Martin
Mr Hywel Mathias

Audit Committee: Mrs Jane Bleach (Chair)
Ms Zahra Bardai
Sir David Brown (appointed 7 February 2023)
Mr Jon Card (retired 9 March 2023)
Mr Charles Macdonald

Reference and administrative details (continued)

Nominations Committee: Sir David Brown (Chair)
Professor Liz Bacon
Ms Zahra Bardai
Mrs Jane Bleach
Professor Tilly Blyth
Mr Jon Card (retired 9 March 2023)
Mr Robert Hannigan
Mr Charles Macdonald
Professor Andrew Martin
Mr Hywel Mathias

Remuneration Committee: Professor Liz Bacon (Chair)
Sir David Brown
Professor Tilly Blyth
Professor Andrew Martin

Chief Executive Officer: Mr Iain Standen
Company Secretary: Mrs Jennifer Milton

Bankers: HSBC Bank Plc
207 Queensway
Bletchley
Bucks, MK2 2EE

Solicitors: Shoosmiths LLP
Witan Gate House
500-600 Witan Gate West
Milton Keynes, MK9 1SH

Auditor: Sayer Vincent LLP
Registered Auditor
Invicta House
108-114 Golden Lane
LONDON, EC1Y 0TL

Trustees' Report (including Strategic Report)

The Trustees present their annual report (including their strategic report) together with the consolidated financial statements of the Trust and its subsidiary for the year ended 31 December 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006 and follow the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (the 'SORP').

Chair's Review of the Year

Following a difficult two years, 2022 started strongly. Visitor numbers were returning towards 2019 levels and, following the restoration of Block A in 2021, two new exhibitions opened at the end of April 2022.

The new permanent exhibition, *The Intelligence Factory*, focuses on Bletchley Park's wartime operations from 1942 to 1945, and how it operated at an industrial scale to meet operational demands, with a multi-skilled workforce of around 9,000. The new temporary exhibition spur in Block A houses *The Art of Data: Making sense of the world*. This exhibition demonstrates some of the ways the Codebreakers visualised data, alongside contemporary examples, and thought-provoking data visualisations.

As the year progressed, inflationary pressures started to be felt by both businesses and the public. These cost-of-living pressures impacted visitor numbers, with spring and summer months seeing numbers similar to 2020 and 2021. Additionally, price increases and supply chain issues also affected operational costs and, crucially, impacted the tender exercise for the restoration of Block E to deliver a dedicated learning centre and auditorium. Further fundraising was achieved in order to let the Block E contract, and the Trust remains grateful to its key supporters who were able to make additional donations in order to enable the project to progress.

The pressures on operational finances meant certain activities continued to remain paused, and the planned growth in the staff team was delayed. Despite this, the Trust's staff and volunteers continue to deliver an outstanding visitor experience, engaging with visitors, looking after the site and collections, and providing the vital support functions. The Trust Board thanks the whole team for their dedication, perseverance, and passion.

The annual 1940s Weekend took place at the end of September, and welcomed over 3,000 visitors over the two days, and the Vintage Christmas Grotto was fully booked. Towards the end of the year visitor levels started to rise again with October half term being particularly successful. The new Collection Centre was completed in October, and the collection relocated ahead of opening of the Reading Room in November 2022.

To conclude, the year finished more positively than anticipated with the new exhibitions enhancing the visitor offer, and good progress is underway for the delivery of the new learning centre and auditorium in 2023.

Trustees' Report (including Strategic Report)

Purpose and activities

Bletchley Park was once the top-secret home of the World War Two Codebreakers. After the war, it became home to a variety of training schools before closing in 1987. Following moves to demolish the whole site for development, a small committee was formed in 1991 with the aim of saving Bletchley Park in tribute to the remarkable people whose collective intellects changed the course of WW2, and so that the story could be kept alive for the education and enjoyment of future generations.

The Bletchley Park Trust was formed in 1992 and now manages a self-funding historic visitor attraction opened daily to the public, allowing visitors to visit the unique site, and to understand the important work that was achieved at Bletchley Park during WW2.

The Trust continues to preserve and restore the WW2 site for the future, through continuing maintenance programmes and, where appropriate, through redevelopment for purposes aligned with its vision and mission statement.

The Trust educates and inspires audiences both formally and informally, through exhibitions, collections and inspirational learning programmes and engagement activities.

Vision

Bletchley Park will be recognised and acknowledged worldwide for the achievements that took place here in World War Two, and how and why these remain relevant today.

Mission

To attract, engage and educate people from all over the world in order to inspire them with Bletchley Park's crucial role in World War Two.

Core charitable objects

As set out in the Trust's Articles of Association (as updated on 11 June 2019), the objects ('Objects') for which the Trust is established are to advance the education of the public, to conserve the historic World War Two site at Bletchley Park and to advance the arts, culture, heritage, and science.

Strategic framework

The Trust has six high level strategic goals to enable delivery of the Trust's Vision:

- 1) To complete the preservation and enhancement of the iconic and historic buildings, and estate, of Bletchley Park.
- 2) To maximise the Bletchley Park offer by creating informative, engaging, enjoyable and educational experiences that highlight its story and explain its relevance to today.
- 3) To be a recognised authority on Bletchley Park history, and the guardians of its collections.
- 4) To be a cultural leader, locally and nationally, that promotes and champions best practice within the culture and heritage sector.

Trustees' Report (including Strategic Report)

- 5) To maximise the financial resilience, organisational efficiency, and long-term sustainability of the organisation.
- 6) To be the best we can in how we lead, manage, and invest in our people.

Public benefit

In shaping its aims, plans and activities, the Trustees have regard for the Charity Commission's guidance on public benefit. The most significant benefits to the public that the Trust delivers are:

- Opening the site to the public as a museum, providing enjoyable and engaging learning experiences. The museum is open seven days per week, and ticket prices are affordable and represent good value. As part of the admission policy an annual pass is issued which entitles the holder to enter Bletchley Park for no additional charge during the following twelve months. Children under 12 are offered free entry to the museum.
- Offering local promotions and other discounted entrance initiatives to encourage visits to the museum, with the aim of encouraging local pride and enhancing wellbeing. Current initiatives include free entry on Heritage Open days, discounted admissions for local residents, and providing complimentary tickets for auctions and raffles for local groups, charities and schools.
- Delivering a varied programme of events to attract and engage as many people as possible. 2022 events included a 1940s weekend, an outdoor performance of *Much Ado About Nothing* and a vintage Christmas Grotto.
- Nurturing links with the local community by working with local groups and associations. In 2022 Bletchley Park hosted the festival launch for Milton Keynes City of Codes & Light Festival - a collaboration of festival stakeholders including Islamic artists, community and school groups, MK College students, celebrating maths, art and technology in Milton Keynes. Bletchley Park continues to be an active member of the local Arts and Heritage Alliance and Heritage MK Consortium and participates in MK Council forums.
- Providing a variety of volunteering opportunities for local residents, to ensure an enjoyable experience with social and learning opportunities, work experience and to teach new skills. Volunteers are crucial for the survival of the Trust, with 2022 engaging over 200 volunteers.
- Making the Trust's collection accessible to researchers and students, to add to the collective knowledge and understanding of the work undertaken at Bletchley Park during WW2. October 2022 saw the opening of the Trust's dedicated Collection Centre which includes a dedicated Reading Room to allow the Trust to welcome such activity.
- Delivering a formal learning programme of facilitated workshops and tours onsite or outreach opportunities, to make learning enjoyable, particularly for young people. A bursary scheme provides free school trips to site for those most in need of financial support.

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- Providing and publishing information about Bletchley Park, through publications, the Trust's website www.bletchleypark.org.uk, social media channels, as podcasts and videos, and via third-party communications, campaigns, and partnerships.
- Maintaining and making publicly available the Bletchley Park Roll of Honour to list all those believed to have worked in signals intelligence during World War Two, at Bletchley Park and other locations. A fully searchable Roll of Honour is available on the Bletchley Park website which allows people all over the world to learn about the Veterans' contribution to the codebreaking effort at Bletchley Park during WW2. Veterans and their representatives can add photographs and additional information about life and work at Bletchley Park and its outstations. Pods are also available in the Visitor Centre and Mansion, which allow visitors to access this information during their visit.

