

Registered Charity No. 1146784 (England & Wales)

Imperial War Museum Development Trust

Annual Report

And Accounts

for the year ended 31 March 2021

Imperial War Museum Development Trust Report of the trustees

For the year ended 31 March 2021

The trustees present their annual report and financial statements of the charity for the year end 31st March 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 the Republic of Ireland (FRS 102) (effective 1 January 2015).

Our purpose and activities

The trustees have referred to the Charity Commission's guidance on public benefit when setting the aims and objectives of, and in the planning of future activities of, the Trust. In particular, the trustees have considered how planned activities will contribute towards the aims and objectives they have set.

The main activities and aims of the Trust are set out below. All the Trust's charitable activities are undertaken to further its charitable purposes for the public benefit.

The Trust was founded in order to acquire artefacts relating to the history and development of warfare and its impact on society; render assistance to the Imperial War Museum ("the Museum") on the preservation, maintenance and repair of objects in the Museum's custody for the purpose of exhibition to the public or for use in study or research; promote the study of the history of warfare and its impact on society, and to improve amenities and facilities for visitors and students at the Museum.

Achievements and performance

Financial review

During the year £25,000 was received from the Laurence Misner Charitable Trust.

In May 2019, the trustees of the Trust purchased the freehold, at auction, of 22 acres of farmland at Ickleton, on which 18 units, which previously housed the Imperial War Museum's nitrate film collection, sit. The tenancy agreement with Imperial War Museum was rolled over to the Trust on its existing terms, and the museum is now paying rent to the Trust. In line with actions agreed at the September Board meeting, Mills and Reeve were appointed to act on behalf of the Trust to review the lease between the Trust and IWM in respect of the Ickleton site. The conclusion reached by the Trustees was that the priority was to maximise the value of the land and achieve greatest flexibility in terms of future tenancies.

Reserves policy

The Trustees' policy is to maintain a level of reserves which will provide a stable basis for its continuing activities while at the same time ensuring excessive funds are not accumulated.

The Balance Sheet shows a total fund balance of £4,637,423 of which £1,689,401 is restricted for the American Air Museum in Britain. The unrestricted balance of £2,948,023 equates to the free reserves of the Trust as at 31st March 2021. The Trustees consider this to be an adequate level for the current needs of the Trust.

Imperial War Museum Development Trust
Report of the trustees
For the year ended 31 March 2021

The reserves policy of the trust is reviewed by the Trustees at its Board meetings.

Fundraising Policy

The Trust does not actively fundraise, receiving income during the year, mainly from the American Air Museum in Britain, for investment, and from time to time, from other sources, including the Imperial War Museum and the Laurence Misner Trust.

The Imperial War Museums' Development Team are available to inform and support any fundraising activities of the Trust, as part of the operating agreement held with Imperial War Museum. The team is committed to work to a best practice framework and are members of the Institute of Fundraising. The team do everything possible to meet the needs of potential supporters and protect vulnerable people. In particular, they comply with the Code of Fundraising Practice and all relevant data protection laws. No instances of non-compliance have been identified during the year.

The Charity aims to respond to all complaints individually and in a timely manner. All complaints inform and influence the Trust's approach to fundraising. During the year, the Development Trust was not notified by the Charity Commission of any complaints.

Investment Review and Policy

Trustees review cash investments for both the American Air Museum restricted funds, and for the unrestricted funds at each Board meeting.

Plans for future periods

Under Charity Commission rules, Trustees have a duty to maximise their investment in the land purchased at Ickleton. At the November Board meeting, trustees discussed future options for the site, with an update provided on the use of the site by Imperial War Museums' Executive Director of Operations and Commercial Services, John Brown. Trustees noted developments and agreed that Mr Brown should continue to pursue a range of options for the future use site.

It is envisaged that income will continue to be received as a grant to the Trust from IWM, and, additionally, that restricted funds may be received by the Trust from other sources for fund management as a charitable body from time to time, subject to the terms of the gifts.

