

The Powell-Cotton Trust

Registered Charity No.1167318 in England and
Wales Registered Company No. 09934968

Trustees' report and financial statements for the year ended

31 March 2021

The Powell-Cotton Trust
Trustees' Annual Report
for the year ended 31 March 2021

Reference and administrative details of the Charity, its Trustees and advisers for the year ended 31 March 2021

Trustees

A Harrison
G Marvin
G Redwood
C Valentine, Chairman

Company number

09934968

Charity registered number

1167318

Registered office

The Powell-Cotton Museum
Quex Park
Birchington
Kent
CT7OBH

Independent auditor

Moore Kingston Smith LLP
Chartered Accountants and Business Advisers
Devonshire House
60 Goswell Road London EC1M 7AD 020 7566 4000
www.mks.co.uk

Bankers

Lloyds TSB Bank plc
Cecil Square Margate
Kent CT91JG

Stockbrokers

Investec Wealth & Investment
30 Gresham Street
London EC2V7QN

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OBJECTS AND ACTIVITIES

1) Policies and objects:

- a) The objects of the Museum are to advance education for the benefit of the public by:
the provision and maintenance of a museum in or near Birchington for exhibiting specimens of natural history and ethnography (particularly such specimens collected by Percy Horace Gordon Powell Cotton, Esq) and, if the Trustees think fit, specimens of other sciences and of the fine and useful arts
- b) the extension and enhancement, conservation, storage and maintenance of the collection of specimens belonging to the Museum; and
- c) the promotion of education in subjects relevant to the specimens belonging to the Museum and the use of such specimens in research.

2) Vision:

People Matter – The Powell-Cotton Museum is for everyone – current and future audiences, staff, volunteers, our local community, the source communities from where our collections originate and anyone else who wants to work with the Powell-Cotton Museum, House and Gardens¹ and to be part of our forward journey. To be for everyone, we will make space for those voices in our Museum: past, present and future. This comes from both listening to the diversity of voices within our community today and using our collections to make space for people who have historically been voiceless.

We are committed to tell a wider story, to enable others to share in that narrative and be a part of its making. At its heart, any story we tell is about people. For this reason, our vision can be encapsulated in the phrase: people matter. We call this our 're-imagining' project.

3) Aims:

- a) To be collaborative and inclusive
Our working culture will be for everyone, collaborative in nature and will empower all to participate.
- b) To be transparent in the process and delivery of this programme.
This programme of work will have a measurable framework of deliverables and milestones and we will be accountable for both our processes and finished works.
- c) To embrace change NOW and build on the momentum of forward movement we've already established.
The Museum began working to tell a wider, more inclusive, story in 2018. In February 2020 we started laying the groundwork for our re-imagining programme. However, the COVID-19 pandemic and the development of the Black Lives Matter movement brought a dual global shift in how we work and focus on what matters. This gave us the impetus to take this work from 'behind the scenes' and into the public eye. Bringing our reimagining programme to the fore now gives us a window of opportunity to radically rethink what we do and how we do it. This is a moment for change in our organisational culture - the understanding that, if we want to, we CAN do things differently and should be empowered to do so.
- d) To embed our commitment to change within our Museum so that these changes become long-term, sustainable working practices, not just words.
What we refer to as 'decolonising the museum' aims to address the silences of the past, acknowledge privilege and adjust balances of power in the present. It is a process of returning context to the past via our interpretation and engagement and working with our communities near and far today to be equitable, honest and transparent moving forward.

4) Our Objectives:

- a) Securing a sustainable future for the Powell-Cotton Museum, Quex House and Gardens.
This will cover finances, the fabric of the buildings (which will in turn secure the future of the

¹ Throughout this document when referring to 'the Museum' or 'The Powell-Cotton Museum', we are inclusive of the Museum, Quex House, Gardens and the Powell-Cotton Trust.

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collections) and our resources. It is also reflected in our relationships with our staff and the value we place on their knowledge and experience.

- b) Make sure that all our engagement, both internally and externally, is meaningful, aligning with our Vision and Values.

Engagement doesn't always have to be of clear or tangible benefit to the Museum – sometimes it will simply be the right thing to do.

- c) Establish the identity and function of the Powell-Cotton Museum, Quex House and Gardens. Previous work has identified the historic identity of the site, but the future will be what we make it. This will include our external identity as a brand, but also the best relationship between our component parts (museum, house, garden) to give us an innovative, independent and sustainable future.

5) Values:

- a) Our vision 'people matter' is foundational to the values of this programme of work. These values will be embedded across the organisation from visitor experience and collections to operations to HR. These values relate to everyone who works with us, in whatever way that may be.
- Everyone's lived experiences are valued by the organisation and everyone should be empowered to fulfil their potential. In this regard, we work to the principle that equity is as important as equality.
- b) We place importance on the emotional connections that exist between people and place.
- We have courage in our convictions: we will be brave in our actions and innovative in our approach.

6) Activities for achieving objects:

The Trust has continued to operate the museum, house and gardens in the year providing opportunities for many people, including students, schoolchildren and international researchers to access the stories and collections of the charity, both online and in person subject to government guidelines during the COVID-19 Pandemic.

