

Charity Number: 1153109

# Banbury Museum & Gallery

**BANBURY MUSEUM TRUST**  
(A CHARITABLE INCORPORATED ORGANISATION)

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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## Reference and Administrative Details

### Trustees

Ms R Mileham	Chair
Mr A Scott	Deputy Chair
Mr J E Spratt	
Dr H Forde	
Mrs A Williams	
Mr A McHugh	(resigned 1 <sup>st</sup> December 2022)
Mrs C Adams	
Mrs S Hussain	
Mr P Chapman	(appointed 7 December 2022)
Mr J Walton	(appointed 29 March 2023)

### Key Management Personnel

Mr SM Townsend, Museum Director  
Mrs S Denton, Director of Operations

The Board consists of all the above individuals, plus an observer from Cherwell District Council. Trustees alone have voting rights.

### Principal Address

Banbury Museum & Gallery  
Spiceball Park Road  
Banbury  
Oxfordshire  
OX16 2PQ

### Registered Charity Number

1153109

### Independent Examiners

Morgan Accountancy Solutions  
Suite 16  
Enterprise House  
Bicester Business Centre  
Telford Road  
Bicester  
Oxfordshire  
OX26 4LD

### Bankers

HSBC Bank Plc  
17 Market Place  
Banbury  
Oxfordshire  
OX16 5ED

### Solicitors

SE-Solicitors  
52-54 The Green  
Banbury  
Oxfordshire  
OX16 9AB

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

Banbury Museum & Gallery is Accredited Museum 1154 with Arts Council England.

The Trustees present their report together with the consolidated financial statements of the Banbury Museum Trust ('the Trust') for the year ended 31 March 2023.

The year 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 brought a return to normality, following the years of pandemic emergency. However, audiences returned gradually, which necessitated closely managed development, and service delivery. This report will illustrate the achievements made against a complex and changing environment.

The remedial actions to address the long-term absence of a key Trustee/Board member were concluded in 2022/23, and the Trustees Report and Financial Statement for the year ended 31<sup>st</sup> March 2022 was submitted on time. The appointment of new trustee, Mr J Walton MSc (Oxon) FCA, director of Whitley Stimpson, chartered accountants, and business advisors, brought greater resilience to governance.

### **Structure, Governance and Management**

#### ***Constitution***

The Trust is a charitable incorporated organisation, incorporated and registered with the Charity Commission for England and Wales on 29 July 2013. The primary governing document of the Trust is its Constitution, dated 29 July 2013 and as amended on 21 June 2018 and 10 June 2022.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 2.

#### ***Members' Liability***

In the event of the charity being wound up, the Members have no liability to contribute to the assets of the Trust and no personal responsibility for settling its debts and liabilities.

#### ***Trustees' Indemnities***

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £1,000,000 on any one claim.

#### ***Method of Recruitment and Appointment or Election of Trustees***

The Trust's Constitution specifies that the number of Trustees shall be not less than three and not more than nine. All Trustees are appointed for a two-year term except for the Chair of Trustees who is appointed for a three-year term. The Board considers nominations for new Trustees who can make a valuable contribution to the strategy and management of the Trust, with any appointments of new Trustees being approved at a meeting of the Board.

#### ***Policies and Procedures Adopted for the Induction and Training of Trustees.***

The pandemic prevented the regular programme for the induction and training of Trustees, as virtual meetings replaced real meetings. However, the programme operated as normal from 1<sup>st</sup> April 2022. This programme includes:

- A Trustee training event to outline roles, responsibilities and obligations under charity law and review guidance issued by the Charity Commission. To take place every two years.
- All Trustees will be updated annually on relevant changes in charity law and Charity Commission guidance.
- All Trustees will be encouraged to attend an annual Trustee awayday.



## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

### ***Organisational Structure***

The Board is responsible for the overall governance of the Trust. It sets the general strategy and business plans for the Trust, approves an annual budget, monitors performance against the plans and budgets and makes major decisions about strategy, Museum development and senior staff appointments. The Board meets 4 times each year, supplemented with more frequent less-formal meetings.

The Board has also established two sub-committees for the purposes of undertaking certain aspects of the governance of the Trust. These are a Resources Committee and a Development Committee. The Trustees appoint the members to these sub-committees, with the members of the sub-committees then electing their respective Chair and Deputy Chair. These sub-committees meet on a regular basis throughout the year in undertaking their respective responsibilities as set out in their respective terms of reference as agreed by the Board.

The Trustees have delegated the day-to-day management of the Trust to the senior management team, which is led by the Museum Director.

The Trustees comply with the Charity Governance Code, routinely reviewing governance structures to ensure best practice is adhered to. The Trustees are satisfied that they have applied all the material best practice requirements of the Code and remain focused on the following priorities.

- To develop data on audiences, both users and non-users, within Banbury and the surrounding areas to make the Museum's services accessible for all, including those currently under-served.
- To ensure all Trustees and senior staff complete an annual declaration of interests and that a separate register of interests is maintained.
- To ensure the Trust has a program in place for the regular / cyclical review of all policies / procedures, as well as ensuring we have a plan in process to address new areas of compliance going forward (such as GDPR, Fundraising etc).
- To regularly review the terms of reference for the sub-committees of the Board and their membership.

### ***Arrangements for setting pay and remuneration of key management personnel***

The Trustees consider the Trustees and the senior management team to comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give of their time freely and no Trustee received any remuneration in the current or prior year. Details of Trustees' expenses and related party transactions are disclosed in note 9 and 22 of the financial statements respectively. The pay of the senior management team is reviewed annually and normally increased in line with average earnings. In view of the nature of the charity, the Trustees benchmark the pay for senior management staff against the pay levels in other Local Authority funded organisations and other similar charitable organisations.

### ***Related Parties and Other Connected Organisations***

Although the undertaking of Banbury Museum was transferred to the Trust from Cherwell District Council ('the Council') on 1 November 2013, the Trust continues to be supported by and to work closely with Cherwell District Council, as well as having a member of the Council sit on its Board. The Trust receives grant funding and service income from the Council, which covers the core operational costs of the Museum, and also buys certain administration and support services and supplies from the Council. The details of the transactions between the Trust and the Council during the year ended 31 March 2023, along with other related party transactions, are set out in more detail in note 22 of the financial statements.

## **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023**

### ***Accreditation***

Banbury Museum & Gallery is accredited with Arts Council England. Timely accreditation renewal began in the year 2021/22 and continued into 2022/23. The Trustees support the importance of full accreditation, which ensures the Museum meets the national standard expected by its audiences and stakeholders. The majority of the collections on display are in the ownership of the Oxfordshire County Council's Museum Service, and therefore the process of accreditation must be completed in tandem with Oxfordshire County Council. In February the museum was awarded provisional registration, which is likely to be upgraded to full registration, once the Oxfordshire County Council's Museum Service has submitted its application for accreditation.