Assessment of Going Concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. Having reviewed the financial position, and the forecast for 2022/23 the trustees consider that there are no material uncertainties about the charity's ability as a going concern for 12 months from the date of the signing of these financial statements. Due consideration for the effects of the Covid-19 outbreak, which occurred before these financial statements were prepared and signed, has been taken. Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

Imperial War Museum Development Trust
Report of the trustees

For the year ended 31 March 2021

Reference and administrative details

Charity Registration number 1146784

Registered address Imperial War Museum
Lambeth Road
London SE1 6HZ

Our advisors

Independent auditors Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

Bankers Barclays Bank
1 Churchill Place
London E14 5HP

Investment Managers Sarasin Investment Funds Limited
Juxton House
100 St Paul's Churchyard
London EC4M 8BU

Trustees

The trustees and officers serving during the year and since the year end up until the date of signing were as follows:

Sir Thomas Harris CMG
Mr Tom Wright CBE
Ms Diane Lees CBE FMA FRSA (Director-General) ex officio
Dame Judith Mayhew Jonas DBE

Officers

Mr Jon Card ACA (Treasurer)
Ms Gill Smith (Secretary)

Structure, Governance and Management

Governing Instrument

The Imperial War Museum Development Trust (the Trust) is a registered charity, number 1146784, and was originally constituted as an exempt charity, by a Declaration of Trust dated 8 September 1969, and updated on 2 June 2004. Under sections 4, 12, 13, 14 and 15 of the Trust Deed, the trustees of the charity are empowered to receive, hold and administer funds or other assets entrusted to them by grant, gift or bequest for purposes appropriate to the functions of the Trust.

Imperial War Museum Development Trust Report of the trustees

For the year ended 31 March 2021

At the 7th March 2012, existing trustees agreed a further amendment of the Trust Deed, enabling the reconstitution of the Trust in order to give it independence from the Imperial War Museum. The Charity was registered with the Charity Commission with effect from that date.

Appointment of trustees

The trustees of the Trust are the Director-General of IWM and at least two other persons appointed as trustees by the trustees. No person may be appointed as a trustee if as a result of their appointment the number of museum trustees would equal or exceed the number of independent trustees. The trustees using their powers to appoint trustees shall use their best endeavours to ensure that at any time the number of independent trustees exceeds the number of museum trustees.

Each trustee appointed shall hold office for three years from the date of his appointment but may be appointed any number of times. The revised Deed of Trust includes a requirement that ensures that replacements for the independent trustees are made prior to their retirement, ensuring compliance with the stipulation that the Trust has a majority of independent Trustees.

All new trustees will be trained through an induction with Imperial War Museum.

Organisation

The trustees are ultimately responsible for the policies, activities and assets of the Trust. The Trustees normally meet twice a year to review the developments with regard to the Trust, and make any important decisions. When necessary, the trustees seek advice and support from the Trust's professional advisers including its bankers and auditors. The day to day management of the Trust's activities is performed by the staff of the Imperial War Museum under an operating agreement.

Related parties

None of our trustees or key management personnel received remuneration or other benefit from their work with the charity.

Connected charities

Diane Lees is a trustee of Imperial War Museum Development Trust, Director General of Imperial War Museum, and a Vice President of the American Air Museum in Britain. In 2020/21, a grant of £1,000,000 was given to Imperial War Museum (2019/20 - £nil), towards the Transforming Imperial War Museum London project, and £50,197 (2019-20 - 51,621) was given to the American Air Museum.

Risk Management

The trustees have assessed the current risks to which the Trust is exposed, in particular those relating to the specific operational areas of the charity and its finances, and have established an ongoing system of review. The trustees believe that by monitoring reserve levels, by ensuring controls exist over financial systems, and by examining the operational and business risks faced by the Trust, they have established effective systems to mitigate those risks.

Imperial War Museum Development Trust
Report of the trustees

For the year ended 31 March 2021

A risk register for the Development Trust has been set up and is regularly presented to Trustees for review. The amber ratings relating to risk of breaches in law and regulation (in respect of cybercrime and the implementation of GDPR) and the adverse economic climate were endorsed.