7) The Trustees have supported investment in areas specifically intended to improve our performance in line with the charity's aims and objectives:

1. Maintenance projects have been undertaken this year to resolve issues connected to the age of the buildings.
 - i) The Winter Garden Project
Restoration was completed of the glasshouse abutting the walled garden and the lawns. The Winter Garden is a safe, multifunctional space for all to enjoy. A beautiful heritage building for learning, gathering and relaxing.
 - ii) Roof repairs to dioramas
During the period funding was made available to undertake repairs to the flat roof above the dioramas and a series of object stores. This is part of the ongoing 10 year maintenance program falling out of a commissioned survey of the buildings.
2. Gallery 4 was re-commissioned as a triage station for object conservation, documentation and cataloguing activities to enhance the storage and maintenance objects from the world cultures collection.
3. The Trustees have supported the work of Museum staff in delivering an improved and virtual accessible learning and engagement experience through the commitment of funds to IT, and photography equipment as well as licensing of specialist software and cloud-based platforms. We continue to fulfil our engagement and learning objects in multiple ways and we work to make the museum collections are accessible to as wide an audience as possible.

ACHIEVEMENTS AND PERFORMANCE

1) Review of activities

During the coronavirus (COVID-19) pandemic, several museums worldwide had to close to the public for long periods, as governments put in place lockdowns and strict safety regulations to contain the health crisis. The museum staff of the Powell-Cotton Trust were able to switch relatively seamlessly to working from home using existing collaborative cloud based work platforms. A small skeleton team attended the site on a rota to ensure the security of the buildings and collections, and to facilitate any emergency and necessary maintenance works to the site. A pragmatic approach to maintenance of the historic gardens was taken by the Gardens team as working from home was not a viable option.

COVID-19 gave us a time to reflect and in September 2020, we announced we would be closed for day-to-day drop in visits so that we could carry out a 'Reimagining' programme of projects at the museum, house and gardens. During this time we would be undergoing significant change to our focus and work as a museum. As we undertook projects, established partnerships and make progress we made a commitment to share this with our communities, partners and others through increased social and digital engagement.

a) Driving forward decolonisation

Decolonising the Museum is an ongoing commitment initiated in 2018. It aims to address the silences of the past, acknowledging privilege and adjusting balances of power. It is a process of returning context – if museums are going to talk about colonial exploration and expansion, the discussion needs to be inclusive and transparent, looking at how it affected everyone, not just those people who gifted objects to museums.

i) Colonial Critter Project

Work continued on the Colonial Critters project, under the management of our Curator of Natural History. Research activities were prioritised and these focused on investigating the history of big game hunting in order to put Percy Powell-Cotton's collections in context, and study of the stories of some of the key animals in our dioramas. Our Audience Development Consultants 'Hybrid' moved from in-person meetings to video calls with local organisations and community groups.

- #### ii) #MuseumMaker – a continuing series of social media activities celebrating and giving voice to those persons who have contributed significantly to the development of our museum.
- Published weekly, these social media posts are the product of research within the archives and provided preparatory groundwork for new stories to be delivered in the galleries as part of our future plans for interpretation.

b) Redesign and develop our education and outreach program

i) Home schooling

In recognition of our charitable objects, and the pressures for families to engage in home schooling during the pandemic we developed a number of online learning resources accessible through our social media platforms. These included,

- #MuseumThing – Quizzes and challenges set around collection objects and stories using photographs but created to get our audience talking about what they have at home.
- #MuseumMake - a making project that could easily done at home with materials most households were likely to have already. Posted weekly. Also including live MakeAlong sessions with a Learning and Engagement Officer.

- #### ii) Breaking Out of the Museum: taking museum-based learning to children in our community
- We were successful in our application to the Association of Independent Museums 'Tackling Inequalities Hallmarks Grant Award' supported by Arts Council England. Our year-long project kick-started a sustainable, long-term outreach programme for the Museum, bringing cultural

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heritage into the classroom as schools continued their amazing work under difficult circumstances. The grant has funded two projects; 'What's in the Box?' and 'World on our Doorstep'. 'What's in the Box?' offers KS1-2 pupils in Thanet free access to the use of a museum loans box, including objects, activities, and curriculum links, as well as a virtual session with one of the Museum's Learning and Engagement Officers. 'World on our Doorstep' is a mixture of in-class lessons and a museum workshop using the life and collections of the Powell-Cotton family to support learning about the British Empire, colonialism, local history, and how ideas and attitudes of the past impact us today.