Achievements and performance

2022 saw Bletchley Park return to a full year of being open to the public following the COVID 19 pandemic. Following the strong growth in visitor levels at the end of 2021, budget expectations were for this to continue through 2022. However, whilst visitor levels started strongly, these were clearly impacted by the economic pressures felt during spring and summer, with visitation falling back to around 60% of 2019 levels, similar to many other heritage attractions. The winter months fared better, and overall visitor numbers reached 187,711.

School visits returned strongly during 2022 and are now achieving similar levels to 2019.

Due to reduced visitor levels, the Trust continues to pause activities and prioritise spending. More details around the Trust's finances during 2022 can be found under Financial Review. Alongside the priority to attract and welcome as many visitors back to the museum as possible, the Trust was also able to deliver on its strategic goals as follows:

1) To complete the preservation and enhancement of the iconic and historic buildings, and estate, of Bletchley Park.

Due to capital funds raised, the Trust has been able to continue with the building works for Phase Two restoration plans: the redevelopment of Blocks A and E. Following the completion of the restoration of lower Block A in 2021, the restoration and conversion of the Teleprinter Building Extension into a dedicated collection centre was progressed in 2022. The works were completed in the main by September, with the collection relocated and the Collection Centre open for research from November 2022.

Contractors were appointed to deliver a dedicated learning centre and auditorium in Block E, with works commencing in August 2022. These works will restore the WW2 elements of Block E into a dedicated learning centre and event space, with a new auditorium being constructed on the site of a post-war extension. Support spaces in the Diesel House and Building 49 are being renovated and new coach bays constructed to accommodate school visit drop-offs. These works will be completed during 2023, with these spaces open to the public for the first time.

In April 2022, the Trust was delighted to be accepted for funding from the DCMS via Arts Council England as part of the Museum Estate and Development Fund (MEND) Round 1. This funding will enable the Trust to replace its aged HV transformers, switchgear and cabling and to replace the cast iron water main, valves and fire hydrants. These works

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commenced in Autumn 2022 and will provide significant resilience to the Trust's utilities infrastructure, reducing running costs, and delivering several environmental improvements.

Other works during the year included refurbishment works to Hut 4 kitchen, annual servicing and maintenance activities, and many smaller repair works.

2) To maximise the Bletchley Park offer by creating informative, engaging, enjoyable and educational experiences that highlight its story and explain its relevance to today.

As part of the funded phase 2 restoration works, following completion of the Block A renovation at the end of 2021, two exhibitions were installed in the building and opened to the public on 28 April 2022:

The Intelligence Factory, a new permanent exhibition in spurs 1 and 2 of Block A, focuses on Bletchley Park's wartime operations from 1942 to 1945, and the growth in buildings and workforce at an industrial scale to meet operational demands.

The Art of Data is the Trust's inaugural temporary exhibition in a dedicated temporary exhibition spur. This exhibition explores how data can be visualised with 3D models, animations and interactive visualisations and demonstrates some of the ways the codebreakers visualised data, alongside contemporary examples.

Alongside the new exhibitions, a programme of activities and events were held throughout the year, to attract and engage visitors. These included family trails and workshops during the school holidays, outdoor theatre, the return of the 1940s Weekend, and the popular vintage Christmas Grotto in December.

Virtual events continued over the year, with a programme of events for Friends and Supporters, and free to watch workshops and lectures. The Trust continues to produce and share its regular programme of Bletchley Park podcasts, sharing fascinating facts, 'It Happened Here' features and priceless interviews with Veterans.

Demand for the Trust's formal learning programme continued to grow through the year, and demand is now at similar levels to that reached in 2019. The sessions are available to be delivered onsite, digitally or as an outreach session. In addition, 2022 saw the introduction of a number of Cyber Security sessions as part of a funded project.

June 2022 saw the Trust awarded a VisitEngland Silver Award for excellence in the Large Visitor category, giving testament to the high standards of experience delivered to visitors.

3) To be a recognised authority on Bletchley Park history, and the guardians of its collections.

The new Collection Centre was opened in the Teleprinter Building Extension towards the end of the year. This space will help broaden access to the collection by facilitating visits from specialist researchers or interested academic and research groups. Digitisation facilities will support research of the collection and allow elements of the collection to be made available digitally. The increased amount of dedicated collections storage, along with the environmental conditions in place, meets Spectrum standards (the Collections Trust collection management standard for collections procedures in the UK), the requirements for Museum accreditation and best practice conditions.

The Trust continues to share stories and research through virtual events, lectures and digital podcasts.

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4) To be a cultural leader, locally and nationally, that promotes and champions best practice within the culture and heritage sector.

The Trust continues to offer promotions to the local community. During 2022, 5,000 tickets were set aside for local residents to attend the site for free as part of Heritage Open Days in September. The Trust also offers 50% off its standard admission prices to local residents.

In October 2022, Bletchley Park hosted the launch for Milton Keynes City of Codes & Light Festival by facilitating a unique light installation showcasing the Islamic arabesque art form projected onto the Mansion. Admission to the event was free.

The Trust continually ensures it is able to maintain and, where possible, improve accessibility to the site, collections and services. The new exhibitions opened in Block A include wheelchair access to the exhibitions in that area and a variety of interpretation techniques within the new exhibitions will help welcome a variety of learning skills and abilities, whilst a number of sensory tools will assist those with impaired sight or hearing.

5) To maximise the financial resilience, organisational efficiency and long-term sustainability of the organisation.

The current Phase Two restoration works are a key step to take the Trust towards long-term sustainability. The recently opened Block A exhibition galleries provide a further opportunity to share previously untold elements of the Bletchley Park story, in an engaging and accessible manner. The temporary exhibition spur provides opportunity to share untold stories, explore relevant and contemporary content and showcase unseen items and objects. Both additions provide additional content to attract and engage visitors and broaden the Trust's reach, driving visitor income.

The creation of a dedicated Collection Centre ensures the Trust is able to protect and safeguard its collection and provide improved access for research and learning, both onsite and digitally. This will help raise the Trust's profile and ensure it is recognised as the authority on the Bletchley Park story.

The delivery of the Learning Centre and Auditorium later in 2023 will provide a dedicated and increased space to grow the Trust's formal learning programme and engage new audiences through a range of activities and events in the space. The Auditorium will help the Trust advance its academic reputation through symposia, lectures and conferences, and build partnerships with supporters.

Opening Blocks A and E as additional exhibition galleries, a new learning centre, and a dedicated collection centre will allow the Trust to continue to grow its visitors, further raise its profile and deliver key elements of its strategic plan.

As previously reported, the COVID-19 pandemic has been a challenging time for the Trust, closing for long periods of time, significantly reducing income with many activities stopped or paused. 2022 saw a return to full year opening, however visitor levels remained weakened, and the Trust was unable to fully meet its operational costs from its visitor income. Support from both the Culture Recovery Fund and Facebook provided crucial income to support the Trust through this time and into 2023, and enabled the group to achieve an unrestricted surplus before tax in the year. Whilst it is not expected that visitor levels will return to 2019 levels, it is anticipated that numbers will continue to improve, and 2023/2024 will see the Trust return to a break-even operational position.

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The Trust has continued to secure support from individuals, companies, trusts and foundations, primarily towards capital works and specific projects. In the coming year, the Trust will increase its focus on securing unrestricted and revenue funding.

Looking further ahead, the Trust will continue to ensure it invests in the visitor offer, recognising changing audience needs and expectations, to allow the Trust to generate surpluses from operations in order to maintain and refresh the site, buildings and exhibitions.

6) To be the best we can in how we lead, manage, and invest in our people.

2022 saw a return of a number of social and engagement events for the Bletchley Park team. These events included: the return of regular staff and volunteer meetings and new starter welcome meetings, events and activities for Mental Health Week and Volunteers' Week, the annual Picnic in the Park in July, and Merriment in Block C in December.

The Trust performed its Annual People Survey to help inform engagement plans and to highlight team concerns. The results were generally positive with some useful feedback for areas of focus going forward.

