

Company registration number: 04791136

Charity registration number: 1115452

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

30 SEPTEMBER 2021

Horsfield & Smith
Chartered Accountants & Statutory Auditor
Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

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THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Colonel (Retired) Brian M Gorski MBE DL MSc Colonel (Retired) James W Denny MBE Lieutenant Colonel (Retired) Eric W Davidson MBE DL Lieutenant Colonel (Retired) Keith Kiddie Mr Peter Metcalfe FCA Mrs Karan P Lee Lieutenant Colonel David J Cook (resigned July 2021) Lieutenant Colonel Shauna M Dixon MBE (resigned May 2021) Major (Retired) John Kershaw ACIB (resigned September 2021) Mrs Patricia Greenhalgh-Jones (resigned February 2021) Lieutenant Colonel Iain MacDoanald Hallam Major Richard M Smith Mr Robert J Collicutt
Charity Registration Number	1115452
Company Registration Number	04791136
Principal Office	The charity is incorporated in England. The Fusilier Museum Moss Street Bury BL9 0DF
Auditor	Horsfield & Smith Chartered Accountants & Statutory Auditor Tower House 269 Walmersley Road Bury Lancashire BL9 6NX
Bankers	Barclays Bank Plc 1 Central Street The Rock Bury Lancashire BL9 0JN

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

STRATEGIC REPORT

YEAR ENDED 30 SEPTEMBER 2021

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 30 September 2021, in compliance with s414C of the Companies Act 2006.

Financial review

Despite COVID, the museum is in a stable financial position. It has a program of future events which we hope will continue to attract visitors to the museum.

The Board of trustees would like to make special mention of the support provided by the Metropolitan Borough of Bury, the Army Museums Ogilvy Trust, the National Army Museum, the National Heritage Lottery Fund and the Arts Council for their continued support.

Principal risks and uncertainties

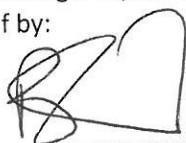
The primary risks to the museum are:

COVID. The continuing pandemic situation places the museum at risk.

Grant Funding Sources: Removal of any of the grant sources covered above would require savings to be made on our current forecast of expenditure.

Maintenance of the Grade 2 listed Building. The Museum building is a Grade 2 listed building constructed in the early 1900s. It is costly to maintain especially water ingress to the roof which has caused damage to the lifts and rooms. This continues to be a concern.

The strategic report was approved by the trustees of the charity on06/06/22..... and signed on its behalf by:



.....
Colonel (Retired) Brian M Gorski MBE DL MSc
Trustee

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 30 September 2021.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Colonel (Retired) Brian M Gorski MBE DL MSc
	Colonel (Retired) James W Denny MBE
	Lieutenant Colonel (Retired) Eric W Davidson MBE DL
	Lieutenant Colonel (Retired) Keith Kiddie
	Mr Peter Metcalfe FCA
	Mrs Karan P Lee
	Lieutenant Colonel David J Cook (resigned July 2021)
	Lieutenant Colonel Shauna M Dixon MBE (resigned May 2021)
	Major (Retired) John Kershaw ACIB (resigned September 2021)
	Mrs Patricia Greenhalgh-Jones (resigned February 2021)
	Lieutenant Colonel Iain MacDoanald Hallam (appointed 11 October 2021)
	Major Richard M Smith (appointed 11 October 2021)
	Mr Robert J Collicutt (appointed 11 October 2021)

Structure, governance and management

Nature of governing document

The Fusilier Museum Bury, is an independent Charity limited by Guarantee. The objectives and aims of the charity are set out below. The Company registration number is 04791136, and the Charity registration number: 1115452. The Charitable company is VAT registered.

The company is governed by a Board of Directors consisting of representatives of the Regiment, local business and the museum community. The Board of trustees, meets regularly on a quarterly timetable to review strategy and the way forward, review finances, museum activities, receive the reports of the museum officers and manage maintenance issues and HR issues that are raised the management staff.