During the period of this report over 300 children have engaged with learning in this way.

c) Reimagining the Museum (House and Gardens)

i) Digital Engagement

- (a) During the period we have undertaken a series of interviews with local press and specialist heritage publications, spoken at virtual conferences, talked with individuals and community groups to answer specific questions and concerns, as well as created and released statements answering FAQ's about the programme of work.
- (b) Website Launched –with a remit to enable collaboration and a conversation with our audiences, both near and far, during and post COVID. The website is accessible to all. Its content created by the staff team, this website is engaging, refreshed regularly and acts as a hub for all our other social and digital platforms.

ii) Open Days and specialist groups

When the government guidance on being 'open' to the public permitted us to do so we did, but in a different way. We were open for schools, researchers and universities by appointment. We were open to community groups, and for general drop in visitors on specified days. We now work to segment the openings so that specific distinct groups have their own 'days' on site. It makes us accessible to a greater percentage of the local population, meeting their specific needs and enabling us to work more closely with these groups in partnership.

e) Quex House Gardens

i) Biodiversity

With a pragmatic approach required to maintain the historic gardens during the numerous lockdowns the opportunity presented itself to actively engage in protecting the biodiversity of the Gardens. Our Head Gardener, with careful management, allowed areas of longer grass to be developed to provide a much needed habitat for a wide range of flora and fauna such as grasses, wildflowers and butterflies.

ii) Building relationships with Community Groups

This year has seen the Garden become a hub for two distinct groups with special needs: Adults with learning disabilities, and Adults with mental health issues. Relationships with the care providers, Kent County Council and Terrance House respectively, have developed over the period and are now in the process of being consolidated under a memorandum of understanding between all parties.

The Gardens offers multisensory, inspirational, and targeted activities to reach across the different learning styles and abilities of our community groups. We have created opportunities for these volunteers to contribute their energy and skills and ensure they have an engaging and fulfilling experience.

NOTE: The Trustees have supported investment in areas specifically intended to improve the organisation's performance in line with the charity's aims and objectives. In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the

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Charity Commission relating to public benefit. The Trustees are of the opinion that sufficient funds are available to meet future obligations.

FINANCIAL REVIEW

1) Key financial performance indicators

The Powell-Cotton Museum, Quex House and Gardens is transitioning through a complex period of change and growth because of the museum becoming entitled to a substantial legacy in the form of a fifty percent share in the former Powell-Cotton Settled Estate. This will enable substantial growth and expansion of the charity. New strategic departmental plans have been devised by the Trustees in collaboration with staff, volunteers and stakeholders. As a result of the new income stream from the legacy, combined with operational changes, the long-standing operating deficit of the Charity will end. We are in year 2 of a transition that may last for a 3-year period to allow for the complexity of the Legacy which is currently being managed by the Administrators prior to vesting in the Museum and a private beneficiary. How the legacy is to be vested has been referred to the Courts for direction by the Administrators. Court direction is anticipated in 2022.

2) Statement of financial activities

The Trustees have taken the strategic decision to support the transformational change process through investment from charity reserves. This has included the following key decisions:

- a) Investment from charity reserves in preparing for the vesting of the former Powell-Cotton Settled Estate, including taking independent professional legal and accountancy advice, appointment of Strutt & Parkers land agents to provide due diligence report, management advice and to improve management practice. These works have been commissioned by the Trustees to ensure that they are ready for vesting, to improve the quality of the management of the former Powell-Cotton Settled Estate, to understand and fulfil their fiduciary duties and to mitigate any identified risks associated with their inheritance of the undivided half share of the former Settled Estate.
- b) Investment into Museum House and Gardens by way of a structured cyclical maintenance programme following years of underinvestment.

3) Key financial information

- a) The results for the year are contained in the Statement of Financial Activities on page 15. The net deficit for the year was £205,255 comprising total income of £485,688 total expenditure of £942,425 and gains on investments of £251,482.
- b) The deficit for the year on Unrestricted Funds was £216,377 Charitable expenditure was £935,600 as detailed in note 17 to the accounts.
- c) The net surplus for the year on Restricted Funds was £11,122 comprising total income of £9,003 and total resources expended of 6,825.
- d) Note 17 to the accounts contains an analysis of the incoming, expenditure and transfers relating to Restricted Funds in respect of specific projects.
- e) Balance sheet Total funds decreased from £3,197,554 to £2,992,299 reflecting the net deficit.
- f) Cash at Bank, on Deposit and in Hand at 31 March 2021 decreased from £558,530 to £348,972 and the market value of investments was £1,162,071 compared to £1,237,892 in the prior year.

4) Investment powers and policies

The Charity's Memorandum of Association authorises the trustees to deposit or invest funds, to employ a professional fund-manager and to arrange for the investments or other property of the Charity to be held in the name of a nominee in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000. PCT manages its investments within its own ethical guidelines, with the objective of achieving a high constant income stream. See note 6 to the Accounts for details of the income received. Investments are reviewed at least annually in conjunction with an external advisor.

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5) Reserves policy and performance

It is the policy of the Charity to maintain unrestricted liquid funds at a level that approximates three to six months' unrestricted expenditure. At 31 March 2021, Unrestricted Funds amounted to £2,965,394 including £348,972 cash and investments £1,225,469.

6) Going concern

After making appropriate enquiries, the Trustees have 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. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies. The Trustees are of the opinion that sufficient funds are available to meet future obligations.

With the continuance of the COVID-19 Pandemic the charity continues to instigate an effective business continuity plan to ensure that team members could work safely and effectively during the COVID-19 pandemic. This enabled the Trustees and the SMT to balance care of our staff and volunteers with the care of the collection. This included a collaborative team approach to detailed risk assessments following which home working was instigated, maintaining only a skeleton crew on site to provide security and care for the collection and gardens.

STRUCTURE, GOVERNANCE AND MANAGEMENT

1) Constitution

The charitable company is governed by its Memorandum and Articles of Association which were adopted on 10 December 2015.