Financial review

2022 has been another challenging year financially for the Trust. The museum welcomed 187,711 visitors, around 66% of 2019 visitor levels. This was lower than anticipated at the start of the year, with visitation affected by the global economic crisis and cost-of-living pressures. School visits returned with numbers returning to 2019 levels from Easter 2022. The impact of lower visitor levels resulted in a reduced surplus for the year than planned, due to many costs remaining fixed or necessary.

The Trust remains grateful for support from the Department for Digital, Culture, Media & Sport (DCMS) Culture Recovery Fund, with the final instalment of £385k from the Round 2 award being agreed and paid in March 2022. These funds prevented further draw-down from the Trust's designated reserves and has provided the Trust with financial resilience into 2023.

During the year the Trust delivered significant works as part of the funded Blocks A and E restoration project. Much of the restricted income received related to this project and supported the expenditure on the restoration and exhibition costs. The Trust was also able to release some of its own funds designated for this project to support the increased project costs during the year due to economic and inflationary pressures at this time.

In summary, the Trust finished the year with an unrestricted surplus after depreciation of £332,576. This is an improved financial position than the Trust anticipated at the start of the year and has provided financial resilience into 2023.

The results of retail and catering operations, along with sponsorship activity undertaken by the trading subsidiary, Bletchley Park Company Limited, resulted in a surplus in the trading subsidiary of £1,354,168 before taxation in 2022. The trading company has donated its taxable profit to the Trust during 2022 and 2023.

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Plans for future periods

The current focus for the Trust is to continue to grow visitor numbers and income again in order to generate appropriate surpluses each year in order to support the ongoing refreshment and maintenance of the site and exhibitions. Marketing activities continue to reach and attract new visitors and encourage return visits. Maximising opportunities for publicity, through filming, social media, publications and the website, will continue to raise the Trust's profile ensuring the Bletchley Park story is shared nationally and internationally.

Alongside this, the Trust will aim to grow income from individuals, companies, trusts and foundations to support core activity and key projects, supplementing income from visitors.

The other significant focus for 2023 is the completion of the dedicated learning centre and auditorium in Block E. These works are being delivered in two phases with the Learning Centre completed and used for delivery of the Trust's formal schools learning programme, and family activities from summer 2023. The Auditorium will be completed over the summer with external events taking place from October 2023. These works will ensure the Trust is able to deliver many more of its current strategic goals, as well as providing an opportunity to generate commercial income over time.

The Trust is now working on longer-term plans to support the Trust's growing operations and to address longer-term maintenance issues around the site. The difficult financial situation over recent years has resulted in reduced investment in the site, infrastructure and buildings. Initiatives are being developed to prioritise and plan for urgent works to continue to secure the historic site.

Plans are being developed for the next temporary exhibition. Alongside this, the Trust will also continue to research and develop its collection in order to share and educate the public with the work that took place at Bletchley Park during WW2 and how it remains relevant today.

Fundraising activity

The Trust currently has a dedicated Development team of four. This team is responsible for the fundraising activities of the Trust, with appropriate oversight by Trustees. The team has the strategic objective to sustain and build the Trust's income to meet capital and revenue needs in line with the long-term strategy of the Trust. They keep abreast of, and comply with, fundraising legislation and will ensure all future requirements are adopted and adhered to by the Trust and will always seek to comply with best practice in all its fundraising activities.

The Trust does not use external fundraisers or commercial participators. The fundraising focus is on developing relationships with charitable trusts, local and central authorities, individuals and appropriate corporate organisations. The Trust encourages donations, both ad-hoc and via appeals (such as the Codebreakers' Wall or capital campaigns), through its periodic magazine, its Friends of Bletchley Park programme, via onsite donation boxes and via leaflets and posters. The Trust does not run telephone campaigns or targeted personalised mailshots and does not actively seek legacies unless approached by donors or their families. The Trust recognises that several of its most-valued supporters are Veterans who may be vulnerable, and so the team exercises restraint when approached by Veterans regarding donations or legacies. The Trust has not received any complaints regarding its fundraising practices.

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Reserves policy

In accordance with Charity Commission guidance, the Trust monitors the level of funds it holds in unrestricted reserves, both general and designated. Unrestricted general reserves are calculated as net funds less restricted funds, fixed assets, and other designated funds. These unrestricted general funds totalling £2,698,388 (2021: £2,352,107) represent:

Free reserves

Currently the Trustees have determined that the optimum level of free reserves that the Trust would like to retain to support the Trust through a crisis whilst alternative or future options are explored is that likely to be required to cover three to four months' annual operational expenditure. At the end of 2022, this optimum has been determined at circa £1,500,000. The Trust is pleased to report that its free reserves were maintained, and the 2022 financial statements show free reserves for the group (comprising the Trust and Bletchley Park Company Limited) of £2,248,388 at the year-end (2021: £1,596,807). During 2023 the Board has designated £500,000 of free reserves to a rolling maintenance fund and an exhibition refreshment fund in order to provide for these necessary activities.

Unrestricted cashflow reserve

The Trust also maintains a cashflow reserve to support its typical net cash outflow for the months, October to March. This reserve is accumulated from surpluses earned through summer months, and then utilised over the winter months, before being replenished again over the summer. The level of fund required is determined from cashflow forecast each winter. At 31 December 2022, this requirement was £450,000 (2021: £755,300).

As part of its longer-term plans, the Trust also sets aside designated reserves for a number of purposes. Details of the designated funds can be found in note 24. At the end of 2022, designated funds totalled £8,451,700 (2021: £7,039,075).

Restricted funds comprise funds committed for specific purposes under terms set out by the donors and funders. At 31 December 2022 these totalled £2,623,175 (2022: £3,045,555).

Principal risks and uncertainties

The Board of Trustees maintains a number of risk registers to record and monitor the major risks to which the Trust is exposed, as follows:

Board Strategic Risk Register. This includes strategic risks (those matters that have the potential to have a strategic impact on the Trust).

Standing Risk Register. This includes standing and routine items such as fire, health and safety, theft etc., that are already managed as issues, and that are already subject to an internal compliance regime.

Project Risk Register. This will be project-specific and will include those risks that have potential to have a significant impact on the progress of the project.

These risk registers are updated, maintained and monitored by the Directors' Executive.

The Trust Board reviews and considers the Strategic Risk Register at each Board meeting and the Standing Risk Register once a year. Project Risk Registers are updated and maintained by each Project Board / Team, which may include Trustee representation, and are monitored by the

Trustees' Report (including Strategic Report)

Directors' Executive. Any risk that cannot be mitigated sufficiently is included on the Strategic Risk Register as appropriate. The Trust Board also reviews and considers major project risks as part of the Project update considered at each Board meeting.

The Audit Committee reviews and considers the Strategic Risk Register and Standing Risk Register at each Committee meeting. It monitors the effectiveness of risk management and reports to the Trust Board at least a biennial basis on the risk management framework.

The Trust Board maintains and annually reviews a Risk Appetite Statement, which sets out the extent to which the Trust is prepared to accept the risks associated with the actions the Trust plans to take. The Trust Board assesses its priorities and plans with regard to its risk appetite.

The current areas of major potential risks to the Trust are financial resilience and constraints on future development.

Financial resilience

The current economic situation following the COVID-19 pandemic is placing significant pressure on the Trust's finances. Visitor numbers remain substantially lower than pre-pandemic levels resulting in significantly lower income. The Trust has taken a number of measures to support its finances since 2019 and has received exceptional support from grants and donations.

The Trust has budgeted for an operational deficit during 2023, whilst visitor numbers recover to a level where income will meet current operating costs. It is anticipated that the Trust will return to a surplus-generating position by 2024, with a focus of investment in order to maintain the site and buildings, refresh the offer and build capacity to resume paused activities.

The Trust will continue to monitor visitor confidence and economic forecasts to enable it to manage any variations from these forecasts.

Constraints on future development

Recent years have significantly impacted the Trust's ability to generate surplus to set aside for future developments, including rolling maintenance of the buildings and infrastructure and refreshments and upgrades to exhibitions and content. It has also paused planning for the next phases of the Trust's site masterplan.