Legally and organisationally, the museum is set up to protect the collection. The artefacts in the museum are therefore owned by a separate 'Collections Trust' and loaned to the museum for display. Under the terms of the loan agreement the museum is responsible for the conservation of these artefacts and is supported financially by the collections trust. The Chair of the collections trust is represented on the museum Board of Trustees and two museum trustees sit on the Collection Trust Board in order to ensure continuity.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

TRUSTEES' REPORT

In the opinion of the Trustees the museum's activities are clearly for the public benefit as is evidenced by our vision and mission statement and the objectives and aims listed below. In order to carry this out the museum works closely with AMOT, the National Army Museum, Army Heritage Branch and the Ministry of Defence (MoD). The Trustees have had regard to the Charity Commission's public benefit guidance.

General Data Protection Regulation (GDPR)

All GDPR requirements have been met.

Objectives and activities

Objects and aims

Objectives and Activities of the museum are to:-

Collect, preserve and interpret artifacts and records from the Regiment's history for the benefit of the wider community.

Raise awareness and contribute to the understanding of the Regiment's activities.

Celebrate and mark its relationship with the towns of Bury and Rochdale and the City of Salford (the Regiments' Freedom towns and main recruiting areas), and their people, and so develop local pride and a sense of place.

Encourage young people to learn about Regimental and related history.

Interpret its collections from the widest perspective to make them relevant to all people irrespective of age, race or disability.

The museum holds the collection of the Lancashire Fusiliers and the Royal Regiment of Fusiliers, the modern regiment into which the Lancashire Fusiliers were amalgamated in 1968. The approved objective is to:

'Raise awareness and contribute to the understanding of the Regiments activities'.

Public benefit

The Fusilier Museum Bury, preserves and presents for the benefit of the public and Regiment, key elements in the nation's history in the context of two Regiments. It plays a fundamental role in the education of audiences in the region and is an essential part of the cultural quarter of Bury providing a key visitor attraction in the town and region.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Financial review

Summary of business Performance. We continue to be supported by Bury Metropolitan Borough Council through the provision of an annual grant and the Royal Regiment of Fusiliers.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

TRUSTEES' REPORT

The museum continues to be a sponsored museum by the Army. This means we are currently one of 38 military museums that receives financial support from the MoD without which our capability and aspirations would be much reduced, and we are very grateful for that support.

Despite COVID we have managed to improve marginally on the total income for the year : £380,061 as compared to £356,353 in the previous year. This is of course partially masked by government sustainability grants during COVID and furlough payments. Maintenance on the building has continued during COVID and besides staff wages, was the primary expenditure.

At the year end our balance sheet was healthy with a net current asset position of £185,398.

Performance against Budget. COVID has completely skewed the performance against the annual business forecast. Analysis would not be realistic except to say that we have survived the financial constraints imposed by COVID through the provision of furlough grants and a number of emergency government grants administered by the Arts Council, NHLF and the BMBC. We are grateful for this support which has resulted in positive liquidity. We enter the new financial year on a stable platform.

Reserves policy. During the course of the financial year the museum has implemented a £100k reserve which the trustees are of the view is required to bridge the gap between spending and receiving of resources to cover unplanned emergency repairs and other expenditure.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Cash flow risk

The Charity's activities expose it primarily to the financial risks of changes in interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The Charity's principal financial assets are bank balances and cash and trade and other receivables. The Charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Charity uses a mixture of long-term and short-term deposits.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

TRUSTEES' REPORT

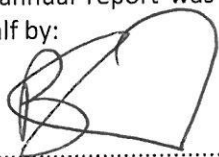
Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

The auditors Horsfield & Smith are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The annual report was approved by the trustees of the charity on 06/06/22 and signed on its behalf by:



Colonel (Retired) Brian M Gorski MBE DL MSc
Trustee

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Fusiliers Museum and Learning Centre Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