The Board of Trustees of the Museum shall consist of the following:

- four nominated Trustees
- up to six co-opted Trustees

Nominated Trustees are appointed as follows:

- one by the Zoological Society of London
- one by the British Museum
- one by the Natural History Museum
- one by the University of Kent

Co-opted Trustees must be persons able by reason of their qualifications, knowledge or experience to assist in promoting the objects of the charity.

2) Method of appointment or election of Trustees

Trustees are recruited from a wide range of backgrounds to ensure an appropriate mix of skills and experience. They are appointed in accordance with the current Scheme.

3) Policies adopted for the induction and training of Trustees

Upon their appointment each new trustee would receive a copy of the latest accounts, the Charity Commission Schemes and any relevant policies.

4) Pay policy for senior staff

Our principles are to pay our senior staff a fair salary that is competitive within the charity and museums sector, proportionate to the complexity of each role, and responsible in line with our charitable objectives. From these principles, we have defined our pay policy:

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- a) Pay all staff within the appropriate band recommended by the Museum Association Salary guidelines of 2009, but do not compete on pay with the public or private sectors
- b) Meet all national pay standards, and provide all paid staff with a living wage
- c) Communicate the spread of pay through the organisation to our staff and to the public
- d) Pay our staff an appropriate salary to attract and retain people with the leadership, experience, knowledge and skills required to lead the transformation we are undergoing

5) Organisational structure and decision making

The powers of the Trustees include the raising of funds, the publishing of audited accounts, the care of the collections, the acquisition or disposal of objects, the appointment of staff, the purchase of appropriate insurance cover and the exchange of information with other institutions and statutory bodies.

Trustees must hold at least three ordinary board meetings and an annual general meeting in each twelve-month period. Such meetings require at least fourteen days' notice. Extraordinary meetings may be called by the Chairman or by any two Trustees and require at least ten days' notice.

6) Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place, or are being addressed, to mitigate our exposure to major risks.

The primary risk facing The Powell-Cotton Trust is the successful conclusion of negotiations to secure the inheritance due to the Trust. The risk register is regularly reviewed to mitigate exposure to such risk.

7) Plans for future periods

Work on the Reimagining Programme laid out above (pages 3-4) will continue for the next year.

a) Future developments

Throughout the 're-imagining' project there are a number of exciting initiatives and development:

- i) The restoration of the Walled Garden, starting with the Winter Garden Glass House
- ii) Decolonisation of the Museum listening to the unheard voices that have been silenced
- iii) The development of the 'Sunshine' garden project working with local groups and organisations through Kent to ensure equity in access to the Garden
- iv) Trustee recruitment to meet identified skills shortages and to better represent the demographic of the collections
- v) A new collection storage strategy and buildings
- vi) Accreditation (expected March 2022)
- vii) Trustee recruitment

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Statement of Trustees Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charitable company for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

This report was approved by the Trustees on 21 January 2022

On behalf of the Trustees



Clare Valentine, Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POWELL-COTTON TRUST

Opinion

We have audited the financial statements of the Powell-Cotton Trust ('the company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities (including the Summary Income and Expenditure Account) 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 Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POWELL-COTTON TRUST (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POWELL-COTTON TRUST (continued)

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 charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, 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 charitable company 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.
- 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 charitable company'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 charitable company'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 charitable company 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POWELL-COTTON TRUST
(continued)

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

Moore Kingston Smith LLP

James Cross (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date 28 January 2022
Devonshire House
60 Goswell Road
London
EC1M 7AD

THE POWELL-COTTON TRUST
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	2	407,770	9,003	416,773	612,269
Charitable activities	3	(253)	-	(253)	97,688
Other trading activities	4, 5	4,408	-	4,408	34,469
Investments	6	64,760	-	64,760	116,129
Total income		<u>476,685</u>	<u>9,003</u>	<u>485,688</u>	<u>860,555</u>
Expenditure on:					
Raising funds	7	4,043	-	4,043	15,945
Charitable activities	8	931,557	6,825	938,382	1,063,380
Total expenditure		<u>935,600</u>	<u>6,825</u>	<u>942,425</u>	<u>1,079,325</u>
Net income/(expenditure) before investment gains/(losses)		(458,915)	2,178	(456,737)	(218,770)
Net gains/(losses) on investments	12	251,482	-	251,482	(158,956)
Transfer between funds	17	(8,944)	8,944	-	-
Net income/(expenditure) and movement in funds		<u>(216,377)</u>	<u>11,122</u>	<u>(205,255)</u>	<u>(377,726)</u>
Reconciliation of funds:					
Total funds brought forward	17	3,181,771	15,783	3,197,554	3,575,280
Total funds carried forward	17	<u>2,965,394</u>	<u>26,905</u>	<u>2,992,299</u>	<u>3,197,555</u>