The Trust is reviewing its site Masterplan during 2023, in order to identify and prioritise future developments consistent with current and projected visitor demands and expectations. Until the Trust can return to financial stability and attract visitor levels reached pre-pandemic, its future development plans remain constrained.

Structure, governance and management

Governing document

Bletchley Park Trust Limited (the "Trust") was established in 1992 as a company limited by guarantee and does not have share capital. It is a registered charity governed by its Articles of Association as dated on 10 July 2014 and amended on 11 June 2019.

The Trustees are both the directors of the Trust and the members of the Trust. The Board of Trustees may choose whether to hold an Annual General Meeting of the Trust. The Trustees may call a general meeting at any time.

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In the event of the Trust winding up, each member of the Trust undertakes to contribute an amount not exceeding £1. Upon the winding-up or dissolution of the Trust all remaining assets shall be given or transferred to some other charitable institution having objects similar to the Trust, in accordance with charity rules.

Organisational structure

The management of the business and control of the Trust is vested in the Board of Trustees, as directors of the Trust. The Board delegates certain powers within stated terms of reference to Committees. The Board is responsible for ensuring the delivery of the Trust's objects, setting the strategic direction, and upholding the values of the Trust. It meets formally four times per year and holds an annual strategy day.

During 2022 there were three Committees:

- **Audit Committee.** The Audit Committee is responsible for ensuring there is an effective framework for financial reporting and external auditing, and for reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management. The Committee meets at least four times per year.
- **Nominations Committee.** The Nominations Committee leads the process for appointments to the Trust Board and its Committees, and recruits, when necessary, the CEO. It meets as business requires.
- **Remuneration Committee.** The Remuneration Committee determines the framework for Executive pay and reviews and approves annual staff pay awards. It meets as business requires.

The Board delegates the day-to-day management of the Trust to the Directors' Executive comprising the Chief Executive Officer, the Director of Public Engagement, the Director of Development, and the Director of Support Services. The Directors' Executive meets formally once a month and reports to the Trustees following these meetings.

Trustee appointment and training

The Board of Trustees comprises not less than five and not more than twenty members. The greater of one third of the members or four Trustees forms a quorum.

A Trustee serves a term of four years from the date of appointment, unless a shorter fixed term is set by the Board, or he/she ceases to be a Trustee. A Trustee may be considered for reappointment for a second term of four years. A Trustee may, in exceptional circumstances, be reappointed for a further term of no more than four years.

The Nominations Committee reviews and determines the membership of the Board by reference to the Trustee Skills Matrix and its Trustee role description. The Committee identifies and nominates candidates for appointment to the Board. Candidates are recruited from direct approaches, recommendations and referrals and advertisements as appropriate.

Potential new Trustees meet with members of the Nominations Committee and the Chief Executive Officer for a tour of Bletchley Park and a discussion of the specific role requirements. Candidates are issued with an Induction Pack. The Committee nominates suitable candidates to the Board and Board members have the opportunity to meet candidates. Trustees are appointed by the Trust Board.

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Following appointment, all Trustees are issued with a Trustee Pack. Appropriate documentation and guidance is provided regarding roles, responsibilities, and the governance structure of the Trust. Meetings are arranged with key personnel at the Trust.

The Trust periodically briefs and updates Trustees on good governance and changes in current legislation, alongside other updates. Other training is available from external providers as appropriate.

Trustee attendance at Board meetings

The table below sets out the record of attendance for Trustees and the Chief Executive Officer, at Board meetings during 2022. Trustees also attend various Committee meetings each year.

	Trust Board attendance	Committee attendance		
		NC	RC	AC
Sir David Brown	6/6	1/1	2/2	
Prof Liz Bacon	5/6	0/1	2/2	
Ms Zahra Bardai	6/6	1/1		3/4
Mrs Jane Bleach	6/6	1/1		4/4
Prof Tilly Blyth	5/6	1/1	1/2	
Mr Jon Card	4/6	0/1		4/4
Mr Robert Hannigan	5/6	0/1		
Mr Charles Macdonald	5/6	0/1		4/4
Prof Andrew Martin	6/6	1/1	2/2	
Mr Hywel Mathias	4/6	1/1		
Mr Iain Standen (CEO)	6/6	1/1	2/2	4/4

NC – Nominations Committee
RC – Remuneration Committee
AC – Audit Committee

Trustee remuneration and related party transactions

No Trustee receives remuneration or other benefit from their work with the Trust. Details of Trustee expenses and related party expenses are disclosed in notes 8 and 10 to the financial statements respectively. If the Trust enters into a transaction with a Trustee, a company in which a Trustee has an interest, or with any person connected with a Trustee, this must be disclosed in full to the Trust Board and the Trustee concerned is excluded from voting on any discussions regarding that transaction.

The Trust maintains a register of Trustee interests which is updated on an annual basis, and during the year as appropriate. The Trust pays for indemnity insurance for the Trustees.

The Trust has 100% ownership and control of its trading subsidiary, Bletchley Park Company Limited. This subsidiary carries out the commercial activities of the Trust.

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Key management personnel remuneration

The pay of each member of the Directors' Executive is reviewed annually by the Remuneration Committee having regard to appropriate benchmarks, both locally and within the museum sector.

Trustees' responsibilities for the financial statements

The Trustees (who are also directors of Bletchley Park Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees (including the Strategic 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 (comprising the charitable company, Bletchley Park Trust Limited, and its trading subsidiary, Bletchley Park Company Limited) and of the income and expenditure of the 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Statement of disclosure to the auditor

So far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware. Additionally, the Trustees have taken all the necessary steps that they ought to have taken as Trustees in order to make themselves aware of all relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

Sayer Vincent LLP offer themselves for reappointment as auditor.

Trustees' Report (including Strategic Report)

The Report of the Trustees (including the Strategic Report) were approved by the Board of Trustees (in their capacity as company directors) on 12 September 2023 and signed on its behalf by:

Sir David Brown
Chairman

Date: 12 September 2023

Independent auditor's report to the members of Bletchley Park Trust Limited

Opinion

We have audited the financial statements of Bletchley Park Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2022 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Bletchley Park Trust Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of Bletchley Park Trust Limited (continued)

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.

Independent auditor's report to the members of Bletchley Park Trust Limited (continued)

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Audit and Risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report to the members of Bletchley Park Trust Limited (continued)

- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members 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 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.

Jonathan Orchard (Senior Statutory Auditor)

18 September 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities (incorporating an income and expenditure account)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Income from:							
Donations and legacies	2	716,796	3,605,728	4,322,524	2,099,235	938,520	3,037,755
Other trading activities	3	2,097,838	-	2,097,838	1,064,275	-	1,064,275
Investments	4	48,033	-	48,033	5	-	5
Charitable activities	5	3,944,786	-	3,944,786	2,279,986	-	2,279,986
Other		4,599	-	4,599	63,472	-	63,472
Total income		6,812,052	3,605,728	10,417,780	5,506,973	938,520	6,445,493
Expenditure on:							
Raising funds							
Costs of generating voluntary income		317,379	-	317,379	274,081	-	274,081
Commercial trading operations		841,350	-	841,350	533,155	-	533,155
Charitable activities		5,157,137	2,523,084	7,680,221	4,582,549	1,575,267	6,157,816
Other		163,610	-	163,610	118,554	-	118,554
Total expenditure	6	6,479,476	2,523,084	9,002,560	5,508,339	1,575,267	7,083,606
Net income	7	332,576	1,082,644	1,415,220	(1,366)	(636,747)	(638,113)
Taxation (due) / credit	11	(78,694)	-	(78,694)	80,000	-	80,000
Transfers between funds	21, 22	1,505,024	(1,505,024)	-	412,746	(412,746)	-
Net movement in funds		1,758,906	(422,380)	1,336,526	491,380	(1,049,493)	(558,113)
Total funds brought forward at 1 January 2022		9,391,182	3,045,555	12,436,737	8,899,802	4,095,048	12,994,850
Total funds carried forward at 31 December 2022		11,150,088	2,623,175	13,773,263	9,391,182	3,045,555	12,436,737

All income and expenditure derive from continuing activities. The accompanying notes form an integral part of these financial statements. There are no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 22.

