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Charity Registration No. 273064

**THE FUSILIERS MUSEUM OF NORTHUMBERLAND
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J. Armstrong (Chairman) Ms Clare Baxter Mr G. Castle Lady Victoria Percy Mr N. Salvesen Mr A. Wilson
Ex-officio Trustees	The Duke of Northumberland Col. A Gawthorpe
Charity number	273064
Principal address	The Abbot's Tower Alnwick Castle Alnwick Northumberland NE66 1NG
Independent examiner	Colin Frame CA 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ
Bankers	Lloyds 24 Bondgate Within Alnwick Northumberland NE66 1TD

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

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THE FUSILIERS MUSEUM OF NORTHUMBERLAND

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and accounts for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The objectives of the Trust are:-

- a) To hold the regimental collection, preserving, safeguarding and displaying the articles to their best possible advantage.
- b) To apply funds at their disposal to acquire uniforms, medals, pictures, books, manuscripts, maps, documents and other articles suitable to enhance the collection.
- c) To uphold the traditions of the Regiment.

The trustees have paid due regard to guidance issued by the charity commission in deciding what activities the trust should undertake.

Achievements and performance

Review of Activities

The Fusiliers Museum reopened on the 17th of May, as did Alnwick Castle, as soon as relaxation of the relevant regulations for the pandemic permitted. Despite the shorter season, and restrictions on Castle visitor numbers given the pandemic, the Museum still recorded 58,364 visitors, about two-thirds of normal numbers. Front of House staff stayed outside at the Museum entrance to welcome visitors and manage the numbers entering to allow for social distancing; this and other adaptations worked well, and Front of House and Museum staff are to be congratulated on their success. Visitor feedback was most encouraging.

The Museum was successful in an application to the government's Cultural Recovery Fund, administered by the Arts Council, and received an award of £25,000. It was used for three principal approved purposes: an invaluable contribution to Front of House staff costs to support reopening; investment in a handsome sentry-box to advertise the museum's presence and attract visitors (and provide a photo opportunity); the creation of six imaginative short films. The films presented the stories of seven individuals in the Regiment selected from the 18th century to the present, for wide circulation on the website and other media, and to support outreach and learning activities. The films were launched at a postponed event to celebrate the 50th anniversary of the opening of the Fusiliers Museum at the Castle in 1970.

The Museum initiated a radically improved engagement with social media, managed by a well-qualified former member of the Front of House team. This was complemented by an excellent report on the development of social media at the Museum from a Fine Art undergraduate at Newcastle University, supported by a bursary from the University and mentored by the Museum's Learning and Outreach Officer. The traditional St George's Day Newsletter commemorated the 70th anniversary of the Battle of the Imjin in the Korean War and the service of the Royal Northumberland Fusiliers.

Investment policy

The Trust Deed allows the trustees to invest funds in any investment they think fit, at their absolute discretion.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

The statement of financial activities for the year is set out on page 6. This shows a profit for the year of £18,486 (2020 £12,549 loss).

Net assets of the fund at 31st December 2021 were £227,351 (2020 £208,866) of which £20,737 were capital endowment funds (2020 £20,737).

Reserves

The trustees have reviewed the reserves of the charity. The review considered the nature of the income and expenditure streams and concluded that the reserves held are sufficient to maintain and preserve the Regimental collection and allow the charity to be managed efficiently. The trustees feel that the cash at bank of £114,452 is adequate to cover immediate needs, as it represents over 6 months of routine expenditure.

Financial sustainability

The museum ended the year with a significant surplus. This was despite a large fall in visitor numbers, from 90,912 visitors in 2019 (the museum was closed in 2020) to 58,364 in 2021, as a result of the pandemic.

Three awards designed to enable the museum to meet the challenges of the pandemic compensated in full for the shortfall in normal visitor entrance fees. The awards were an exceptional £15,000 grant from the Regiment; £25,000 from the government's Cultural Recovery Fund, of which £9,000 was designated to cover operational staff costs and £16,000 was allocated to recovery development projects; and a final claim of £1,100 from the government's furlough scheme. Referring to operational costs, these three awards, in round figures £25,000, covered the shortfall in the visitor fees, and ensured the museum's financial sustainability in 2021.