THE POWELL-COTTON TRUST
BALANCE SHEET
as at 31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed Assets					
Tangible assets	11		697,066		675,431
Investments	12		<u>1,225,469</u>		<u>1,301,290</u>
			1,922,535		1,976,721
Current Assets					
Stock	13	9,299		6,846	
Debtors	14	778,083		757,999	
Investments	15	34		34	
Cash at bank and in hand		<u>348,972</u>		<u>558,530</u>	
		1,136,388		1,323,409	
Creditors: Amounts falling due within one year	16	<u>(66,624)</u>		<u>(102,576)</u>	
Net Current Assets			<u>1,069,764</u>		<u>1,220,833</u>
Net Assets	18		<u><u>2,992,299</u></u>		<u><u>3,197,554</u></u>
Funds					
Restricted funds	17		26,905		15,783
Unrestricted funds	17		2,965,394		3,181,771
Total charity funds	17		<u><u>2,992,299</u></u>		<u><u>3,197,554</u></u>

The notes on pages 18 to 29 form part of these accounts

Approved by the trustees on 21/01/22 and signed on their behalf by:



C Valentine

Chair of the Board

THE POWELL-COTTON TRUST
STATEMENT OF CASH FLOWS
for the year ended 31 March 2021

	Note	2021 £	2020 £
Cash generated from operating activities			
Net cash used in operating activities	18	<u>(559,700)</u>	<u>(835,184)</u>
Cash flows from investing activities			
Dividends, interest and rent from investments		64,760	116,129
Investment management fees		(5,212)	(5,212)
Purchase of property, plant and equipment		(36,709)	(54,315)
Proceeds from the sale of investments		560,209	574,333
Purchase of investments		<u>(232,906)</u>	<u>(206,472)</u>
Net cash provided by investing activities		350,142	424,463
Change in cash and cash equivalents in the reporting period		<u>(209,558)</u>	<u>(410,721)</u>
Cash and cash equivalents at the beginning of the reporting period		558,530	969,251
Cash and cash equivalents at the end of the reporting period		<u><u>348,972</u></u>	<u><u>558,530</u></u>
Reconciliation of net movement in funds to net cash flow from operating activities			
		2021 £	2020 £
Net expenditure for the year (as per the Statement of Financial Activities)		(205,255)	(377,726)
Adjustment for:			
Depreciation charges		16,073	20,801
Investment management fees		5,212	5,212
Disposal of fixed assets		(1,000)	-
Gains/(losses) on investments		(251,482)	158,956
Dividends, interest and rent from investments		(64,760)	(116,129)
(Increase)/decrease in stock		(2,453)	2,557
(Increase)/decrease in debtors		(20,084)	(578,436)
Increase/(decrease) in creditors		(35,951)	49,581
Net cash provided by/(used in) operating activities		<u><u>(559,700)</u></u>	<u><u>(835,184)</u></u>
Analysis of cash and cash equivalents		2021 £	2020 £
Cash in hand and at bank		201,057	478,197
Cash held by investment manager		<u><u>147,915</u></u>	<u><u>80,333</u></u>

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

1 Accounting Policies

Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes of these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011.

The Powell-Cotton Trust constitutes a public benefit company as defined by FRS 102.

On 18 January 2018 the charitable company received the benefit of the assets, liabilities and undertaking of Powell Cotton Museum, an unincorporated charity of the same name. On the same date the charitable company became the trustee of the unincorporated charity which is now a linked charity under Charity Commission regulations. The unincorporated charity continues to hold certain property and museum assets together with £10,000 cash as permanent endowment, held for the benefit of the charitable company. During the year the charity resolved to release the £10,000 permanent endowment and this is now included in unrestricted funds. The property and museum assets are not recognised in the financial statements as the endowments were conveyed many decades ago. There is no information as to their value when donated, and the amounts involved are now likely to be immaterial.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on income and the impact of Covid-19. As explained more fully in the Trustees Annual Report, the museum has embarked on a re-imagining project to re-focus and clarify its objectives and activities. This involved a planned closure of the museum to the public and work is commencing on the interpretation of the collection. This process was accelerated by the outbreak of the pandemic and although this has inevitably resulted in a loss of income in the short term, the trustees are now receiving regular income from the Estate of Michael Garratt as referred to in note 2 to the financial statements. In addition the trustees are able to draw down on the investment portfolio if necessary. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future, and there are no material uncertainties affecting this assumption. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

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.

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

1 Accounting Policies (continued)

Income

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

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

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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 direct costs and shared costs, including support costs, of 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. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets' use.

Tangible fixed assets and depreciation

Tangible fixed assets in excess of £1,000 are capitalised at cost. 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 basis:

No depreciation is provided on building additions as these are maintained to a high standard and therefore have a very long estimated useful life. Consequently any annual or accumulated depreciation would not be material to the financial statements.

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

1 Accounting Policies (continued)

Tangible fixed assets and depreciation (continued)

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.

Part of Quex House	Nil
Plant and machinery	25% straight line
Fixtures and fittings	25% straight line
Computer equipment	33% straight line
Fire alarm system	4% straight line
Extension to Museum	Nil
Tea Rooms	10% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Interest receivable

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

Debtors

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

Cash at bank and in hand

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

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 charity anticipates it will pay to settle the debt or the amount it has received as advance 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 discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

1 Accounting Policies (continued)

Financial instruments

The charity 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.