Company Registration No. 2730618

Consolidated balance sheet

	Note	2022 £	2021 £
Fixed assets			
Heritage assets	12	4,249,376	4,389,770
Tangible assets	12	3,013,523	1,320,504
		<u>7,262,899</u>	<u>5,710,274</u>
Current assets			
Stocks	16	169,767	143,200
Debtors	17	1,068,053	478,635
Cash at bank and in hand		6,386,642	7,735,404
		<u>7,624,462</u>	<u>8,357,239</u>
Liabilities			
Creditors: amounts falling due within one year	18	(1,114,098)	(1,630,776)
Net current assets		<u>6,510,364</u>	<u>6,726,463</u>
Total net assets		<u>13,773,263</u>	<u>12,436,737</u>
The funds of the charity			
Restricted funds	21	2,623,175	3,045,555
Unrestricted funds:			
General funds	22	2,698,388	2,352,107
Designated funds	23	8,451,700	7,039,075
		<u>13,773,263</u>	<u>12,436,737</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 12 September 2023.

Sir David Brown
Chairman

Company Registration No. 2730618

Charity balance sheet

	Note	2022 £	2021 £
Fixed assets			
Heritage assets	12	4,249,376	4,389,770
Tangible assets	12	2,991,807	1,317,108
Investments	13	100	100
		7,241,283	5,706,978
Current assets			
Debtors	17	967,545	638,356
Cash at bank and in hand		5,844,296	6,196,418
		6,811,841	6,834,774
Liabilities			
Creditors: amounts falling due within one year	18	(1,492,305)	(738,006)
Net current assets		5,319,536	6,096,768
Total net assets		12,560,819	11,803,746
The funds of the charity			
Restricted funds	21	2,623,175	3,045,555
Unrestricted funds	22	1,485,944	1,719,116
Designated funds	23	8,451,700	7,039,075
		12,560,819	11,803,746

The financial statements were approved and authorised for issue by the Board of Trustees on 12 September 2023.

Sir David Brown
Chairman

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

Company Registration No. 2730618

Consolidated statement of cash flows

	2022 £	2021 £
Cash flow from operating activities		
Net income / (expenditure) before transfers	1,415,220	(638,113)
Adjustments for:		
Depreciation	1,019,283	823,566
Decrease/(increase) in stocks	(26,567)	50,782
(Increase)/decrease in debtors	(575,906)	89,950
(Decrease)/increase in creditors	(516,678)	(2,238)
Taxation charge (paid) / credit received	(92,206)	8,766
Net cash generated from operating activities	1,223,146	332,713
Cash flows from investing activities		
Purchases of tangible fixed assets	(2,571,908)	(830,621)
Interest received	-	-
Net cash outflow from investing activities	(2,571,908)	(830,621)
Net (decrease)/increase in cash in the year	(1,348,762)	(497,908)
Cash at the beginning of the year	7,735,404	8,233,312
Cash at the end of year	6,386,642	7,735,404
(Decrease)/increase in cash in the year is attributable to:		
Restricted funds	(422,380)	(1,049,493)
Unrestricted funds	(926,382)	551,585
	(1,348,762)	(497,908)

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

Notes to the financial statements

1 Accounting policies

1a) Statutory information

Bletchley Park Trust Limited is a charitable company (the charity) limited by guarantee and has no share capital. Each member's liability is limited to £1. Its subsidiary, Bletchley Park Company Limited is a company limited by shares. Bletchley Park Trust Limited is a registered charity governed by its articles of association.

Both companies are registered in England, with the registered office address of The Mansion, Bletchley Park, Sherwood Drive, Bletchley, Milton Keynes, MK3 6EB.

1b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Bletchley Park Trust Limited meets the definition of a public benefit entity under FRS 102.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Bletchley Park Company Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

1c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

1d) Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the group to continue as a going concern, for a period of at least one year from the date of approval of the financial statements. In particular, the Trustees have considered the group's projections and cashflow forecast taking into account the impact of COVID-19 on visitor levels and the current pressures on rising costs.

After making enquiries, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Notes to the financial statements (continued)

1 Accounting policies (continued)

1e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Admissions to the museum for the general public entitle the visitor to free return admission to the museum over the next twelve months. Where a gift aid declaration has been made in respect of the admission paid this income, including the gift aid recovered, is reflected as museum income.

Sponsorship income is recognised in line with the progress of the works covered by the sponsorship activity.

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Notes to the financial statements (continued)

1 Accounting policies (continued)

1h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and costs of trading activity.
- Expenditure on charitable activities includes the costs of running the museum undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1k) Operating leases

Leases where the risk and title of the equipment remains with the lessor and the equipment is replaced before the end of its economic life are classified as operating leases. Rentals receivable or payable under operating leases are credited or charged to income or expenditure on a straight-line basis over the lease term.

Notes to the financial statements (continued)

1 Accounting policies (continued)

1l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful life.

Heritage assets are those assets which have historic value and are held primarily for their contribution to knowledge and culture. Museum artefacts are not depreciated but are subject to impairment reviews if they suffer physical deterioration or doubts arise as to their authenticity.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than long leasehold land, over their expected useful lives, using the straight-line method. The rates generally applicable are:

Heritage assets:

Leasehold buildings	Over the length of the lease
Restoration of derelict buildings	Over 25 years
Improvements to leasehold buildings	Over 5 years
Museum artefacts	No depreciation

Other tangible assets:

Leasehold buildings and infrastructure	Over 35 years
Short leasehold property	Over the length of the lease
Fixtures and fittings	Between 2 to 4 years
Plant and machinery:	
Major exhibitions	Between 3 to 6 years
Display cases	Over 4 or 6 years
Car park works and safe	Over 10 years
Other plant & machinery	Over 4 years

1m) Investment in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment.

1n) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

1o) Debtors

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

1p) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements (continued)

1 Accounting policies (continued)

1a) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Provision for liabilities

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation.

1r) Pensions

Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

2 Income from donations and legacies

	2022		2021	
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Donations and grants	103,623	3,605,728	225,414	929,303
Coronavirus Job Retention Scheme	-	-	236,779	-
Culture Recovery Fund	384,729	-	1,410,888	9,217
Legacies	170,136	-	174,066	-
Membership subscriptions	45,808	-	52,088	-
Sale of donated goods	12,500	-	-	-
Amounts received in the year	<u>716,796</u>	<u>3,605,728</u>	<u>2,099,235</u>	<u>938,520</u>

Notes to the financial statements (continued)

3 Income from other trading activities

	2022		2021	
	Unrestricted £	Restricted £	Unrestricted £	Restricted £
Retail	817,689	-	491,181	-
Catering	174,301	-	148,391	-
Sponsorship	1,058,099	-	389,494	-
Other	47,749	-	35,209	-
	2,097,838	-	1,064,275	-

4 Investment income

	2022		2021	
	Unrestricted £	Restricted £	Unrestricted £	Restricted £
Other interest	48,033	-	5	-
	48,033	-	5	-

5 Income from charitable activities

	2022		2021	
	Unrestricted £	Restricted £	Unrestricted £	Restricted £
Museum	1,847,802	-	985,110	-
Museum – donations in lieu of admissions (including Gift Aid)	1,581,654	-	1,079,337	-
Property rentals and charges	109,488	-	105,270	-
Other	405,842	-	110,269	-
	3,944,786	-	2,279,986	-

Notes to the financial statements (continued)