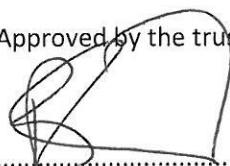
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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; and
- 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 are sufficient to show and explain the charitable company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 06/06/22 and signed on its behalf by:



Colonel (Retired) Brian M Gorski MBE DL MSc
Trustee

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
YEAR ENDED 30 SEPTEMBER 2021

Opinion

We have audited the financial statements of The Fusiliers Museum and Learning Centre Limited (the 'charity') for the year ended 30 September 2021, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the 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.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
YEAR ENDED 30 SEPTEMBER 2021

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 7), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
YEAR ENDED 30 SEPTEMBER 2021

The extent to which our procedures are capable of detecting irregularities, including fraud

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 is detailed below:

We considered the nature of the limited company's industry and its control environment.; and reviewed documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the limited company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the limited company's ability to operate or to avoid a material penalty.

We ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. 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 evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading the minutes of meeting of those charged with governance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditors/auditors-assurance/auditors-responsibilities-for-the-audit-of-the-financial-statements. This description forms part of our auditor's report.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
YEAR ENDED 30 SEPTEMBER 2021

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Staples BSc FCA DChA (Senior Statutory Auditor)
For and on behalf of Horsfield & Smith, Statutory Auditor

Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

Date: 8/6/22

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 30 SEPTEMBER 2021

**(INCLUDING INCOME AND EXPENDITURE ACCOUNT
AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)**

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	226,642	96,913	323,555
Other trading activities	4	55,181	-	55,181
Investment income	5	25	-	25
Other income	6	1,300	-	1,300
Total income		<u>283,148</u>	<u>96,913</u>	<u>380,061</u>
Expenditure on:				
Raising funds	7	(52,183)	-	(52,183)
Charitable activities	8	(167,679)	(121,696)	(289,375)
Total expenditure		<u>(219,862)</u>	<u>(121,696)</u>	<u>(341,558)</u>
Net income/(expenditure)		63,286	(24,783)	38,503
Transfers between funds		694	(694)	-
Net movement in funds		63,980	(25,477)	38,503
Reconciliation of funds				
Total funds brought forward		<u>1,466,454</u>	<u>3,239,942</u>	<u>4,706,396</u>
Total funds carried forward	21	<u>1,530,434</u>	<u>3,214,465</u>	<u>4,744,899</u>

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 30 SEPTEMBER 2021

**(INCLUDING INCOME AND EXPENDITURE ACCOUNT
AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)**

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	262,001	8,030	270,031
Other trading activities	4	80,883	-	80,883
Investment income	5	213	-	213
Other income	6	5,226	-	5,226
Total income		<u>348,323</u>	<u>8,030</u>	<u>356,353</u>
Expenditure on:				
Raising funds	7	(45,970)	(45)	(46,015)
Charitable activities	8	(215,049)	(42,007)	(257,056)
Total expenditure		<u>(261,019)</u>	<u>(42,052)</u>	<u>(303,071)</u>
Net income/(expenditure)		87,304	(34,022)	53,282
Transfers between funds		<u>1,275</u>	<u>(1,275)</u>	-
Net movement in funds		88,579	(35,297)	53,282
Reconciliation of funds				
Total funds brought forward		<u>1,377,875</u>	<u>3,275,239</u>	<u>4,653,114</u>
Total funds carried forward	21	<u><u>1,466,454</u></u>	<u><u>3,239,942</u></u>	<u><u>4,706,396</u></u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 21.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

(REGISTRATION NUMBER: 04791136)

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	4,559,501	4,604,520
Current assets			
Stocks	17	2,557	24,552
Debtors	18	24,641	17,967
Cash at bank and in hand	19	235,653	126,229
		262,851	168,748
Creditors: Amounts falling due within one year	20	(77,453)	(66,872)
Net current assets		185,398	101,876
Net assets		4,744,899	4,706,396
Funds of the charity:			
Restricted income funds			
Restricted funds		3,214,465	3,239,942
Unrestricted income funds			
Unrestricted funds		1,530,434	1,466,454
Total funds	21	4,744,899	4,706,396