Heritage Assets

Heritage assets comprise the Museum's collections of natural history exhibits and associated artefacts, ceramics, furniture, artworks and other items largely collected by Percy Powell-Cotton and his family. Further details concerning the nature and extent of the collection are provided on the Museum's website. No value is attributed to the collections as reliable historical cost information is not available and due to the uniqueness of much of the collection, particularly the dioramas, conventional valuation techniques are either not appropriate or cannot be obtained at a cost commensurate with the benefit that might be derived by users of the accounts. Therefore the trustees have adopted a non-recognition approach as permitted by FRS 102. Expenditure on preservation and restoration of the collection is written off in the Statement of Financial Activities as it is incurred.

The Museum's collections were substantially assembled by Percy Powell-Cotton and his family in the late 1800's to early 1900's. Percy Powell-Cotton was a pioneer in the use of the diorama to display mounted animals against backdrops of their natural habitats. The Powell-Cotton Museum's natural history dioramas are outstanding examples, unique to the UK, stunning for their size, quality and imagery. The world-class natural history and ethnographical collections continue to support the study, understanding and simple enjoyment of the zoological, cultural and ecological diversity of Africa and the Indian sub-continent.

Other galleries in the museum contain Asian weaponry, a range of ceramics, jade and ivory from Europe, China and Japan, assembled by six generations of the Powell-Cotton family. Further details of the nature and extent of the collections are available on the Museum's website <http://www.quexpark.co.uk/museum/collections.html>.

The definition of numbers in a collection is fairly arbitrary as single items accessioned may comprise a wide range of artefacts, components or supporting papers. However, this list reflects how they are accessioned in museum records.

Category	Estimated number of items as at 31/03/21
Archives, Photographs, Films	82,045
Ethnography	18,550
Natural History	17,441
Archaeological	8,000
Furniture, paintings and ceramics	1,679
Weapons	1,230
Social History	460
Total	129,405

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

1 Accounting Policies (continued)

Acquisitions and disposals policy

The collections are very much the work of one family and it is rare for the Trustees to make acquisitions or disposals of objects from the collection unless the Trustees are satisfied that this does not detract from the integrity of the collection. There is a strong presumption against the disposal of any accessioned items in the Museum's collection except for sound curatorial and/or collections management reasons. There have been no material acquisitions or disposals since April 2010.

Collections management

The trustees' primary objective is to safeguard and develop the collections so that they can be made as accessible as possible now and in the future. This objective is delivered through programmes of displays, events, publications websites, fieldwork, research, documentation and collections care. Objects from the collection are either displayed in the museum and on our website, or made available via loans to third parties, or else they are held in our collections stores for research and future use.

Storage and Care

The collection is displayed and stored according to recognised international standards for the prevention of material deterioration.

Library and archive storage facilities and exhibitions are based upon and informed by the requirements of BS 5454 and The National Archives Standard for Record Repositories.

Documentation

Objects in the collection are documented in accordance with Arts Council England requirements and SPECTRUM.

The Museum will:

- have secure title to all objects in the collection;
- hold basic data on every object so that it can be uniquely identified and the collection audited regularly;
- ensure records relating to objects in the collection are enhanced and made available to audiences where appropriate.

**THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021**

1 Accounting Policies (continued)

Non inclusion of Heritage Assets in the Balance Sheet

In the opinion of the Trustees, reliable information on cost or value is not available for the Museum's collections acquired prior to April 2010. This is owing to the lack of reliable information on purchase cost; the lack of comparable market values; the diverse nature of the objects; and the volume of items held.

In the Trustees' opinion, conventional valuation approaches lack sufficiently reliability and any valuation is likely to incur significant cost and a time commitment that is likely to be onerous. Even if valuations could be obtained the cost would not be commensurate with any benefits to the Museum management, curatorial staff, the public, or users of the financial statements

For this reason the Collections which were almost entirely gifted to the Museum at nil cost many years ago, and are incomparable in nature, are not recognised as assets in the Museum's Balance Sheet.

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

2 Donations and legacies

	Unrestricted	Restricted	2021	2020
Year to 31 March 2021	£	£	£	£
Donations	200		200	282
Grants	17,396	9,003	26,399	17,437
Legacies	390,174	-	390,174	594,550
Development projects	-	-	-	-
Total donations and legacies	407,770	9,003	416,773	612,269

For the year ended 2020 there were £17,044 restricted donations and legacies.

Contingent Asset

At 31 March 2021 the Trustees were aware of their entitlement to a half share in the assets of the Quex Park Settled Estate following the death of the former life tenant in April 2016. The value of the Trust's share is estimated to be in the region of £25 million; however the distribution of the Estate is a complex process and the Trustees are not currently in a position to ascertain the likely amount receivable or the timing of the receipt. The Trust's share of the income from the Estate is being distributed by the Administrators and is included within Legacy income above.

3 Charitable activities

	Unrestricted	Restricted	2021	2020
Year to 31 March 2021	£	£	£	£
Admissions income	140	-	140	88,936
Membership income	(393)	-	(393)	8,752
	(253)	-	(253)	97,688

4 Fundraising Income

	Unrestricted	Restricted	2021	2020
Year to 31 March 2021	£	£	£	£
Catering income	-	-	-	28,948
Function income	1,587	-	1,587	6,363
	1,587	-	1,587	35,311

5 Activities for generating funds - shop sales

	Unrestricted	Restricted	2021	2020
Year to 31 March 2021	£	£	£	£
Shop sales	44	-	44	17,801
Shop purchases	2,777	-	2,777	(18,643)
Gross profit from shop sales	2,821	-	2,821	(842)

In 2020, of the total income from activities for generating funds, £842 was to unrestricted funds and £nil was to restricted funds.