### **Objectives and Activities**

#### ***Objects and Aims***

The object of the Trust, as set out in its Constitution, is "To advance the awareness and education of the public, particularly, but not exclusively, in the history of Banbury, North Oxfordshire and the adjoining counties, and preserve the collections and archives in its stewardship. This will be achieved, in particular but not exclusively, by:

- Effective stewardship of the Museum's collections and archives;
- Exhibiting, interpreting and providing access to the collections and archives;
- Establishing and maintaining Museum(s), and / or archive(s) for the public benefit, and assisting other organisations in achieving these objectives; and
- Collecting artefacts and archives in the Museum's own right, or in collaboration with other Museums.

#### ***Public Benefit***

The Trustees confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers and duties. They have referred to this guidance when reviewing the Trust's objects and aims and in planning its future activities and are satisfied that the Trust's activities comply with this guidance and are of public benefit.

### **Mission, Vision and Statement of Purpose**

#### ***Mission***

Banbury Museum & Gallery is a place of new ideas: we reflect world-changing ideas of the past and work with people from all backgrounds to create the future.

#### ***Vision***

We would like our visitors to

- realise what makes this place so special.
- become the best version of you.
- understand your shared heritage with other people living nearby.
- feel warm and welcomed.

## **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023**

### ***Statement of Purpose***

We will enhance the quality of life and wellbeing of our community and users, through a cultural offer that will unlock our stories of past, present and future. We will be accessible, acknowledging the diverse needs of our users, and non-users. We will work with museum partners across the world, for the benefit of our town and region. We will be resilient.

### **Key Aims to 31 March 2023**

- Develop an outstanding programme of special exhibitions for our audiences.
- Review and improve access, creating a programme of enjoyable and memorable learning experiences, to meet the cultural and creative needs of our community.
- Develop, fundraise and deliver the new Waterways Gallery, to improve interpretation and access.
- Develop and fundraise for a scheme to improve the access from Spiceball Park Rd.
- Develop the Museum Shop, Welcome Atrium, and launch an Online Shop.
- Develop membership and supporters' schemes and giving.
- Support the Banbury Quays Consortium.

### **Achievements and Performance**

The year to 31 March 2023 has been the Trust's eighth full year of operation of the Museum following the transfer of the Museum to the Trust on 1 November 2013. The Trustees, employees, volunteers and supporters have all contributed to the ongoing development of the Trust and the Museum during this time and all remain firmly committed to the continuing desire to build a successful and sustainable future for the Museum.

The total number of visitors to the Museum during the year to 31 March 2023 was 93929, 24762 more visitors than the previous year. This increase in numbers reflects the recovery from the effects of the 'lockdowns', required by law to protect against the Covid-19 pandemic. Visitor numbers are expected to further increase through the 2023/24 financial year.

This figure represents users for the whole Museum building, which offers a range of services, and reflects the national picture for cultural venues.

In terms of the Trust's achievements and performance against its 8 key aims for the year, these are as follows:

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

### Develop an outstanding programme of special exhibitions for our audiences

- **Your Amazing Brain: A User's Guide**

This ambitious exhibition opened in the previous financial year, closing on 5<sup>th</sup> June 2022.

A hands-on science exhibition for all ages, produced in conjunction with, and supported by the Wellcome Centre for Integrative Neuroimaging, University of Oxford.

This exhibition brought internationally acclaimed work to Banbury, attracted funding of over £100,000 from the Wellcome and the Garfield Weston Foundations, and collaborations with the University of Oxford, Arts Council England, and many other notable individuals and organisations.

- **Heroes of the Viking World - Vikings exhibition from Jorvik**

A compelling exhibition that brought the real-life hero 'celebrities' of the Viking world, including Eric Bloodaxe – last Viking King of York, Lathgertha – warrior woman, and Harald Hardrada – the thunderbolt of the North, to Banbury. The exhibition also illustrated Banbury's connection to the Danelaw, located as it is in border country.

- **May the Toys be with you**

This exhibition, which provided extraordinarily popular with families, celebrated the highly collectable vintage toy line and also the iconic design work and art of the Star Wars movies. From X-Wing Fighters to light sabers, the fantastical designs that have fired imaginations and stamped their place on our cultural landscape.

### Review and improve access, creating a programme of enjoyable and memorable learning experiences, to meet the cultural and creative needs of our community.

Central for the Learning and Engagement Team, is the policy to improve access to our collections and exhibitions, both physical and intellectual, using the improved data the museum holds on audiences, collected through the ongoing Audience Champions Programme.

Through the Learning and Events Teams, the Museum provided enjoyable and memorable learning experiences to meet the cultural and creative needs of our community.

Audiences included family groups, children, adults and older people, who visit for exhibitions, events, school workshops and reminiscence sessions. The team also provided outreach services where appropriate.

Post-Covid, the Learning and Events Teams have established successful programmes which showcase the Museum's strengths and met the needs of key audiences.

The Learning and Events Team:

- Built on successes so far, improving our marketing, communication and evaluation methods with key audiences.
- Reviewed our recent events for adults and continued to develop the evening programme.

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

- Improved the sustainability of our schools programme by training more staff to assist with delivering workshops.
- Maintained and developed our work involving older people.
- Worked closely with the Exhibitions Team on community exhibition projects to ensure successful outcomes for our audiences and the Museum's further development.
- Improve our expertise in and provision for people with special needs. Building on our 'social stories' for each new exhibition, developing a 'social story' for the Museum as a whole.
- Involved other departments, staff and volunteers in the work of the Learning and Engagement Team, upskilling individuals and ensuring that knowledge and resources from across the Museum is accessible for learning activities.

The Museum Director has supported the Banbury Historical Society, who deliver an outstanding lecture programme from the Museum, both to members and the public who attend the monthly lectures, and to those who stream content to watch at home. The programme advances knowledge of the rich local history, and the regional historical context.

Furthermore, the Rosemarie Higham Library within the Museum has now been catalogued, allowing access to a unique resource of local history publications. The Library is open every Thursday afternoon, and staffed by volunteers from the Banbury Historical Society,

The partnership with the Banbury Historical Society delivers a high-quality programme of lectures, visits and access to unique resources.

### Develop, fundraise and deliver the new Waterways Gallery, to improve interpretation and access.

The redisplay of the Waterways Gallery was identified in the 2015 Development Strategy and is necessary as the existing gallery is 20 years old.

The preparatory design work has now been completed and the project costed. This project can proceed once the funds of approximately £300,000 have been raised.