The financial statements on pages 12 to 32 were approved by the trustees, and authorised for issue on 6/6/22 and signed on their behalf by:



Colonel (Retired) Brian M Gorski MBE DL MSc
Trustee

PETER METCALFE

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

The Fusilier Museum

Moss Street

Bury

BL9 0DF

Authorised for issue date

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The Fusiliers Museum and Learning Centre Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have assessed whether the use of going concern is appropriate, they have considered the impact Covid-19 has had on the charity and have taken steps to mitigate this impact. Projections have been produced for the next 12 months and the trustees are satisfied that the charity is a going concern.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

All fixed assets are initially recorded at cost.

Heritage assets

The museum has collections of heritage assets which are held in support of the company's objectives. The directors do not consider that reliable valuations can be obtained because of the nature of the assets held and the lack of comparable market values. The assets are owned by The Fusiliers Museum Trust Lancashire (registered charity 1124528) and are lent to the museum for a period of twenty-five years from 25th April 2009 and thereafter unless and until the agreement is terminated by either party.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Equipment, Fixtures and Fittings	10% straight line
Museum Development	Written off over 125 years

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

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Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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NOTES TO THE FINANCIAL STATEMENTS
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3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Sponsorship	700	-	700
Grants, including capital grants;			
Government grants	38,836	-	38,836
Grants receivable	179,075	96,913	275,988
Regular giving and capital donations	<u>8,031</u>	<u>-</u>	<u>8,031</u>
Total for 2021	<u>226,642</u>	<u>96,913</u>	<u>323,555</u>
Total for 2020	<u>262,001</u>	<u>8,030</u>	<u>270,031</u>

Unrestricted grants receivable

	General £	Total 2021 £	Total 2020 £
Bury MBC	116,879	116,879	92,882
MOD	36,908	36,908	36,908
National Heritage	10,288	10,288	-
RRF (Tower of London)	15,000	15,000	15,000
Collections Trust	<u>-</u>	<u>-</u>	<u>2,000</u>
	<u>179,075</u>	<u>179,075</u>	<u>146,790</u>

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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4 Income from other trading activities

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Trading income;			
Shop income	2,484	2,484	7,488
Other income;			
Admission income	4,239	4,239	6,762
Corporate lettings	42,549	42,549	32,564
Cafe income	5,909	5,909	34,069
	<u>55,181</u>	<u>55,181</u>	<u>80,883</u>

5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	<u>25</u>	<u>25</u>
Total for 2021	<u>25</u>	<u>25</u>
Total for 2020	<u>213</u>	<u>213</u>

6 Other income

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Other income	<u>1,300</u>	<u>1,300</u>	<u>5,226</u>

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7 Expenditure on raising funds

a) Costs of generating donations and legacies

	Total 2021 £	Total 2020 £
Fundraising costs	-	45

b) Costs of trading activities

	Unrestricted funds	Total 2021 £	Total 2020 £
	General £		
Shop costs	22,434	22,434	2,492
Cafe costs	26,413	26,413	39,666
Event costs	3,336	3,336	3,812
	<u>52,183</u>	<u>52,183</u>	<u>45,970</u>

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NOTES TO THE FINANCIAL STATEMENTS
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8 Expenditure on charitable activities

		Unrestricted funds General	Restricted funds	Total funds
	Note	£	£	£
Staff costs		53,115	29,182	82,297
Allocated support costs	9	110,511	88,823	199,334
Governance costs	9	4,053	3,691	7,744
Total for 2021		<u>167,679</u>	<u>121,696</u>	<u>289,375</u>
Total for 2020		<u>215,049</u>	<u>42,007</u>	<u>257,056</u>

	Activity undertaken directly	Governance costs	Total expenditure
	£	£	£
Fusiliers Museum	281,631	7,744	289,375
Total for 2020	<u>252,652</u>	<u>4,404</u>	<u>257,056</u>

£167,679 (2020 - £215,049) of the above expenditure was attributable to unrestricted funds and £121,696 (2020 - £42,007) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £7,744 (2020 - £4,404) which relate directly to charitable activities. See note 9 for further details.