6 Investment income

	Unrestricted	Restricted	2021	2020
Year to 31 March 2021	£	£	£	£
Gross dividends and interest	45,664	-	45,664	109,513
Rental income	19,096	-	19,096	6,616
Sundry interest	-	-	-	-
	64,760	-	64,760	116,129

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

7 Costs of raising funds

Year to 31 March 2021	Unrestricted £	Restricted £	2021 £	2020 £
Advertising and promotion	(1,351)	-	(1,351)	10,733
Investment management fees	5,394	-	5,394	5,212
	<u>4,043</u>	<u>-</u>	<u>4,043</u>	<u>15,945</u>

In 2020, of the total costs of generating voluntary income, £15,945 was to unrestricted funds and £nil was to restricted funds.

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Direct costs				
Rent	17	-	17	8,386
Rates and water	882	-	882	1,811
Insurances	20,366	125	20,491	28,777
Upkeep of garden and grounds	2,090	-	2,090	4,710
Electricity and oil	26,455	-	26,455	28,922
Repairs and renewals	76,049	466	76,515	49,725
Sundry expenses	21,196	222	21,418	11,659
Security	8,258	-	8,258	-
Travelling and subsistence	9,912	471	10,383	8,994
Function costs	-	-	-	6,840
Postage, stationery and telephone	6,999	-	6,999	7,808
IT Support	20,995	5,541	26,536	-
Consultancy fees	57,232	-	57,232	70,756
Equipment hire	-	-	-	(38)
Education expenses	-	-	-	2,308
Museum conservation	-	-	-	-
Contractors' fees	2,530	-	2,530	3,812
Wages and salaries	467,197	-	467,197	435,911
National insurance	37,522	-	37,522	32,014
Employer's pension	11,447	-	11,447	10,568
Health and safety	5,375	-	5,375	-
Cleaning	3,557	-	3,557	-
Bad debt	-	-	-	10,680
Depreciation	16,073	-	16,073	20,801
	<u>794,152</u>	<u>6,825</u>	<u>800,977</u>	<u>744,444</u>
Support costs				
Bookkeeping and accountancy	15,092	-	15,092	11,337
Bank charges	617	-	617	2,557
Computer costs	6,278	-	6,278	5,765
	<u>21,987</u>	<u>-</u>	<u>21,987</u>	<u>19,659</u>
Governance costs				
Auditors remuneration	7,950	-	7,950	6,950
Professional fees	107,468	-	107,468	292,327
	<u>115,418</u>	<u>-</u>	<u>115,418</u>	<u>299,277</u>
Total	<u>931,557</u>	<u>6,825</u>	<u>938,382</u>	<u>1,063,380</u>

In 2020: £1,061,749 was from unrestricted funds and £1,631 was from restricted funds.

During the year, no Trustees received any remuneration (2020- £nil)

During the year, no Trustees received any benefits in kind (2020- £nil)

During the year, no Trustees (2020- four) received reimbursement of expenses totalling £nil (2020 - £864) relating to travel and subsistence.

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

9 Net income/(expenditure)

This is stated after charging/(crediting) the following:

	2021	2020
	£	£
Auditor's remuneration -		
Audit fees	7,950	6,950
Accountancy, taxation and other services	2,900	2,800
Depreciation	16,073	20,801
	<u>16,073</u>	<u>20,801</u>

During the year, no Trustees received any remuneration, benefits in kind or reimbursement of expenses (2020-£nil).

10 Staff costs

Staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	467,197	435,911
Social security costs	37,522	32,014
Pension costs	11,447	10,568
	<u>516,166</u>	<u>478,493</u>

The average number of employees during the year was:

	2021	2020
	No.	No.
	<u>32</u>	<u>32</u>

The number of employees whose remuneration as defined for taxation purposes above £60,000 was 1 (2020: nil).

There was 2 (2020: nil) employees granted redundancy payments in the year totalling £1,325 (2020: £nil).

The total employment benefits including employer national insurance and pension contributions for the key management personnel were £223,956 (2020: £120,781).

11 Tangible fixed assets

	Part of Quex House	Alarm System	Furniture, fittings and equipment	Computer equipment	Extension to Museum & Tea Rooms	Total
	£	£	£	£	£	£
Cost						
At 1 April 2020	14,067	52,760	63,793	14,662	622,360	767,642
Additions	-		1,865	35,843	-	37,708
Disposals	-		(1,000)	-	-	(1,000)
At 31 March 2021	<u>14,067</u>	<u>52,760</u>	<u>64,658</u>	<u>50,505</u>	<u>622,360</u>	<u>804,350</u>
Depreciation						
At 1 April 2020	-	879	62,746	14,572	14,014	92,211
Charge for the year	-	2,110	1,513	12,038	412	16,073
On disposals	-		(1,000)	-	-	(1,000)
At 31 March 2021	<u>-</u>	<u>2,989</u>	<u>63,259</u>	<u>26,610</u>	<u>14,426</u>	<u>107,284</u>
Net Book Value						
At 31 March 2021	<u>14,067</u>	<u>49,771</u>	<u>1,399</u>	<u>23,895</u>	<u>607,934</u>	<u>697,066</u>
At 31 March 2020	<u>14,067</u>	<u>51,881</u>	<u>1,047</u>	<u>90</u>	<u>608,346</u>	<u>675,431</u>