Principal risks and uncertainties

The impact of Covid-19 has been considered on the charity's future plans and budgeting processes and the effect of the outbreak will not have a significant impact into the March 2022 year end as the Trust does not actively fundraise, and only receives income from a limited number of sources. Trustees will continue to monitor the finances on a regular basis at their board meetings. The impact on the investment portfolio held at Sarasin's has been noted in this year's financial statements has been in note 11 – post balance sheet events of the financial statements.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Imperial War Museum Development Trust
Report of the trustees
For the year ended 31 March 2021

This report was approved by the trustees on and signed on their behalf by



J M Card ACA

Date 12/08/21

Treasurer

Independent Auditor's Report to the Trustees of The Imperial War Museum Development Trust

Opinion

We have audited the financial statements of Imperial War Museum Development Trust for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 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 charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, 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 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 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 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 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.

Other information

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

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

Independent Auditor's Report to the Trustees of The Imperial War Museum Development Trust

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 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 is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

Independent Auditor's Report to the Trustees of The Imperial War Museum Development Trust

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- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
 - Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP
.....
Statutory auditor

Date: 12 August 2021
Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Imperial War Museum Development Trust
Statement of Financial Activities
for the year to 31st March 2021

	Unrestricted Funds £	Restricted Funds £	Total Funds the year to 31st March 2021 £	Unrestricted Funds £	Restricted Funds £	Total funds the year to 31st March 2020 £
Income						
Donations & gifts	25,000	-	25,000	16,146	-	16,146
Rental income	37,696	-	37,696	33,643	-	33,643
Investments	59,073	50,455	109,528	60,713	51,621	112,334
Total Income	121,769	50,455	172,224	110,502	51,621	162,123
Expenditure						
<i>Expenditure on charitable activities</i>						
Grants to Imperial War Museum	2,000,000	-	2,000,000	-	-	-
Other Grants	-	50,196	50,196	-	51,621	51,621
<i>Other</i>	10,826	-	10,826	11,711	248	11,958
Total expenditure	2,010,826	50,196	2,061,022	11,711	51,868	63,579
Net income / (expenditure) and net movement	(1,889,057)	258	(1,888,799)	98,792	(248)	98,544
Unrealised (losses) / gains in investments	345,593	293,228	638,821	(77,449)	(73,739)	(151,188)
Net movement in funds	(1,543,464)	293,486	(1,249,978)	21,343	(73,987)	(52,644)
Reconciliation of funds						
Total funds brought forward	4,491,486	1,395,915	5,887,401	4,470,143	1,469,902	5,940,045
Total funds carried forward	2,948,022	1,689,401	4,637,423	4,491,486	1,395,915	5,887,401

All recognised gains and losses are included in the statement of financial activities.

The results for the year related to continuing operations.

The Imperial War Museum Development Trust
Balance Sheet
as at 31st March 2021

	Unrestricted Funds £	Restricted Funds £	Total to 31st March 2021 £	Unrestricted Funds £	Restricted Funds to 31st March 2020 £	Total for the year Total to 31st March 2020 £
Fixed Assets:						
Land	631,032	-	631,032	631,032	-	631,032
Investments	1,983,062	1,877,334	3,660,396	2,638,928	1,383,848	4,022,776
	<u>2,614,094</u>	<u>1,877,334</u>	<u>4,291,428</u>	<u>3,269,960</u>	<u>1,383,848</u>	<u>4,653,808</u>
Current Assets:						
Cash at bank and in hand	315,056	49,749	364,805	1,188,695	51,304	1,239,999
Debtors	26,017	12,515	38,532	41,026	12,386	53,412
	<u>341,073</u>	<u>62,264</u>	<u>403,337</u>	<u>1,229,721</u>	<u>63,690</u>	<u>1,293,411</u>
Liabilities						
Creditors falling due within one year	(7,145)	(50,197)	(57,341)	(6,197)	(51,621)	(59,816)
Net current assets	<u>333,928</u>	<u>12,067</u>	<u>345,995</u>	<u>1,221,524</u>	<u>12,068</u>	<u>1,233,593</u>
Net assets	<u>2,948,022</u>	<u>1,689,401</u>	<u>4,637,423</u>	<u>4,491,486</u>	<u>1,395,915</u>	<u>5,887,401</u>
The funds of the charity						
Total charity funds	<u>2,948,022</u>	<u>1,689,401</u>	<u>4,637,423</u>	<u>4,491,486</u>	<u>1,395,915</u>	<u>5,887,401</u>