In addition, the museum received two unexpected and exceptional donations: a most generous legacy of £10,000 from Peter Bucknall, a former officer of the Royal Northumberland Fusiliers, and a most generous further unrestricted donation of £5,675 from a donor who wishes to remain anonymous. Both are credited to the Refurbishment Fund for future projects and redevelopment.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The trustees have normally considered reserves at this level would ensure that, in the event of a significant drop in funding, they would be able to continue the trust's current activities while consideration was given to ways in which additional funds might be raised. The museum's current reserves are equivalent to not less than twelve months' expenditure, and underpin the sustainability of the museum.

However, going forward, sustainability will depend on a return to the previous consistent level of visitor numbers, which should happen; at the same time the museum will also need to find ways of increasing income significantly in response to rising wage costs and inflationary pressures.

Public Benefit

In considering the operation, achievement and performance and finances of the charity, the trustees are satisfied that public benefit has been provided in accordance with the Charities Act 2011 and guidance provided by the Charity Commission.

Risk review

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to other major risks.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Independent examiners

A resolution proposing that C. M. Frame, Partner in Greaves West & Ayre be re-appointed as Independent Examiner of the charity will be put to the Annual General Meeting.

Structure, governance and management

Constitution

The charitable trust was set up on 7th February 1977 and is governed by the terms of its Declaration of Trust, as varied by schemes in 1992, 2001 and a resolution in 2001 and 2018.

Governing Body

The trust's affairs are under control of the trustees, who are responsible for all transactions and matters relating to the trust. The Duke of Northumberland and the Regimental Colonel Northumberland are ex-officio trustees. There are up to seven co-opted trustees, who are co-opted by the serving trustees, and are generally appointed for a term of four years.

The trustees who served during the year are as stated below:

The Duke of Northumberland

Mr J. Armstrong (Chairman)

Ms Clare Baxter

Lady Victoria Percy

Mr G. Castle

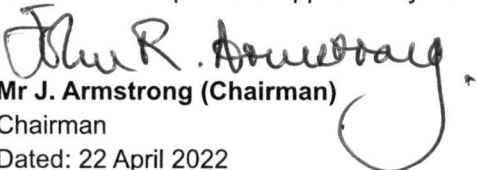
Mr Neil Salvesen

Col. A Gawthorpe

Mr Alisdair Wilson

(Appointed 12 November 2021)

The trustees' report was approved by the Board of Trustees.


Mr J. Armstrong (Chairman)
Chairman
Dated: 22 April 2022

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE FUSILIERS MUSEUM OF NORTHUMBERLAND

I report to the trustees on my examination of the financial statements of The Fusiliers Museum of Northumberland (the trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

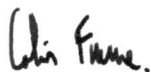
I report in respect of my examination of the trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 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.

I have no other 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.



Colin Frame CA

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

Dated: 22 April 2022

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>						
Donations and legacies	3	37,473	1,500	27,028	66,001	24,892
Income from charitable activities	4	27,940	-	-	27,940	1,267
Other trading activities	5	970	-	-	970	586
Investments	6	515	-	-	515	1,214
Other	7	1,188	-	-	1,188	8,797
Total income and endowments		68,086	1,500	27,028	96,614	36,756
<u>Expenditure on:</u>						
Raising funds	8	2,015	-	-	2,015	1,512
Charitable activities	9	53,973	27	30,048	84,048	55,499
Total expenditure		55,988	27	30,048	86,063	57,011
Net gains on investments	13	7,935	-	-	7,935	7,706
Net incoming/(outgoing) resources before transfers		20,033	1,473	(3,020)	18,486	(12,549)
Gross transfers between funds		(406)	-	406	-	-
Net movement in funds		19,627	1,473	(2,614)	18,486	(12,549)
Fund balances at 1 January 2021		103,872	77,468	27,525	208,866	221,415
Fund balances at 31 December 2021		123,499	78,941	24,911	227,351	208,866