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

12 Fixed Asset Investments

	Listed investments	Unquoted Investment	Total
	£	£	£
Market value	1,237,892	63,398	1,301,290
At 1 April 2020			
Additions	232,906	-	232,906
Disposals	(560,209)	-	(560,209)
Revaluations	251,482	-	251,482
At 31 March 2021	<u>1,162,071</u>	<u>63,398</u>	<u>1,225,469</u>
Historical cost	<u>1,038,117</u>	<u>-</u>	<u>1,038,117</u>

Valuation

The unquoted investment above is stated at cost. Listed investments are stated at market value.

No individual investments were material to the portfolio.

13 Stocks

	31 March 2021	31 March 2020
	£	£
Finished goods and goods for resale	9,299	6,846
	<u>9,299</u>	<u>6,846</u>

14 Debtors

	2021	2020
	£	£
Trade debtors	231	3,671
Other debtors	<u>777,852</u>	<u>754,328</u>
	<u>778,083</u>	<u>757,999</u>

15 Current asset investments

	2021	2020
	£	£
COIF Charities Deposit Fund	<u>34</u>	<u>34</u>

16 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	36,027	28,326
Taxation and social security	10,498	17,998
Other creditors	9,141	4,850
Accruals and deferred income	<u>10,958</u>	<u>51,402</u>
	<u>66,624</u>	<u>102,576</u>

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

17 Statement of funds

Year ended 31 March 2021	Brought Forward	Income	Expenditure	Gains/ (losses)/ transfers	Carried forward
	£	£	£	£	£
Unrestricted funds					
Income Account	1,188,154	476,685	(935,600)	(8,944)	720,295
Capital Account	1,993,617	-	-	251,482	2,245,099
Total unrestricted	3,181,771	476,685	(935,600)	242,538	2,965,394
Restricted funds					
Devolving Restitution Fund c/f	-	2,500			2,500
AIM Tackling Inequalities Grant	-	3,503	(688)		2,815
Sensory HUB	-	-	(5,541)	8,944	3,403
Namibian Narratives	11,783		(328)		11,455
Making African Connections	4,000	3,000	(268)		6,732
Total restricted funds	15,783	9,003	(6,825)	8,944	26,905
Total funds	3,197,554	485,688	(942,425)	251,482	2,992,299

During the year the status of the restricted funds was reviewed and it was ascertained that these funds had been expended on the purposes for which they were intended in previous years. Accordingly the balances brought forward have been transferred to unrestricted funds where appropriate.

Year ended 31 March 2020

Unrestricted funds					
Income Account	1,342,904	843,342	(1,077,694)	79,602	1,188,154
Capital Account	2,152,573	-	-	(158,956)	1,993,617
Total unrestricted	3,495,477	843,342	(1,077,694)	(79,354)	3,181,771
Restricted funds					
HLF - World War 1	6,896	-	-	(6,896)	-
AIM Stores	4,689	-	-	(4,689)	-
ACE - Securing the Future of Our	4,830	-	-	(4,830)	-
Uniques Project	31	-	-	(31)	-
AIM - Statues Project	3,059	-	-	(3,059)	-
100 Objects Project	16,984			(16,984)	-
Rolling garden fund	100		-	(100)	-
Development projects	12,719			(12,719)	-
Namibian Narratives		13,044	(1,261)		11,783
Making African Connections		4,000			4,000
Friends of Quex		169	(370)	201	-
Volunteer Development Project	30,495	-	-	(30,495)	-
Total restricted funds	79,803	17,213	(1,631)	(79,602)	15,783
Total funds	3,575,280	860,555	(1,079,325)	(158,956)	3,197,554

THE POWELL-COTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tangible fixed assets	697,066	-	697,066	675,431
Fixed asset investments	1,225,469	-	1,225,469	1,301,290
Current assets	1,109,483	26,905	1,136,388	1,323,409
Creditors due within one year	(66,624)	-	(66,624)	(102,576)
Total Funds	2,965,394	26,905	2,992,299	3,197,554

19 Related party transactions

The charity owns 47.08% of the issued share capital in The Quex Park Estates Company Limited. The charity exercises no significant control over the operations of this company and the accounts have not therefore been consolidated. The Quex Park Estates Company Limited is incorporated in the United Kingdom and its principal activity is farming and estate management. At 31 March 2020 the charity owed £5,418 (2020-£5,418) to The Quex Park Estates Company Limited.

20 Operating leases

At the reporting date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2021 £	2020 £
Within one year	1,362	1,362
Between two and five years	1,021	2,381
	2,383	3,743

21 Capital Commitment

As at 31 March 2021 the charity had capital commitments of £nil (2020 £34,334) in relation to the commission of IT Infrastructure.