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Audit fees				
Audit of the financial statements	2,950	-	2,950	2,800
Other fees paid to auditors	1,103	3,691	4,794	1,604
	<u>4,053</u>	<u>3,691</u>	<u>7,744</u>	<u>4,404</u>

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED
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10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021	2020
	£	£
Audit fees	2,950	2,800
Other non-audit services	4,794	1,604
Depreciation of fixed assets	<u>45,019</u>	<u>45,019</u>

11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£10,009 (2020: £2,819) of expenses were reimbursed to during the year.

One trustee was reimbursed expenses for various payments relating to the upkeep of the museum and it's exhibitions.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

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12 Staff costs

The aggregate payroll costs were as follows:

	2021	2020
	£	£
Staff costs during the year were:		
Wages and salaries	102,113	141,730
Social security costs	2,436	5,145
Pension costs	1,484	1,945
	<u>106,033</u>	<u>148,820</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021	2020
	No	No
Administrative staff	6	5
Management staff	-	1
Bar staff	-	1
Cafe staff	3	4
	<u>9</u>	<u>11</u>

No employee received emoluments of more than £60,000 during the year.

13 Auditors' remuneration

	2021	2020
	£	£
Audit of the financial statements	<u>2,950</u>	<u>2,800</u>
Other fees to auditors		
All other non-audit services	<u>4,794</u>	<u>1,604</u>

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

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15 Tangible fixed assets

	Land and buildings £	Equipment furniture and fixtures £	Total £
Cost			
At 1 October 2020	5,174,407	174,235	5,348,642
At 30 September 2021	5,174,407	174,235	5,348,642
Depreciation			
At 1 October 2020	583,563	160,559	744,122
Charge for the year	41,395	3,624	45,019
At 30 September 2021	624,958	164,183	789,141
Net book value			
At 30 September 2021	4,549,449	10,052	4,559,501
At 30 September 2020	4,590,844	13,676	4,604,520

16 Heritage assets

Heritage assets not recognised in the balance sheet

The charity holds heritage assets consisting of guns, books, silver medals, uniforms and other artefacts (the collections). The heritage assets have a nil cost. The collections belong to The Fusiliers Museum Trust Lancashire and are loaned to the museum at no cost. As a result, no value is reported for these assets in the balance sheet.

17 Stock

	2021 £	2020 £
Shop stock	954	22,401
Bar stock	1,084	747
Cafe stock	519	1,404
	<u>2,557</u>	<u>24,552</u>

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18 Debtors

	2021	2020
	£	£
Trade debtors	14,485	9,844
Prepayments and accrued income	9,187	7,154
Other debtors	969	969
	<u>24,641</u>	<u>17,967</u>

19 Cash and cash equivalents

	2021	2020
	£	£
Cash on hand	784	650
Cash at bank	<u>234,869</u>	<u>125,579</u>
	<u>235,653</u>	<u>126,229</u>

20 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	52,837	39,982
Other taxation and social security	666	1,704
Other creditors	<u>23,950</u>	<u>25,186</u>
	<u>77,453</u>	<u>66,872</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21 Funds

	Balance at 1 October 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2021 £
Unrestricted funds					
General	<u>1,466,454</u>	<u>283,148</u>	<u>(219,862)</u>	<u>694</u>	<u>1,530,434</u>
Restricted funds					
Development fund	3,218,724	-	(29,003)	-	3,189,721
Booth Charities	4,033	-	(2,000)	-	2,033
Collections Trust	2,500	670	-	(670)	2,500
HLF Collecting Cultures	4,874	-	(3,325)	-	1,549
E Gartside Memorial Painting	150	-	-	-	150
HLF Tolkien Exhibition	1,231	(873)	-	(358)	-
AIM	8,430	-	(7,715)	-	715
Arts Council England	-	69,104	(61,391)	-	7,713
University of Manchester	-	1,200	(255)	-	945
National Heritage	-	23,505	(17,366)	-	6,139
Victoria and Albert Museum Trust	-	307	(641)	334	-
Fusiliers Collection	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Total restricted funds	<u>3,239,942</u>	<u>96,913</u>	<u>(121,696)</u>	<u>(694)</u>	<u>3,214,465</u>
Total funds	<u>4,706,396</u>	<u>380,061</u>	<u>(341,558)</u>	<u>-</u>	<u>4,744,899</u>