The next stage of the project is to raise the necessary funds. The Fundraising Campaign will commence in the new financial year.

### Develop and fundraise for a scheme to improve the access from Spiceball Park Rd

The development of the Waterfront capital project in the immediate environs of the Museum, which opened in summer 2022, necessitated an architectural reappraisal to improve the Museum's accessibility, as new routeways, alignments and increased footfall, render existing access routes inadequate. The access from Spiceball Park Rd no longer meets building regulation standards.

The Museum commissioned a feasibility study from Oxford Architects to redesign the canalside entrances and facades and redesign the Banbury Gallery, to meet the needs of urban Banbury in 2022 and beyond.

Oxford Architects created an ambitious architectural solution that includes a new entrance and atrium leading directly off Spiceball Park Rd, new improved circulation spaces, and a new larger gallery space. This scheme was presented to the trustees and received their unanimous support. The trustees subsequently instructed Oxford Architects to tender for the design team to take the plans to planning permission.

## **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023**

### Develop the Museum Shop, Welcome Atrium, and launch an Online Shop

The Museum Shop and Welcome Atrium opened in October 2021, following almost £80,000 in funding from the Garfield Weston Foundation.

This development has proved enormously successful, sales increasing by almost 30%, profit which directly funds the Museum's charitable objectives.

Furthermore improvements to the Museum's website allowed the launch of an online shop early in 2023, further extending the reach of the Museum.

### Develop membership and supporters' schemes and giving

The pandemic paused the development of the Museum's membership and supporters' schemes and giving. However, the Museum has continued to work with consultant Sarah Gee, within the Developing Partnerships Project, in preparation for new initiatives to be launched in 2023/24.

The existing Patron's Circle continues to be supportive and will be developed further in the coming year.

### Support the Banbury Quays Consortium

The Museum has taken a leading role and supported the development of a new body, the Banbury Quays Consortium.

This body aspires:

to promote urban regeneration and facilities for all age groups for recreation, art, performance, culture, education and other leisure activities within the Banbury Quays area in order to encourage participation by all those living in Banbury and the surrounding area, and to make Banbury a destination for visitors.

The benefits for the Museum are many, not least the potential to develop new partnerships, increase footfall, and be seen to be making a positive contribution to the Town's economy.

One of the first benefits of this initiative in 2022/23 was the Banbury Canal Festival 2022, held on the weekend of the 1<sup>st</sup> and 2<sup>nd</sup> October. The Banbury Quays Consortium supported the Banbury Town Council in transforming the traditional one-day event into a weekend long festival. Fine weather and an outstanding programme attracted a footfall of 20,000.

This notable success brought a weekend of creativity, performance and fun, of great value to wellbeing, community cohesion, and the local economy.

## **Financial Review**

The majority of the Trust's income continues to be in the form of grant funding from Cherwell District Council, the use of which is restricted to the particular purpose of operating the Museum. The grants received from the Council during the year ended 31 March 2023 and the associated expenditure of these grants are shown as Restricted Funds in the Statement of Financial Activities. The Trust also received grant funding from other organisations during the period, principally the Oxford University Museums Partnership who fund the operation of the Museum's ongoing reminiscence program.

Other income was generated from a range of activities, including educational visits and events, art exhibitions, room hire, the operation of a Visitor Information Centre for Cherwell District Council and the income generated by the Trust's trading subsidiary, Banbury Museum Trading Limited, which operates the Museum shop. The Trust also generated income from donations, which were received from both individuals and corporate trusts and entities, with the majority of these having been received as part of the Trust's ongoing Museum development and resilience project.



## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

For the year ended 31 March 2023, the total consolidated operating expenditure (excluding depreciation and amortisation charges, FRS102 pension cost and interest cost adjustments and gallery refurbishment expenditure) was £580,885 (2022: £623,421) while the total consolidated operating income was £590,278 (2022: £609,623) (excluding any Museum development income). The consolidated operating net surplus for the year was therefore £9,393 (2022: net operating deficit of £13,798).

The Trust's wholly owned subsidiary company generated turnover for the year of £109,382 (2022: £84,733) with a gross profit margin of £63,211 (2022: £46,685) or 57.8% (2022: 55.1%) and a net operating profit for the year of £nil (2022: £nil).

The consolidated net surplus funds of the Trust at 31 March 2023 are £239,400 (2022: net surplus funds of £30,922), which comprised of the following:

Restricted General Funds	£33,971 (2022: £55)
Restricted Pension Liability Fund	£nil (2022: (£153,000))
Unrestricted Funds	£205,429 (2022: £183,867)

The pension scheme liability relates to the deficit in the Trust's defined benefit pension scheme, which was transferred to the Trust from Cherwell District Council on 1 November 2013. Although the eligible employees who transferred to the Trust on 1 November 2013 were transferred on a fully funded basis such that there was no surplus or deficit in the scheme on the transfer date, the FRS102 report produced at 31 March 2023 has assessed the scheme is in surplus at 31 March 2023. The Trust is currently required to make any accelerated payments to meet this pension scheme liability and were arrangements to change again as result of future actuarial valuations of the scheme, then this would represent an additional cost for the Trust which it would need to be met from its recurring core grant funding and other sources of income. Note: Under the terms of a Guarantee to the Admission Agreement dated 1 November 2013, Cherwell District Council guarantees any outstanding Local Government Pension Scheme liabilities to the extent the Trust is unable to meet any such liabilities in the future.

Overall, the Trustees continue to be satisfied with the Trust's financial performance during the year ended 31 March 2023 and its overall financial position at 31 March 2023.

### **Reserves Policy**

The Trustees policy is to review the reserve levels of the Trust on an annual basis. This review will encompass the nature of the income and expenditure streams, the need to match income with commitments and the nature of the Trust's reserves. The Trustees also take into consideration the future plans of the Trust, the uncertainty over some elements of future income streams and other key risks identified during the risk review process.

The Trustees have determined that the Trust should hold free cash reserves sufficient to cover approximately 1.5-months core operating costs, which equates to approximately £82,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with the reduction in grant funding in future years from the Council, together with unexpected emergencies such as urgent maintenance, long term staff absences etc.

At 31 March 2023, the Trust's total reserves were in surplus by £239,400, aided by the pension scheme reserve no longer being in deficit. Of this, £33,971 relates to restricted funds, which can only be expended in line with the requirements of the grants and other funders who provided them. The Trust's free cash reserves at 31 March 2023 were therefore £205,429 (2022: £183,867).

### **Going Concern and the Impact of COVID-19**

In common with Cultural Organisations across the UK, the outbreak of COVID-19 has had a direct and significant impact on the Trust's ability to deliver our programme of activities. As a result, there has been a reduction in certain elements of the Trust's income since 31 March 2020. However, the Trust has continued to receive its core grant funding from Cherwell District during the 2022/23 financial year.