6 Analysis of expenditure

Current year	Fundraising costs	Trading costs	Museum costs	Other costs	Unrestricted total	Restricted Museum	2022 Total	2021 Total
	£	£	£	£	£	£	£	£
Unrestricted funds								
Staff costs	229,674	289,896	1,939,297	-	2,458,867	111,457	2,570,324	2,238,218
Direct costs	13,368	386,554	479,555	-	879,477	210,922	1,090,399	652,433
Support costs:								
Legal and professional	9,745	14,381	341,697	-	365,823	113,318	479,141	711,011
Other admin	47,118	75,772	562,562	-	685,452	-	685,452	538,391
Depreciation and amortisation	6,190	14,597	998,496	-	1,019,283	-	1,019,283	820,270
Establishment costs	11,284	60,150	835,530	-	906,964	2,087,387	2,994,351	2,004,729
Irrecoverable VAT	-	-	-	163,610	163,610	-	163,610	118,554
2022 totals	317,379	841,350	5,157,137	163,610	6,479,476	2,523,084	9,002,560	7,083,606
2021 totals	274,081	533,155	4,582,549	118,554	5,508,339	1,575,267	7,083,606	

Analysis of governance costs included within Museum costs:

	2022	2021
	£	£
Trustee expenses	2,627	407
Meeting costs	1,061	862
Legal and professional fees	26	24,001
Audit and accountancy charges	25,800	21,450
	29,514	46,720

Notes to the financial statements (continued)

6 Analysis of expenditure (continued)

Prior year	Fundraising costs	Trading costs	Museum costs	Other costs	Unrestricted total	Restricted Museum	2021 Total
	£	£	£	£	£	£	£
Unrestricted funds							
Staff costs	202,772	194,071	1,804,865	-	2,201,708	36,510	2,238,218
Direct costs	10,784	204,774	364,390	-	579,948	72,485	652,433
Support costs:							
Legal and professional	11,709	16,690	410,097	-	438,496	272,515	711,011
Other administration costs	34,354	57,256	446,781	-	538,391	-	538,391
Depreciation and amortisation	4,810	12,225	803,235	-	820,270	-	820,270
Establishment costs	9,652	48,139	753,181	-	810,972	1,193,757	2,004,729
Irrecoverable VAT	-	-	-	118,554	118,554	-	118,554
2021 totals	274,081	533,155	4,582,549	118,554	5,508,339	1,575,267	7,083,606

Notes to the financial statements (continued)

7 Net income / expenditure for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Auditor's remuneration:		
Audit services – current year	22,460	19,200
Non-audit services	3,340	2,250
Depreciation:		
Heritage assets	202,888	197,576
Other tangible fixed assets	816,395	625,989
Operating lease rentals receivable	78,235	78,235
Operating lease rentals payable:		
Property	4,000	4,000
Other	56,007	74,677

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	2,204,873	1,916,565
Social security costs	200,536	166,078
Employer's pension contributions	164,915	155,575
	<u>2,570,324</u>	<u>2,238,218</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year:

	2022 No	2021 No
In the range of £60,000 to £69,999	<u>3</u>	<u>2</u>
In the range of £70,000 to £79,999	<u>1</u>	<u>1</u>
In the range of £110,000 to £120,000	<u>1</u>	<u>1</u>

Key management personnel include the Chief Executive Officer and the members of the Directors' Executive reporting to the Chief Executive Officer. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £401,983 (2021: £371,017).

The Trustees received no remuneration or benefits in kind during the year. Travel expenses were reimbursed during the year to 2 (2021: 2) Trustees totalling £1,108 (2021: £407).

Notes to the financial statements (continued)

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 90 (2021: 82).

10 Related party transactions

The Trust owns the whole of the issued share capital of Bletchley Park Company Limited. During the year, the charity charged the subsidiary £209,763 (2021: £71,173) as a management charge in respect of space used and other services provided and the subsidiary donated its profits, through Gift Aid, of £651,022 (2021: £34,149). At the year end the charity owed the subsidiary £620,475 (2021: the subsidiary owed the charity £193,187).

Mrs Elizabeth Bushell, a Trustee until 30 June 2021, was Executive Director and Chief Financial Officer for Arts Council England (ACE). During the year ACE awarded a further £384,729 (2021: £1,760,123) to Bletchley Park Trust as part of the Culture Recovery Fund, rounds 1 and 2. Mrs Bushell was not involved with the application for this grant by the Trust. Mrs Bushell was not included in the assessment of this application by ACE or with the decision to make this award.

There were no donations or Friends memberships from Trustees outside of the normal course of business.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Bletchley Park Company Limited generally distributes under Gift Aid its taxable profits to the parent charity.

The charge to corporation tax in the year was:

	2022 £	2021 £
(a) Analysis of charge in period:		
Current tax		
UK corporation tax on profits of the period	-	-
Under provision in prior year in Bletchley Park Company	(123,694)	-
Taxation credit in Bletchley Park Trust	45,000	80,000
Total corporation tax recognised in statement of financial activities	(78,694)	80,000

Taxation credit relates to a tax credit under the Museums and Galleries Tax Relief for the year to 31 December 2022.

Notes to the financial statements (continued)

12 Tangible fixed assets

Heritage assets

Group and Charity	Long leasehold property £	Museum artefacts £	Total £
Cost			
At 1 January 2022	5,264,998	559,904	5,824,902
Additions	62,494	-	62,494
At 31 December 2022	<u>5,327,492</u>	<u>559,904</u>	<u>5,887,396</u>
Depreciation			
At 1 January 2022	1,435,132	-	1,435,132
Provided in the year	202,888	-	202,888
At 31 December 2022	<u>1,638,020</u>	<u>-</u>	<u>1,638,020</u>
Net book value at 31 December 2022	<u>3,689,472</u>	<u>559,904</u>	<u>4,249,376</u>
Net book value at 31 December 2021	<u>3,829,866</u>	<u>559,904</u>	<u>4,389,770</u>

Heritage assets represent the following heritage assets:

Long leasehold property

This is the Bletchley Park site and represents:

- the cost of the lease on acquisition in 2000, being £467,988, depreciated over the length of the lease (250 years), and
- significant improvements to the property as a result of restoration projects to previously derelict buildings around the site valued at cost, and depreciated over 25 years

The Trust recognises that the Bletchley Park site is a unique site and a site of historic significance. It is held by the Trust for its contribution to knowledge and culture. The site is recognised as a designated heritage asset by Historic England and most of the buildings are protected by a Grade II listing.

On acquisition of the lease, a number of buildings were in a derelict condition. Initially the Trust undertook minor repairs and restoration of buildings which were acquired in a habitable state. The costs of these works have been treated as expenditure in the years it was incurred, and continues to be so. In recent years, the Trust has restored a number of key buildings around the site that were derelict, and the costs of these building works (including any associated infrastructure works and fixture and fitting improvements / replacements but excluding any professional fees and external landscaping works) have been capitalised. These works are depreciated over 25 years as this is felt to represent the long-term benefit of these works to those buildings.

Notes to the financial statements (continued)

12 Tangible fixed assets (continued)

Heritage assets (continued)

All renovation and restoration works ensure buildings are returned to their World War II condition, focussing on reusing original materials wherever possible and do not enhance the buildings, other than as directed by Building Control and agreed with Historic England. The Trust has in place an ongoing maintenance plan to ensure that periodic works are performed to all buildings on site, subject to those buildings that are leased to tenants with tenant-repairing requirements, to ensure those buildings remain in good condition and do not deteriorate further.

Museum artefacts

Certain museum artefacts have been acquired by the Trust for use as museum artefacts and for their contribution to knowledge and culture. These assets are recognised to have indefinite lives and are therefore not depreciated in accordance with the fixed asset policy and FRS 102. At each year end each asset is reviewed for any impairment, due to physical deterioration, breakage, new evidence giving rise to its authenticity, or other factors.

At 31 December 2022, museum artefacts that have been capitalised represents:

- 7 x Enigma / cryptography machines costing £249,905 in total (acquired between 2011 and 2020).
- "Turing Papers", a collection of rare annotated mathematical papers costing £310,000 in total, acquired in 2011.