The notes on pages 12 to 14 form part of these financial statements

Diane Lees

Diane Lees, Trustee

Approved by the trustees on

12 | 08 | 21

The Imperial War Museum Development Trust
Statement of cash flows 31st March 2021

	to 31st March 2021 £	2020 £
Cash flows from operating activities		
Net (expenditure) / income for the year	(1,888,799)	98,544
Interest Received	(109,528)	(112,334)
Decrease / (increase) in debtors	14,880	(29,024)
(Decrease) / increase in creditors	(2,477)	12,197
Net cash (used in) generated by Operating activities	(1,985,924)	(30,617)
Cash flows from investing activities		
Fund management fees	1,201	1,476
Purchase of land	-	(631,032)
Cash withdrawn from investments	1,000,000	-
Dividends and interest received	109,528	112,334
	1,110,729	(517,222)
Change in cash and cash equivalents	(875,195)	(547,839)
Cash & cash equivalents in the year	1,240,000	1,787,839
Cash & cash equivalents at end of year	364,805	1,240,000

The Imperial War Museum Development Trust

Notes to the Accounts

for the year to 31st March 2021

1 Accounting Policies

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) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Imperial War Museum Development Trust 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(s).

Having reviewed the financial position, and the budgets for 2021/22 and 2022/23, the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern for the 12 months from the date of signing these financial statements. Due consideration for the effects of the Covid-19 outbreak, which occurred before these financial statements were prepared and signed, has been taken. Trustees have also revised operational plans and expenditures and have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing these financial statements.

Income

Income consists of donations, investments and rent.

Donations are recognised when the charity becomes legally entitled to the funds, any restrictions attached to the item(s) of income have been met. It is probable that the income will be received and the amount can be reasonably measured.

Rent is received quarterly from a lease held with Imperial War Museum for the land held at Ickleton and included in the quarter in which it is due.

Interest Receivable

Interest on funds held on deposit and at the bank is included when receivable and the amount can be measured reliably by the charity and it is probable that the income will be received.

Expenditure and irrecoverable vat

Expenditure is recognised on an accruals basis in the period in which they are incurred. It includes related VAT which cannot be reversed. All expenses are allocated to the applicable expenditure headings.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified under the following headings:

- a. Grants payable to the museum are included in the statement of financial activities when approved. Grants approved but not paid for at the end of the financial year are accrued for when the recipient has been notified.
- b. Other grants payable are included in the statement of financial activities when approved. Grants approved but not paid for at the end of the financial year are accrued for when the recipient has been notified.
- c. Other sundry costs.

VAT

The Trust registered for VAT from 1st April 2019 and since then VAT has been accounted for separately.

Debtors

Debtors are recognised at their settlement amount less any provisions for non-recoverability. They have been discounted to the present value of the future cash receipt where such discounting is material

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors

Creditors 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 reliably. Creditors are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund accounting

Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds are designated at the discretion of the trustees in furtherance of the general objectives of the Trust.

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the appeal.

The Imperial War Museum Development Trust
Notes to the Accounts
for the year to 31st March 2021

Land

Land purchased at Ickleton during the year is shown at purchase price.

Investments

Investments are shown at market value in the balance sheet. Changes in the market value are included in the Statement of Financial Activities as realised and unrealised investment gains or losses in the year in which they arise.

2 Donations & Gifts

Includes the following amounts	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	Unrestricted Funds £	Restricted Funds £	Total 2019/20 £
Trusts & Foundations	25,000	-	25,000	16,146	-	16,146
	25,000	-	25,000	16,146	-	16,146

3 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	Unrestricted Funds £	Restricted Funds £	Total 2019/20 £
Interest receivable						
Dividends / distributions	58,824	50,197	109,021	59,466	51,621	111,087
Bank interest	249	-	249	1,247	-	1,247
Sarasin Fees	-	258	258	-	-	-
	59,073	50,455	109,528	60,713	51,621	112,334

4 Expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	Unrestricted Funds £	Restricted Funds £	Total 2019/20 £
<i>Expenditure on charitable activities</i>						
Grants to the Museum	2,000,000	-	2,000,000	-	-	-
Grants to the IWM Trading Company	-	-	-	-	-	-
Grants to the American Air Museum	-	50,197	50,197	-	51,621	51,621
<i>Other costs</i>						
IWM service fee	2,000	-	2,000	2,000	-	2,000
Bank and charges	20	-	20	20	-	20
Investment Management Fee	1,216	-	1,216	1,087	248	1,335
Audit	5,428	-	5,428	4,250	-	4,250
Legal fees	818	-	818	3,010	-	3,010
Director's Insurance	1,344	-	1,344	1,344	-	1,344
	2,010,826	50,197	2,061,023	11,711	51,869	63,580

The charity has no employees and is run on a voluntary basis by the Trustees and by way of an operating agreement with Imperial War Museum.