## **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023**

After making appropriate enquiries, the Board has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note of the financial statements.

In making this assessment, the Trust continues to be reliant on the grant funding provided to it by Cherwell District Council, which is provided pursuant to the terms and conditions of the Grant Agreement with the Council dated 1 November 2013. Under the terms of the Grant Agreement, the Council will provide an annual grant to the Trust in respect of each financial year up to and including the year ending 31 March 2024, the use of which is restricted to the core operating costs of the Museum. The basis of the annual grant provided in respect of each financial year of the Trust is dependent on many factors, as set out the specific terms of the Grant Agreement with the Council and includes phased reductions in the annual grant of £10,000 per year from 1 April 2016 onwards until 31 March 2024.

### ***Investment Policy***

The Trust's investment policy is to maintain all surplus funds in current and deposit accounts with the Trust's appointed bankers.

### ***Risk Management***

The Trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the Trust, and its subsidiary company, Banbury Museum Trading Limited, face;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the Trust should those risks materialise.

The Trustees remain focused on financial sustainability, noting the reliance on grant funding from Cherwell District Council. New initiatives to improve sustainability are focused on improving trading performance, improving the facility to drive more footfall, engagement and trade, and the development of new membership clubs.

A key element in the management of financial risk is the regular review of the financial health of the Trust, and the Trustees examine the financial health of the Trust formally every quarter, reviewing performance against budget and overall level of expenditure, as well as reporting to Cherwell District Council every quarter on the operation of the Museum and expenditure of the grant from the Council. The Trust also has a risk register in place, which is regularly reviewed in light of any new information and formally reviewed annually by the Trustees.

The Trustees recognise that the Local Government Pension Scheme could represent a significant potential liability to the Trust in the future. However, as the Trustees consider the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is considered to be minimal. Under the terms of a Guarantee to the Admission Agreement dated 1 November 2013, Cherwell District Council guarantees any outstanding Local Government Pension Scheme liabilities to the extent the Trust is unable to meet any such liabilities in the future.

Attention has also been focussed on non-financial risks arising from Trust's operations, including the health and safety of Museum visitors and the management of the Museum's exhibitions and collections. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place and through regular awareness training for staff working in these operational areas.



**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2023**

**Plans for Future Periods**

The Key Aims within the Forward Plan from 2023/24 are as follows:

Develop an outstanding programme of special exhibitions for our audiences.

Review and improve access, using our Audience Development Plan to inform a programme of enjoyable and memorable learning experiences, to meet the cultural and creative needs of our community.

Review and improve access, creating a programme of enjoyable and memorable learning experiences, to meet the cultural and creative needs of our community.

Develop, fundraise and deliver the new Waterways Gallery, to improve interpretation and access.

Develop and fundraise for a scheme to improve the access from Spiceball Park Rd

Develop the Patron's Circle, supporters and giving

Negotiate a new funding agreement with Cherwell District Council

Support the Banbury Quays Consortium

**Funds held as Custodian Trustee on Behalf of Others**

The Trust and its Trustees do not act as Custodian Trustees of any other charities or organisations.

Approved by order of the Board and signed on their behalf on 19.1.24 by:



**R Mileham - Chair of Trustees**

**INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2023**

**Independent Examiner's Report to the Trustees of Banbury Museum Trust (the 'Group')**

I report to the charity Trustees on my examination of the consolidated accounts of the group comprising the Banbury Museum Trust (a Charitable Incorporated Organisation) ('the parent charity') and its subsidiary undertakings for the year ended 31 March 2023 which are set out on pages 15 to 34.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the parent charity and the charity's Trustees as a body, for my work or for this report.

**Responsibilities and Basis of Report**

As the Trustees of the parent charity you are responsible for the preparation of the consolidated accounts of the group in accordance with the requirements of the Charities Act 2011 ('the 2011 Act') and you have chosen to prepare consolidated accounts for the group. You are satisfied that the accounts of both parent charity and the group are not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of the consolidated accounts carried out under section 152 of the Charities Act ('the 2011 Act'). In carrying out my examination I have followed all the Directions given by the Charity Commission under section 152(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

**Independent Examiner's Statement**

Since the Trustees have opted to prepare consolidated accounts for the group your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

Your attention is drawn to the fact that the group has prepared the accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

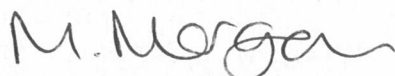
I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records with respect to the parent charity were not kept as required by section 130 of the 2011 Act and with respect to its subsidiaries as required by section 386 of the Companies Act 2006; or
1. the financial statements do not accord with those records; or
2. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or

**INDEPENDENT EXAMINER'S REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

3. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Marie Morgan FCCA

Morgan Accountancy Solutions  
Suite 16  
Enterprise House  
Bicester Business Centre  
Telford Road  
Bicester  
Oxfordshire  
OX26 4LD

Date: 19/01/2024

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
<b>INCOME</b>					
Donations and legacies	2	18,380	60,871	79,251	8,849
Trading activities	3	109,382	13,603	122,985	92,575
Investment income	4	377	-	377	13
Charitable activities	5	-	447,540	447,540	515,061
<b>TOTAL INCOME</b>		<b>128,139</b>	<b>522,014</b>	<b>650,153</b>	<b>616,498</b>
<b>EXPENDITURE</b>					
Raising funds	6	109,382	-	109,382	84,733
Charitable activities	7	374	547,919	548,293	693,270
<b>TOTAL EXPENDITURE</b>		<b>109,756</b>	<b>547,919</b>	<b>657,675</b>	<b>778,003</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>18,383</b>	<b>(25,905)</b>	<b>(7,522)</b>	<b>(161,505)</b>
Transfers between funds	17	3,179	(3,179)	-	-
<b>NET INCOME /(EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>21,562</b>	<b>(29,084)</b>	<b>(7,522)</b>	<b>(161,505)</b>
Actuarial gains / (losses) on defined benefit pension schemes	21	-	216,000	216,000	253,000
<b>NET MOVEMENT IN FUNDS</b>		<b>21,562</b>	<b>186,916</b>	<b>208,478</b>	<b>91,495</b>
<b>RECONCILIATION OF FUNDS</b>					
Funds at 1 April	17	183,867	(152,945)	30,922	(60,573)
<b>TOTAL FUNDS AT 31 MARCH</b>	<b>17</b>	<b>205,429</b>	<b>33,971</b>	<b>239,400</b>	<b>30,922</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 32 form part of these financial statements.

**CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2023**

			Group		Charity	
	Notes	2023 £	2022 £	2023 £	2022 £	
<b>FIXED ASSETS</b>						
Intangible assets	11	-	-	-	-	
Tangible assets	12	30,662	37,195	30,662	37,915	
Investments	13	-	-	1	1	
		<u>30,662</u>	<u>37,195</u>	<u>30,663</u>	<u>37,916</u>	
<b>CURRENT ASSETS</b>						
Stock	14	12,011	10,678	-	-	
Debtors	15	29,239	70,093	26,559	68,007	
Cash at bank and in hand	20	241,691	254,391	244,156	255,932	
		<u>282,941</u>	<u>335,162</u>	<u>270,715</u>	<u>323,939</u>	
<b>LIABILITIES</b>						
<b>Creditors:</b> amounts falling due within one year	16	(74,203)	(188,435)	(61,978)	(177,213)	
<b>NET CURRENT ASSETS</b>		<u>208,738</u>	<u>146,727</u>	<u>208,737</u>	<u>146,726</u>	
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITY</b>		<u>239,400</u>	<u>183,922</u>	<u>239,400</u>	<u>183,922</u>	
Pension scheme liability	21	-	(153,000)	-	(153,000)	
<b>NET ASSETS / (LIABILITIES)</b>		<u>239,400</u>	<u>30,922</u>	<u>239,400</u>	<u>30,922</u>	
<b>FUNDS</b>						
<b>Restricted Funds</b>						
General restricted funds	17	33,971	55	33,971	55	
Pension fund reserve	17	-	(153,000)	-	(153,000)	
<b>Total Restricted Funds</b>		<u>33,971</u>	<u>(152,945)</u>	<u>33,971</u>	<u>(152,945)</u>	
<b>Unrestricted Funds</b>						
General funds	17	205,429	183,867	205,429	183,867	
<b>TOTAL FUNDS / (DEFICIT)</b>		<u>239,400</u>	<u>30,922</u>	<u>239,400</u>	<u>30,922</u>	

The financial statements were approved by the Trustees and signed on 19.1.24 on their behalf by:



**R Mileham**  
**Chair of Trustees**

The notes on pages 17 to 32 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operation activities</b>			
Net cash provided by operating activities	19	(13,077)	(87,732)
<b>Cash flows from investing activities</b>			
Interest income		377	13
Purchases of tangible fixed assets		-	(2,695)
<b>Net cash provided by / (used in) investing activities</b>		377	(2,682)
<b>Cash flows from financing activities</b>			
New borrowings		-	-
<b>Net cash provided by / (used in) financing activities</b>		-	-
<b>Change in cash and cash equivalents in the year</b>		(12,700)	(90,414)
Cash and cash equivalents at the beginning of the year		254,391	344,805
<b>Cash and cash equivalents at the end of the year</b>	20	241,691	254,391

The notes on pages 17 to 32 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 1 ACCOUNTING POLICIES

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

#### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the 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 issued October 2019 (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Banbury Museum Trust constitutes a public benefit entity as defined by FRS 102.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Trust and its subsidiary undertaking.

The results of the subsidiary are consolidated on a line-by-line basis. No separate SOFA has been presented for the Trust alone as permitted by the Charities SORP (FRS102).

#### **Going Concern**

The Trustees assess whether the use of going concern is appropriate (i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern). The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

In common with Cultural Organisations across the UK, the outbreak of COVID-19 had a direct and significant impact on the Trust's ability to deliver our programme of activities due to the restrictions put into place by the UK Government. These commenced in the 2020/21 financial year and continued into 2021/22. The changing nature of public health requirements naturally undermined public confidence in visiting venues and attractions, and it was only towards the end of 2021/22 financial year, that confidence gradually began to return. From 1<sup>st</sup> April 2022 a full programme of activities have resumed, and have been received enthusiastically by the Museum's audiences.

The Trust has consolidated net assets at 31 March 2023 £239,400 (2022: net assets of £30,922). Excluding the pension fund, the consolidated net assets of the Trust at 31 March 2023 are £239,400 (2022: £183,922). Whilst the Trust remains reliant on grant funding provided by Cherwell District Council, which has phased reductions in future years under the Grant Agreement with Cherwell District Council, the Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. Therefore, after making appropriate enquiries, the Board has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 1 ACCOUNTING POLICIES (continued)

#### Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

#### Income

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

Donated services or facilities are recognised when the Trust has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Trust of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised in the financial statements.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Trust which is the amount the Trust 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Trust 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.

#### Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust, which is normally upon notification of the interest paid or payable by the Bank.

#### Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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 by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 1 ACCOUNTING POLICIES (continued)

#### Expenditure (continued)

Support costs are those costs incurred directly in support of expenditure on the objects of the Trust and include project management carried out at Headquarters. Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of any irrecoverable VAT.

#### Operating Leases

Rentals under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

#### Investments

Investments in subsidiaries are valued at cost less provision for impairment

#### Intangible Fixed Assets

Intangible assets costing £nil or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Website development work	- 4 years straight line
--------------------------	-------------------------

#### Tangible Fixed Assets

Assets costing £500 or more are capitalised.

The heritage assets held by the Trust are represented by collections that are held on permanent loan from other Museums and individuals and as such do not form part of the Trust's assets and are therefore not included in the Trust's financial statements.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fund in the Statement of Financial Activities to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 8 years straight line
Fixtures and fittings	- 4 years straight line

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 1 ACCOUNTING POLICIES (continued)

#### Stock

Stocks are valued at the lower of cost and net realisable value after making allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

#### 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.

#### Cash at Bank and In Hand

Cash at bank and cash 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.

#### Liabilities and Provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### Pensions Benefits

The Trust operates a defined contribution pension scheme for eligible employees and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

Retirement benefits to certain employees of the Trust, being those employees who were eligible employees who transferred to the charity from Cherwell District council on 1 November 2013, are provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme and is contracted out of the State Earnings-Related Pension Scheme ('SERPS'). The LGPS is a funded scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 1 ACCOUNTING POLICIES (continued)

#### Critical Accounting Estimates and Areas of Judgement

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.

##### *Critical accounting estimates and assumptions*

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below.

The present value of the LGPS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors

##### *Critical areas of judgement*

The classification of expenditure between restricted and unrestricted funds is a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material the expenditure is apportioned to both funding streams on an appropriate basis.