Tangible assets

Group	Long leasehold property £	Short leasehold property £	Fixtures and fittings £	Plant and machinery £	Total £
Cost					
At 1 January 2022	-	10,788	388,605	6,144,381	6,543,774
Additions	724,348	-	74,599	1,710,467	2,509,414
Disposals	-	-	(8,972)	(733,467)	(742,439)
At 31 December 2022	724,348	10,788	454,232	7,121,381	8,310,749
Depreciation					
At 1 January 2022	-	4,315	285,339	4,933,616	5,223,270
Provided in the year	-	719	52,662	763,014	816,395
On disposals	-	-	(8,972)	(733,467)	(742,439)
At 31 December 2022	-	5,034	329,029	4,963,163	5,297,226
Net book value at 31 December 2022	724,348	5,754	125,203	2,158,218	3,013,523
Net book value at 31 December 2021	-	6,473	103,266	1,210,765	1,320,504

Notes to the financial statements (continued)

12 Tangible assets (continued)

Charity	Long leasehold property £	Short leasehold property £	Fixtures and fittings £	Plant and machinery £	Total £
Cost					
At 1 January 2022	-	10,788	358,501	6,094,646	6,463,935
Additions	724,348	-	70,327	1,694,202	2,488,877
Disposals	-	-	(1,000)	(726,596)	(727,596)
At 31 December 2022	<u>724,348</u>	<u>10,788</u>	<u>427,828</u>	<u>7,062,252</u>	<u>8,225,216</u>
Depreciation					
At 1 January 2022	-	4,315	255,236	4,887,276	5,146,827
Provided in the year	-	719	52,662	760,797	814,178
On disposals	-	-	(1,000)	(726,596)	(727,596)
At 31 December 2022	<u>-</u>	<u>5,034</u>	<u>306,898</u>	<u>4,921,477</u>	<u>5,233,409</u>
Net book value at 31 December 2022	<u>724,348</u>	<u>5,754</u>	<u>120,930</u>	<u>2,140,775</u>	<u>2,991,807</u>
Net book value at 31 December 2021	<u>-</u>	<u>6,473</u>	<u>103,265</u>	<u>1,207,370</u>	<u>1,317,108</u>

13 Fixed asset investment

	2022 £	2021 £
100 £1 Ordinary shares in Bletchley Park Company Limited	<u>100</u>	<u>100</u>

14 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Bletchley Park Company Limited, a company registered in England. The company number is 2723470. The registered office address is The Mansion, Sherwood Drive, Bletchley, Milton Keynes, MK3 6EB.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities.

The trustees Charles Macdonald and Hywel Mathias are also directors of the subsidiary. Jon Card, a trustee until 9 March 2023 was also a director of the subsidiary until his retirement.

Notes to the financial statements (continued)

14 Subsidiary undertaking (continued)

A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	2,104,180	1,064,066
Cost of sales	(347,810)	(196,958)
Gross profit	1,756,370	867,108
Net operating expenses	(402,202)	(216,992)
Profit on ordinary activities before taxation	1,354,168	650,116
Taxation on profit on ordinary activities	123,694	-
Profit for the financial year	1,230,474	650,116

Turnover includes sums received in respect of sponsorship agreements totalling £381,661 (2020: £nil).

Retained earnings

Total retained earnings brought forward	632,991	17,024
Profit / (loss) for the year	1,230,474	650,116
Distribution under Gift Aid to the parent charity	(651,022)	(34,149)
Total retained earnings carried forward	1,212,443	632,991

Share capital

100	100
-----	-----

The aggregate of the assets, liabilities and funds was:

Assets	1,384,156	1,719,049
Liabilities	(171,613)	(1,085,958)
Shareholder funds	1,212,543	633,091

Amounts owed to the parent undertaking are shown in note 18.

Included within administrative expenses above is a management charge of £209,763 (2021: £71,173) from the parent entity.

15 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	9,174,384	5,486,749
Results for the year after taxation credit	757,073	(1,174,081)

Notes to the financial statements (continued)

16 Stocks

Group	2022 £	2021 £
Stock of goods for resale	<u>169,767</u>	<u>143,200</u>

17 Debtors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	761,122	123,028	666,307	94,631
Amounts owed by group companies	-	-	-	193,191
Taxation credit	125,109	111,597	125,109	111,597
VAT debtor	-	-	-	-
Other debtors	14,582	5,560	10,276	5,556
Prepayments and accrued income	167,240	238,450	165,853	233,381
	<u>1,068,053</u>	<u>478,635</u>	<u>967,545</u>	<u>638,356</u>

18 Creditors: amounts falling due within one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	188,309	248,346	178,901	248,127
Amounts owed to group companies	-	-	549,819	-
Social security and other taxes	83,656	63,399	83,656	61,003
Other creditors	91,760	92,636	72,427	90,873
Accruals and deferred income	750,373	1,226,395	607,502	338,003
	<u>1,114,098</u>	<u>1,630,776</u>	<u>1,492,305</u>	<u>738,006</u>

19 Deferred income

Deferred income comprises sales for future admissions and events, gift tickets not redeemed and sponsorship income.

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Balance at the beginning of the year	968,135	1,015,915	79,743	38,029
Amount released to income in the year	(1,137,842)	(427,523)	(79,743)	(38,029)
Amount deferred in the year	397,945	379,743	97,945	79,743
Balance at the end of the year	<u>228,238</u>	<u>968,135</u>	<u>97,945</u>	<u>79,743</u>

Notes to the financial statements (continued)

20 Analysis of net assets between funds

The group	Tangible fixed assets £	Current assets £	Current liabilities £	Total £
General unrestricted funds	-	3,812,486	(1,114,098)	2,698,388
Designated funds	7,262,899	1,188,801	-	8,451,700
Restricted funds	-	2,623,175	-	2,623,175
2022 total funds	7,262,899	7,624,462	(1,114,098)	13,773,263
General unrestricted funds	-	3,982,883	(1,630,776)	2,352,107
Designated funds	5,710,274	1,328,801	-	7,039,075
Restricted funds	-	3,045,555	-	3,045,555
2021 total funds	5,710,274	8,357,239	(1,630,776)	12,436,737

The charity	Tangible fixed assets £	Current assets £	Current liabilities £	Total £
General unrestricted funds	100	2,978,149	(1,492,305)	1,485,944
Designated funds	7,241,183	1,210,517	-	8,451,700
Restricted funds	-	2,623,175	-	2,623,175
2022 total funds	7,241,283	6,811,841	(1,492,305)	12,560,819
General unrestricted funds	-	2,457,122	(738,006)	1,719,116
Designated funds	5,706,978	1,332,097	-	7,039,075
Restricted funds	-	3,045,555	-	3,045,555
2021 total funds	5,706,978	6,834,774	(738,006)	11,803,746

Notes to the financial statements (continued)

21 Restricted funds

The group and charity

	Opening funds 1 Jan 2022	Income	Expenditure	Transfers	Closing funds 31 Dec 2022
	£	£	£	£	£
Phase 1 development	34,903	-	-	-	34,903
Phase 2 development	2,570,731	3,057,276	(2,381,113)	(1,204,933)	2,041,961
Phoenix appeal	76,562	-	-	-	76,562
Ultra Outreach Programme	91,555	3,000	(58,089)	-	36,466
Cyber Security Programme	149,010	100,000	(50,207)	-	198,803
MEND	-	421,554	-	(300,091)	121,463
Other projects	122,794	23,898	(33,675)	-	113,017
	<u>3,045,555</u>	<u>3,605,728</u>	<u>(2,523,084)</u>	<u>(1,505,024)</u>	<u>2,623,175</u>

Museum development – phase 1

Funds held for the final works of the phase 1 (Neptune) development of the Museum, including works to certain code-breaking huts and Blocks used during World War Two.

Museum development – phase 2

Funds raised for the phase 2 (Overlord) development of the Museum. Blocks A, E and the Teleprinter Building Extension will be restored to create new exhibition spaces, a collection centre and a learning facility, as part of the Trust's long-standing ambition to preserve and enhance Bletchley Park as a world-class visitor attraction. This will be the first time these buildings will be open as part of the heritage offer, giving a unique opportunity to share more of our untold stories and shed light on this crucial part of British World War Two history. The restricted fund includes received donations from organisations including The Foyle Foundation, Post Office Fellowship of Remembrance, the Sidney E. Frank Foundation, and the Thomas L. Kempner, Jr., Foundation, Inc.

Phoenix appeal

A fundraising campaign to secure funds for the restoration of Huts 11 and 11A used to house Bombe machines during World War Two.