THE FUSILIERS MUSEUM AND LEARNING CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

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	Balance at 1 October 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2020 £
Unrestricted funds					
General	<u>1,377,875</u>	<u>348,323</u>	<u>(261,019)</u>	<u>1,275</u>	<u>1,466,454</u>
Restricted funds					
Development fund	3,247,727	-	(29,003)	-	3,218,724
Booths Charities	8,958	-	(4,925)	-	4,033
Collections Trust	2,500	-	-	-	2,500
Fusiliers Aid Society	2,250	500	(2,750)	-	-
HLF Collecting Cultures	7,353	-	(2,479)	-	4,874
National Heritage 18 for 18	1,275	-	-	(1,275)	-
E Gartside Memorial Painting	150	-	-	-	150
HLF Tolkien Exhibition	3,296	-	(2,065)	-	1,231
AIM	860	8,400	(830)	-	8,430
Warwick Museum	<u>870</u>	<u>(870)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total restricted funds	<u>3,275,239</u>	<u>8,030</u>	<u>(42,052)</u>	<u>(1,275)</u>	<u>3,239,942</u>
Total funds	<u><u>4,653,114</u></u>	<u><u>356,353</u></u>	<u><u>(303,071)</u></u>	<u><u>-</u></u>	<u><u>4,706,396</u></u>

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The specific purposes for which the funds are to be applied are as follows:

The Development Fund represents various restricted grants for work restoring the building and fitting out the new museum.

Booth Charities grant is for Salford educational visits.

The Collections Trust grant was for purchasing archive boxes. The grant of £670 received in the current year was towards the purchase of a Powder Horn.

HLF Collecting Cultures grant provided funding to purchase items for the collection and an activity plan based around the items acquired.

The E Gartside Memorial Painting fund is to commission a painting in E Gartside's memory.

The Heritage Lottery Fund provided a grant for a Tolkien Exhibition.

AIM provided a grant for the development/upgrade of the website and an online visitor application and later amended to include the balance on The Ogilvy Muster Project in order to digitise the archive.

Arts Council England provided a grant for Cultural Recovery following the pandemic.

University of Manchester provided a grant towards repairing the hand dryers.

The National Heritage grant was for the Napoleon in Exile exhibition.

The Victoria and Albert Museum Trust provided a grant towards the purchase of a Powder Horn.

Fusiliers Collection provided a grant for the maintenance of the collection.

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NOTES TO THE FINANCIAL STATEMENTS
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22 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2021 £
Tangible fixed assets	1,370,865	3,188,636	4,559,501
Current assets	237,022	25,829	262,851
Current liabilities	(77,453)	-	(77,453)
Total net assets	<u>1,530,434</u>	<u>3,214,465</u>	<u>4,744,899</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2020 £
Tangible fixed assets	1,386,881	3,217,639	4,604,520
Current assets	146,445	22,303	168,748
Current liabilities	(66,872)	-	(66,872)
Total net assets	<u>1,466,454</u>	<u>3,239,942</u>	<u>4,706,396</u>

23 Financial instruments

Categorisation of financial instruments

	2021 £	2020 £
Financial assets that are debt instruments measured at amortised cost	250,138	136,073
Financial liabilities measured at amortised cost	68,225	57,644

Financial assets consist of cash and trade debtors.

Financial liabilities consist of trade creditors and accruals.

24 Related party transactions

There were no related party transactions in the year.