### 2 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Donations	<u>18,380</u>	<u>60,871</u>	<u>79,251</u>	<u>8,849</u>
<i>Total – 2022</i>	<u>8,349</u>	<u>500</u>	<u>8,849</u>	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 3 INCOME FROM TRADING ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Commercial trading activities	109,382	-	109,382	84,733
Hire of facilities	-	10,103	10,103	3,295
Other trading activities	-	3,500	3,500	4,547
	<u>109,382</u>	<u>13,603</u>	<u>122,985</u>	<u>92,575</u>
<i>Total – 2022</i>	<u>91,693</u>	<u>882</u>	<u>92,575</u>	

### 4 INVESTMENT INCOME

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Bank interest	<u>377</u>	<u>-</u>	<u>377</u>	<u>13</u>
<i>Total – 2022</i>	<u>13</u>	<u>-</u>	<u>13</u>	

### 5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<b>Museum activities</b>				
<b>Grants</b>				
Cherwell District Council	-	378,520	378,520	377,100
Oxford University Museums Partnership	-	11,991	11,991	11,880
Covid-19 Grants	-	-	-	12,506
Other grants	-	450	450	71,628
	<u>-</u>	<u>390,961</u>	<u>390,961</u>	<u>473,114</u>
<b>Other funding</b>				
Service income	-	10,000	10,000	10,000
Exhibitions and events	-	46,579	46,579	31,591
Other income	-	-	-	356
	<u>-</u>	<u>56,579</u>	<u>56,579</u>	<u>41,947</u>
<b>Total</b>	<u>-</u>	<u>447,540</u>	<u>447,540</u>	<u>515,061</u>
<i>Total – 2022</i>	<u>-</u>	<u>515,061</u>	<u>515,061</u>	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 6 EXPENDITURE ON TRADING ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Commercial trading activities	109,382	-	109,382	84,733
<i>Total – 2022</i>	<i>84,733</i>	<i>-</i>	<i>84,733</i>	

### 7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<b>Museum activities</b>				
Staff costs	-	365,825	365,825	366,766
Staff related costs	-	1,250	1,250	181
FRS102 pension net interest cost	-	11,000	11,000	12,000
Exhibitions and events	-	51,462	51,462	107,025
Insurance	-	7,061	7,061	7,484
Utilities	-	16,220	16,220	36,553
Technology	-	16,192	16,192	17,679
Maintenance of premises and equipment	-	3,105	3,105	2,058
Cleaning	-	414	414	1,603
Advertising and marketing	370	22,833	23,203	15,058
Service agreements	-	3,999	3,999	4,769
Museum refurbishment and redecoration	-	7,257	7,257	71,467
Printing, postage and stationery	-	1,793	1,793	2,042
Bookkeeping and accountancy fees	-	14,247	14,247	13,384
Independent examiner fees	-	3,000	3,000	3,000
Governance support costs	-	6,068	6,068	6,000
Human Resources consultancy	-	722	722	1,033
Other support costs	-	7,766	7,766	8,131
Bank charges	4	1,172	1,176	920
Depreciation and amortisation	-	6,533	6,533	16,115
	374	547,919	548,293	693,270
<i>Total – 2022</i>	<i>2</i>	<i>693,268</i>	<i>693,270</i>	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 8 STAFF COSTS

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	310,332	297,024
Social security costs	20,261	18,852
Pension costs (note 21)	80,948	83,268
	<u>411,541</u>	<u>399,144</u>

The average number of persons (including senior management team) employed by the Trust during the year was as follows:

	2023 No.	2022 No.
Management	2	2
Museum	9	9
Administration and support	8	9
	<u>19</u>	<u>20</u>

No staff received remuneration in excess of £60,000 in either the current or prior year.

The total employee benefits, including employer pension contributions and employer National Insurance contributions, for the Trust's key management personnel for the year were £110,598 (2022: £106,462).

### 9 TRUSTEE REMUNERATION AND EXPENSES

No Trustees received any remuneration, reimbursed expenses or other benefits during the year ended 31 March 2023 (2022: £nil).

### 10 TAXATION

#### Factors affecting tax charge for the year

The Trust is exempt from corporation tax on income falling within the relevant section of the Taxes Act 1988 to the extent these are applied for charitable purposes.

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 11 INTANGIBLE FIXED ASSETS

#### Group and Charity

	Website £
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	16,870
<b>Amortisation</b>	
At 1 April 2022	16,870
Charge for the year	-
At 31 March 2023	16,870
<b>Net book value</b>	
At 31 March 2023	-
At 31 March 2022	-

### 12 TANGIBLE FIXED ASSETS

#### Group and Charity

	Fixtures & Fitting £	Plant & Machinery £	Total £
<b>Cost</b>			
At 1 April 2022	174,125	57,679	231,804
Additions	-	-	-
At 31 March 2023	174,125	57,679	231,804
<b>Depreciation</b>			
At 1 April 2022	138,178	56,431	194,609
Charge for the year	6,140	393	6,533
At 31 March 2023	144,318	56,824	201,142
<b>Net book value</b>			
At 31 March 2023	29,807	855	30,662
At 31 March 2022	35,947	1,248	37,195

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 13 FIXED ASSET INVESTMENTS

Charity Market Value	Shares in group undertakings £
At 1 April 2022 and 31 March 2023	1

The Trust owns 100% of the issued share capital of Banbury Museum Trading Limited. The company was incorporated on 19 February 2014 and commenced trading from 1 April 2014. Its principal activity is the operation of the Museum shop and the sale of commercial merchandise on behalf of the Trust.

The company's activities for the year ended 31 March 2023 have been consolidated on a line-by-line basis. The turnover for the year was £118,732 (2022: £84,733) and its result for the year was a profit of £nil (2022: £nil). The company has net assets at 31 March 2023 of £1 (2022: £1).

### 14 STOCK

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Shop stock	12,011	10,678	-	-

### 15 DEBTORS

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	924	5,445	924	5,445
Other debtors	15,702	46,403	13,022	44,317
Prepayments and accrued income	12,613	18,245	12,613	18,245
	29,239	70,093	26,559	68,007

### 16 CREDITORS: Amounts falling due within one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Other loans	-	60,000	-	60,000
Trade creditors	13,127	60,133	11,239	56,933
Other taxation and social security	23,776	35,160	21,096	33,389
Other creditors	22,078	9,109	14,421	2,858
Accruals and deferred income	15,222	24,033	15,222	24,033
	74,203	188,435	61,978	177,213



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 16 CREDITORS: Amounts falling due within one year (continued)

The other loans in the prior year comprised a loan provided by the Pye Settlement Trust towards the refurbishment of the temporary galleries which were completed in December 2018. The loan was unsecured and interest free and was conditional upon the Museum continuing to operate for a period of 5 years from the original loan date of May 2017, and having satisfied this the loan was converted to a donation to the Trust during the year ended 31 March 2023.