Ultra Outreach Programme

Funding to provide schools who meet certain criteria with either a funded visit to Bletchley Park including a transport subsidy or a fully-funded Outreach visit, to widen participation and interest in STEM subjects for students who may not otherwise have the chance to take part in enrichment activities in these subjects. Restricted funds include support from The Eranda Rothschild Foundation, Goldman Sachs Gives and the Richard Radcliffe Trust.

Cyber Security Programme

Funding from the IBM UK Trust to support a cyber security learning programme.

Notes to the financial statements (continued)

21 Restricted funds (*continued*)

MEND

Funding from the DCMS/Arts Council England's Museum Estate and Development Fund (MEND) round 1, to support the replacement of the aged HV equipment and cast iron water main.

Other projects

A number of other projects, including funding for a number of local activities and funding for some smaller specific learning or collections projects, such as the Oral History project.

Transfers between funds

Transfers between funds represent transfers from restricted funds to designated funds in respect of fixed assets purchased from restricted fund donations where the asset is held for a general and not a restricted purpose, or offsets between funds for the same purpose.

Movement in restricted funds (prior year)

	Opening funds 1 Jan 2021	Income	Expenditure	Transfers	Closing funds 31 Dec 2021
	£	£	£	£	£
Phase 1 development	41,361	-	(6,458)	-	34,903
Phase 2 development	3,382,801	901,803	(1,429,955)	(283,918)	2,570,731
Phoenix appeal	75,665	-	897	-	76,562
Ultra Outreach Programme	108,278	2,000	(18,723)	-	91,555
Cyber Security Programme	150,000	-	(990)	-	149,010
Culture Recovery Fund	210,639	9,217	(91,028)	(128,828)	-
Other projects	126,304	25,500	(29,010)	-	122,794
	4,095,048	938,520	(1,575,267)	(412,746)	3,045,555

Notes to the financial statements (continued)

22 Unrestricted funds

The group	Designated funds	Free reserve	Cashflow reserve	Total 2022	Total 2021
	£	£	£	£	£
As at 1 January 2022	7,039,075	1,596,807	755,300	9,391,182	8,899,802
Income	-	6,812,052	-	6,812,052	5,506,973
Expenditure	-	(6,479,476)	-	(6,479,476)	(5,508,339)
Taxation (charge)/credit	-	(78,694)	-	(78,694)	80,000
Transfers – designated	(92,399)	397,699	(305,300)	-	-
Transfers – restricted	1,505,024	-	-	1,505,024	412,746
As at 31 December 2022	8,451,700	2,248,388	450,000	11,150,088	9,391,182

The charity	Designated funds	Free reserve	Cashflow reserve	Total 2022	Total 2021
	£	£	£	£	£
As at 1 January 2021	7,039,075	963,816	755,300	8,758,191	8,882,778
Income	-	4,917,634	-	4,917,634	4,442,907
Expenditure	-	(5,939,227)	-	(5,939,227)	(5,094,389)
Gift aid payment of profit	-	651,022	-	651,022	34,149
Taxation credit	-	45,000	-	45,000	80,000
Transfers – designated	(92,399)	397,699	(305,300)	-	-
Transfers – restricted	1,505,024	-	-	1,505,024	412,746
As at 31 December 2021	8,451,700	1,035,944	450,000	9,937,644	8,758,191

Movement in unrestricted funds (prior year)

The group	Designated funds	Free reserve	Cashflow reserve	Total 2021	Total 2020
	£	£	£	£	£
As at 1 January 2021	7,444,020	1,455,782	-	8,899,802	10,196,657
Income	-	4,751,673	755,300	5,506,973	4,608,512
Expenditure	-	(5,508,339)	-	(5,508,339)	(5,977,114)
Taxation credit	-	80,000	-	80,000	32,083
Transfers – designated	(817,691)	817,691	-	-	-
Transfers – restricted	412,746	-	-	412,746	39,664
As at 31 December 2021	7,039,075	1,596,807	755,300	9,391,182	8,899,802

Notes to the financial statements (continued)

22 Unrestricted funds (continued)

Movement in unrestricted funds (prior year) (continued)

The charity	Designated funds	Free reserve	Cashflow reserve	Total 2021	Total 2020
	£	£	£	£	£
As at 1 January 2021	7,444,020	1,438,758	-	8,882,778	9,730,703
Income	-	3,687,607	755,300	4,442,907	4,194,469
Expenditure	-	(5,094,389)	-	(5,094,389)	(5,600,289)
Gift aid payment of profit	-	34,149	-	34,149	486,148
Taxation credit	-	80,000	-	80,000	32,083
Transfers – designated	(817,691)	817,691	-	-	-
Transfers – restricted	412,746	-	-	412,746	39,664
As at 31 December 2021	7,039,075	963,816	755,300	8,758,191	8,882,778

Subsequent to the year end, a gift-aided donation will be made from the trading subsidiary, Bletchley Park Company Limited, to the charity to the value to £677,272 (2021: £652,720).

23 Designated funds

	As at 1 Jan 2022	Transfers – unrestricted funds	Transfers – restricted funds	As at 31 Dec 2022
	£	£	£	£
Tangible fixed assets	5,709,075	47,601	1,505,024	7,261,700
Project Overlord fund	1,190,000	-	-	1,190,000
Facebook salary fund	140,000	(140,000)	-	-
	7,039,075	(92,399)	1,505,024	8,451,700

Tangible fixed assets relate to all tangible fixed assets held not for a restricted purpose.

The Project Overlord fund is set aside to support the costs of the phase 2 restoration of Blocks A. E and the Teleprinter Building Extension. Part of this fund has been released to cover certain costs borne by the Trust. The remaining fund is earmarked to provide further crucial match-funding for the project if the Trustees determine there is no further need for this fund to support the Trust through the COVID-19 pandemic.

The Facebook salary fund was set aside to fund the salary costs of 7 roles saved from redundancy by the donation from Facebook. This fund was be offset against salary costs evenly over 24 months from November 2020 to October 2022.

Notes to the financial statements (continued)

23 Designated funds (continued)

Movement in designated funds (prior year)

	As at 1 Jan 2021 £	Transfers – unrestricted funds £	Transfers – restricted funds £	As at 31 Dec 2021 £
Tangible fixed assets	5,702,020	(405,691)	412,746	5,709,075
Project Overlord fund	1,300,000	(110,000)	-	1,190,000
Facebook salary fund	308,000	(168,000)	-	140,000
Facebook operational fund	134,000	(134,000)	-	-
	<u>7,444,020</u>	<u>(817,691)</u>	<u>412,746</u>	<u>7,039,075</u>

24 Contingent liabilities

The charity has an unlimited cross guarantee with Bletchley Park Company Limited, in favour of HSBC Bank.

25 Leasing commitments

The group's future minimum operating lease payments are as follows:

	2022		2021	
	Group £	Charity £	Group £	Charity £
Within one year	45,230	45,230	72,921	72,921
Between one and five years	121,317	121,317	39,496	39,496
After more than five years	-	-	-	-
	<u>166,547</u>	<u>166,547</u>	<u>112,417</u>	<u>112,417</u>

Operating lease commitments receivable as a lessor

Amounts receivable by group under non-cancellable operating leases are as follows:

	2022		2021	
	Group £	Charity £	Group £	Charity £
Within one year	75,000	75,000	77,167	77,167
Between one and five years	300,000	300,000	300,000	300,000
After more than five years	375,000	375,000	450,000	450,000
	<u>750,000</u>	<u>750,000</u>	<u>827,167</u>	<u>827,167</u>

Notes to the financial statements (continued)

26 Capital commitments

Capital commitments contracted but not provided for in the financial statements amount to £3,175,223 (2021: £1,290,532). These relate to the Overlord Project which is being funded from external sources.

27 Financial risk management

The group has one main area of financial risk – liquidity risk.

Liquidity risk

The objective of the group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cash flows. The group's liquidity is regularly reviewed and a minimum level of free reserves identified. If it becomes likely that the minimum level of free reserves will be needed to support short-term liquidity needs, further action would be taken to reduce outgoings and identify alternative courses of action to remedy liquidity risks.