The trustees received no remuneration for their services during the year (2020/21 - nil). No trustees received reimbursements for expenses during the year (2019/20 - nil).

The key management of the charity comprise the trustees. The total remuneration paid to key management personnel was £nil (2019/20 - £nil).

5 Land

Land held at Ickleton

2020/21 £	2019/20 £
631,032	631,032

In May 2019, the Trust purchased the freehold of 22 acres of farmland at Ickleton, at auction. The site consists of 18 units which used to house the Imperial War Museum's nitrate film collection.

The Imperial War Museum Development Trust
Notes to the Accounts

6 Investments

Listed investments are valued at middle market quotations ruling at the year-end

	Total 2020/21 £	Total 2019/20 £
Market Value at beginning of year	4,022,776	4,175,439
Investment in year	-	-
Distributions in year	109,021	111,087
Cash withdrawn	(1,109,021)	(111,087)
Fund management fees	(1,201)	(1,475)
Net Change in market value	638,821	(151,188)
	3,660,396	4,022,776
Invested as follows		
Sarasin Endowments Funds Class A INC	3,647,555	3,010,657
ICS-INS Sterling Liq-Heritage ACC (Blackrock)	-	1,011,924
Cash	12,841	195
	3,660,396	4,022,776
Invested as follows;		
Funds		
Unrestricted	1,983,062	2,638,928
Restricted	1,677,334	1,383,848
Total Funds	3,660,396	4,022,776

7 Debtors

	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	Unrestricted Funds £	Restricted Funds £	Total 2019/20 £
Due within one year						
Accrued Income	26,017	12,515	38,532	41,026	12,386	53,412

8 Creditors

	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	Unrestricted Funds £	Restricted Funds £	Total 2019/20 £
Amount owing to AAM	-	50,197	50,197	-	51,621	51,621
Accruals	7,145	-	7,145	8,197	-	8,197
	7,145	50,197	57,342	8,197	51,621	59,818

9 Statement of Funds

	At 1 April 2020 £	Income £	Expenditure £	Unrealised gains in investments £	Transfer between funds £	At 31 March 2021 £
Unrestricted funds						
General Fund	2,491,486	121,769	(10,826)	345,593	-	2,948,022
Designated Funds	2,000,000	-	(2,000,000)	-	-	-
Total Unrestricted funds	4,491,486	121,769	(2,010,826)	345,593	-	2,948,022
Restricted Funds						
American Air Museum	1,395,915	50,455	(50,197)	293,228	-	1,689,401
Total restricted funds	1,395,915	50,455	(50,197)	293,228	-	1,689,401
Total Funds	5,887,401	172,224	(2,061,023)	638,821	-	4,637,423

Restricted funds

Funds are held on behalf of the American Air Museum in Britain for investment purposes.

Designated funds

Designated funds are those that have been designated by the trustees during the year for a grant towards the Transforming IWM London project

10 Connected charities

Imperial War Museum

During the year a grant of £2million was approved to be transferred to Imperial War Museum during the year (2019/20 - £nil). Diane Lees is a Trustee of the Imperial War Museum Development Trust and Director of Imperial War Museum.

American Air Museum in Britain

A grant of £50,197 (2019/20 - £51,621) was approved to be transferred to the American Air Museum. Diane Lees is a trustee of the Imperial War Museum Development Trust and a Vice President of the American Air Museum.

11 Post Balance Sheet Events

The Trust has given due consideration for the effects of the Covid-19 outbreak, which occurred before these financial statements were signed. The Trust is largely sheltered from the expected effects of these due to the small amount of donations the charity receives each year. All other investments are held in cash and there have been no significant movements in value.