### 17 STATEMENT OF FUNDS

	At 1 April 2022 £	Income £	Expenditure £	Transfers In / (out) £	Gains & losses £	At 31 March 2023 £
<b>Restricted Funds</b>						
Museum fund	5,311	450,148	(452,085)	(3,374)	-	-
Resilience fund	(44,339)	60,000	(6,529)	-	-	9,132
OUMP fund	-	11,991	(11,991)	-	-	-
Library fund	25,692	(125)	(4,349)	-	-	21,218
Welcome project fund	1,062	-	(1,257)	195	-	-
Other restricted funds	12,329	-	(8,708)	-	-	3,621
Pension fund	(153,000)	-	(63,000)	-	216,000	-
<b>Total Restricted Funds</b>	<b>(152,945)</b>	<b>522,014</b>	<b>(547,919)</b>	<b>(3,179)</b>	<b>216,000</b>	<b>33,971</b>
<b>Unrestricted Funds</b>						
General funds	183,867	128,139	(109,756)	3,179	-	205,429
<b>Total Funds</b>	<b>30,922</b>	<b>650,153</b>	<b>(657,675)</b>	<b>-</b>	<b>216,000</b>	<b>239,400</b>

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

#### Restricted General Funds

##### *Museum Fund*

The Museum Fund represents the core operation of Banbury Museum with the Museum's activities being funded through the grant funding received from Cherwell District Council together with other income generated from services, events and exhibitions operated by the Museum.

##### *OUMP Fund*

The OUMP Fund represents the 'reminiscence' program operated by the Trust which is directly funded by grant funding from the Oxford University Museums Partnership (OUMP).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 17 STATEMENT OF FUNDS (continued)

#### **Resilience Fund**

The Resilience Fund is a project established for the redevelopment and refurbishment of Banbury Museum. Funding for this project has been generated from grants provided by the Arts Council England and from donations from private donors and other charitable trusts and organisations. Under the terms of the loan originally provided by the Pye Settlement Trust, this loan was converted to a donation in May 2023.

#### **Library Fund**

The Library Fund represents a project established for the development of the Rosemarie Higham Library at Banbury Museum, which has been funded by donations from private donors for this specific purpose.

#### **Welcome Project Fund**

The Welcome Project was conceived in 2015 and recommended as one of a series of Stage 1 capital projects. The project was funded by Arts Council England. The purpose is to redevelop the Museum's main entrance, creating a welcoming introduction to Banbury Museum & Gallery, and an attractive retail space.

#### **Other Restricted Funds**

The Other Restricted Funds represents funding provided by various other charitable trusts and organisations to support shorter-term specific projects undertaken by the Trust, including some specialist exhibitions.

#### **Pension Reserve Fund**

This relates to the valuation of the Trust's defined benefit pension scheme at 31 March each year. There is no liability at the year end date because there was an asset of £88,000 in the context that the fair value of plan assets exceeds the present value of funded obligations, and in accordance with accounting standards, this asset has not been recognised.

Statement of funds – prior yr	1 April 2021 £	Income £	Expenditure £	Transfers In / (out) £	Gains & losses £	31 March 2022 £
<b>Restricted Funds</b>						
Museum fund	-	430,185	(421,296)	(3,578)	-	5,311
Museum fundraising fund	20,000	-	(20,000)	-	-	-
Resilience fund	(33,713)	(9,062)	(1,564)	-	-	(44,339)
OUMP fund	-	11,880	(11,880)	-	-	-
Library fund	23,888	6,875	(5,071)	-	-	25,692
Welcome project fund	76,621	-	(75,559)	-	-	1,062
Other restricted funds	17,287	76,565	(81,779)	256	-	12,329
Pension fund	(339,000)	-	(67,000)	-	253,000	(153,000)
	(234,917)	516,443	(684,149)	(3,322)	253,000	(152,945)
<b>Restricted Fixed Asset Funds</b>						
Fixed assets funds	10,797	-	(9,119)	(1,678)	-	-
<b>Total Restricted Funds</b>	(224,120)	516,443	(693,268)	(5,000)	253,000	(152,945)
<b>Unrestricted Funds</b>						
General funds	163,547	100,055	(84,735)	5,000	-	183,867
<b>Total Funds</b>	(60,573)	616,498	(778,003)	-	253,000	30,922

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

#### Current year

	Unrestricted Funds £	Restricted General Funds £	Total Funds £
Intangible fixed assets	-	-	-
Tangible fixed assets	-	30,663	30,663
Current assets	217,655	53,060	270,715
Creditors due within one year	(12,226)	(49,752)	(61,978)
Provisions for liabilities and charges	-	-	-
	<b>205,429</b>	<b>33,971</b>	<b>239,400</b>

#### Prior year

	Unrestricted Funds £	Restricted General Funds £	Total Funds £
Intangible fixed assets	-	-	-
Tangible fixed assets	-	37,195	37,195
Current assets	195,149	140,013	335,162
Creditors due within one year	(11,282)	(177,153)	(188,435)
Provisions for liabilities and charges	-	(153,000)	(153,000)
	<b>183,867</b>	<b>(152,945)</b>	<b>30,922</b>

### 19 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income / (expenditure) for the year	(7,522)	(161,505)
<b>Adjustment for:</b>		
Depreciation charges	6,533	16,115
Interest receivable	(377)	(13)
Defined benefit pension scheme cost less contributions payable	52,000	55,000
Defined benefit pension scheme net finance costs	11,000	12,000
(Increase) / decrease in stocks	(1,333)	(3,328)
(Increase) / decrease in debtors	50,854	(41,600)
Increase / (decrease) in creditors	(124,232)	35,599
<b>Net cash provided by operating activities</b>	<b>(13,077)</b>	<b>(87,732)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand and at bank	<u>241,691</u>	<u>254,391</u>

### 21 PENSION COMMITMENTS

Certain eligible employees of the Trust belong to a defined contribution scheme. The total contributions made for the year ended 31 March 2023 were £2,548 (2022: £2,622) and contributions amounting to £nil (2022: £Nil) were payable to the scheme at 31 March 2023.

As described in note 1, certain of the Trust's other employees belong to the Local Government Pension Scheme (LGPS) which is managed by Oxfordshire County Council and which is a defined benefit scheme. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the LGPS was at 31 March 2023. The LGPS is a funded defined benefit scheme, with the assets held in a separate trustee-administered fund. The total contributions made for the year ended 31 March 2023 were £37,000 (2022: £37,000) of which employer's contributions totalled £26,000 (2022: £26,000) and employees' contributions totalled £11,000 (2022: £11,000). The agreed contribution rates for future years are 17.2% for employers and varying rates of 5.8% to 7.2% for employees.

Contributions amounting to £3,431 (2022: £3,053) were payable to the scheme at 31 March 2023. As described in note 1, the LGPS obligation relates to the certain eligible employees of the Trust, who were the eligible employees transferred from Cherwell District Council to the Trust on 1 November 2013. Under the terms of the Services Transfer Agreement dated 1 November 2013, the eligible employees transferred to the Trust on 1 November 2013 were transferred on a fully funded basis such that there was no surplus or deficit in the LGPS transferred to the Trust on this date. Under the terms of a Guarantee to the Admission Agreement dated 1 November 2013, Cherwell District Council guarantees any outstanding Local Government Pension Scheme liabilities to the extent the Trust is unable to meet any such liabilities in the future.

#### Principal actuarial assumptions

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) were:

	2023	2022
Rate of increase in salaries	2.95%	3.15%
Rate of increase for pensions in payment / inflation	2.95%	3.15%
Discount rate for scheme liabilities	4.75%	2.75%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed live expectations on retirement age 65 are:

	2023	2022
Retiring today - Males	19.3	22.2
Retiring today - Females	24.1	24.5
Retiring in 20 years - Males	23.4	23.1
Retiring in 20 years - Females	25.4	26.1

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 21 PENSION COMMITMENTS (continued)

#### Sensitivity analysis:

The sensitivities regarding the principal assumptions used to measure the scheme liabilities (i.e. the defined benefit obligations) are as follows:

	31 March 2023 £	31 March 2022 £
Discount rate – 0.1% (2022 : - 0.1%)	25,000	39,000
Salary increase rate + 0.1% (2022 : + 0.1%)	6,000	7,000
Pension increase / inflation + 0.1% (2022 : + 0.1%)	19,000	32,000

#### The Trust's share of the assets in the scheme were as follows:

	31 March 2023 £	31 March 2022 £
Equities	966,000	1,017,000
Gilts and Bonds	212,000	237,000
Property, LLP's and Diversified Growth Funds	119,000	111,000
Cash	26,000	28,000
Total market value of assets	1,323,000	1,393,000

The actual return on scheme assets for the year ended 31 March 2023 was -£52,000 (2022: +£130,000).

#### The amounts recognised in the Statement of Financial Activities are as follows:

	2023 £	2022 £
Current service cost	(78,000)	(81,000)
Interest on liability	(50,000)	(38,000)
Interest on scheme assets	39,000	26,000
Total	(89,000)	(93,000)

#### Movements in the present value of defined benefit obligations were as follows:

	2023 £	2022 £
Opening defined benefit obligation *	1,546,000	1,572,000
Adjustment for obligation funding guarantee due to year end surplus position	242,000	-
Current service cost	78,000	81,000
Interest cost	50,000	38,000
Contributions by scheme participants	11,000	11,000
Actuarial (gains) / losses	(686,000)	(149,000)
Benefits paid	(6,000)	(7,000)
Closing defined benefit obligation	1,235,000	1,546,000

\* This is net of the liabilities in the scheme at 1 November 2013 of £242,000 which are funded by CDC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 21 PENSION COMMITMENTS (continued)

#### Movements in the fair value of Trust's share of scheme assets:

	2023 £	2022 £
Opening fair value of scheme assets	1,393,000	1,233,000
Interest on assets	39,000	26,000
Actuarial gains / (losses)	(140,000)	104,000
Contributions by employer	26,000	26,000
Contributions by scheme participants	11,000	11,000
Benefits paid	(6,000)	(7,000)
	<b>1,323,000</b>	<b>1,393,000</b>

#### Pension scheme accounting at 31 March 2023

Per the actuarial report, as at 31 March 2023 the LGPS defined benefit scheme had a surplus of £88,000. In prior years the scheme had been in deficit, with the Trust's share of the deficit accounted for as a liability on the Trust's Balance Sheet with the deficit reported in a specific Pension Fund restricted fund. With the pension scheme now in surplus, the £242,000 CDC guarantee has been removed as it is currently not required, but the surplus has not been recognised as a pension scheme asset as this surplus cannot be realised in the foreseeable future. The Pension scheme liability on the Balance Sheet has therefore been set to zero, and the Pension Fund restricted fund zero. Should the LGPS pension scheme fall into deficit in the future the liability will be recognised to the extent that the overall deficit exceeds £242,000 as the Trust only becomes liable towards any deficit in excess of this amount where the CDC guarantee remains valid.

### 22 RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust's operations and the composition of the Board being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the provisions of the Trust's Constitution, the requirements of the Charities Act 2011 and the Trust's normal procurement procedures, and none of the Trustees benefit personally from any such transactions.

The following transactions took place during the year ended 31 March 2023:

Mr A McHugh, who was a Trustee between 1 April 2022 and 1<sup>st</sup> December 2022, was also a member of the Council from 1 April 2022 to 9 May 2022. Mr P Chapman was appointed a Trustee on 7 December 2022, was also a member of the Council throughout the accounting period. During the year ended 31 March 2023, the Council provided core grant funding to the Trust of £378,520 (2022: £377,100) and service income for the operation of a Tourist Information Centre by the Trust of £10,000 (2022: £10,000). The Trust also purchased various services from the Council during the year ended 31 March 2023, including ICT provision, graphic design and printing services, computer supplies, and building utilities costs. The total invoiced value of these services was £39,411 (2022: £62,778). At 31 March 2023, the amount owed by the Trust to the Council was £10,000 (2022: £49,362) and the amount due to the Trust from the Council was £nil (2022: £nil).

Mr J E Spratt, who is a Trustee, was also a Director of Spratt Endicott Limited (trading as SE-Solicitors). During the year ended 31 March 2023, SE-Solicitors charged the Trust for legal and HR services totalling £1,710 (2022: £850). At 31 March 2023, the Trust owed £nil (2022: £nil) to SE-Solicitors.

Mr J M Walton, who is a Trustee appointed 29<sup>th</sup> March 2023, is also a Director of Whitley Stimpson Limited, Chartered Accountants. During his time as Trustee, Whitley Stimpson Limited charged the Trust £1,080 for payroll services and this amount was outstanding at the year-end date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**22 RELATED PARTY TRANSACTIONS (continued)**

The Trust also re-charged staff and other administration and support costs totalling £63,110 (2022: £46,596) to Banbury Museum Trading Limited, the Trust's wholly owned trading subsidiary, during the year ended 31 March 2023.

**23 CONTINGENT LIABILITY**

Banbury Museum Trust has a legal dispute with Cherwell District Council about a utility bill raised after the period end. The Trust's position, as advised by a solicitor, is that the amount is not contractually due, and as a result the liability need not be provided, but the Trust realises that the future grant funding is currently being discussed as at the date of sign off of these accounts, and this funding is subject to an amount of reduction in funds to be provided over the next few years. The potential liability is approximately £65,000, and this amount has not been provided in the accounts.