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

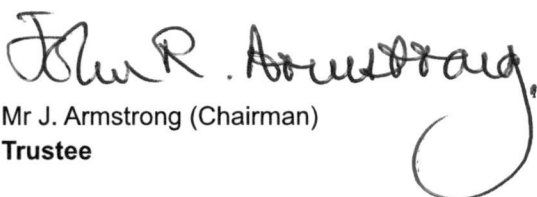
THE FUSILIERS MUSEUM OF NORTHUMBERLAND

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14		9,598		11,239
Investments	15		96,618		90,659
			<u>106,216</u>		<u>101,898</u>
Current assets					
Stocks	17	3,031		3,723	
Debtors	18	8,287		811	
Cash at bank and in hand		114,452		106,304	
		<u>125,770</u>		<u>110,838</u>	
Creditors: amounts falling due within one year	19	(4,635)		(3,870)	
Net current assets			121,135		106,968
Total assets less current liabilities			<u>227,351</u>		<u>208,866</u>
Income funds					
Restricted funds	20		24,911		27,526
Unrestricted funds - designated	21		78,941		77,468
Unrestricted funds - general			123,499		103,872
			<u>227,351</u>		<u>208,866</u>

The financial statements were approved by the Trustees on 22 April 2022


Mr J. Armstrong (Chairman)
Trustee

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

The Fusiliers Museum of Northumberland is a registered charity with the Charities Commission, which is administered by its own governing documents.

1.1 Accounting convention

The accounts have been prepared under the historical cost convention.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Resources expended

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. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis. Costs are allocated to appropriate headings, based on the activities to which they are attributable.

Costs of generating funds are the cost of goods sold in the museum shop.

Support costs are those incurred directly in support of expenditure on the objectives of the charity.

Management and administration costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Storage equipment	20% Straight Line
Office and computer equipment	33.33% Straight Line
Artefacts	Nil

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Fund accounting

The General Fund is an unrestricted fund which is available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 cost 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.

Endowment funds are restricted capital funds, which must be held indefinitely, and where there is no power to convert the original capital into income. The costs of administering such funds can be charged against the fund.

2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and gifts	11,930	-	-	11,930	17,953
Legacies receivable	10,000	-	-	10,000	-
Grants	15,543	-	27,028	42,571	5,439
Conservation	-	1,500	-	1,500	1,500
	<u>37,473</u>	<u>1,500</u>	<u>27,028</u>	<u>66,001</u>	<u>24,892</u>
For the year ended 31 December 2020	<u>21,205</u>	<u>1,500</u>	<u>2,187</u>		<u>24,892</u>

4 Income from charitable activities

	Income from charitable activities 2021 £	Income from charitable activities 2020 £
Visitor entrance fees	25,882	-
Research fees	2,058	1,267
	<u>27,940</u>	<u>1,267</u>

5 Other trading activities

	Unrestricted funds general 2021 £	Total 2020 £
Shop sales	<u>970</u>	<u>586</u>

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Investments

	Unrestricted funds general 2021 £	Total 2020 £
Investment income	305	337
Interest receivable	210	877
	<u>515</u>	<u>1,214</u>

7 Other

	Unrestricted funds general 2021 £	Total 2020 £
Other income	77	-
Government furlough scheme	1,111	8,797
	<u>1,188</u>	<u>8,797</u>

8 Raising funds

	Unrestricted funds general 2021 £	Total 2020 £
<u>Raising funds</u>		
Opening stock - shop	3,723	2,455
Shop purchases and donated goods	241	1,795
Closing shop - stock	(3,031)	(3,723)
	<u>933</u>	<u>527</u>
Raising funds		
Investment management	1,082	985
	<u>2,015</u>	<u>1,512</u>

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Charitable activities

	Charitable Activities £	Other £	Total 2021 £	Total 2020 £
Staff costs	52,922	-	52,922	40,289
Office and computer equipment	2,038	-	2,038	3,094
Storage equipment	1,301	-	1,301	1,301
Conservation	905	-	905	1,020
Redevelopment project costs	15,629	-	15,629	2,730
Computer software and consumables	-	657	657	1,602
Rent	246	850	1,096	850
Insurance	-	1,015	1,015	993
Repairs and cleaning	-	2,070	2,070	78
Travel expenses	-	35	35	100
Postage, stationery and telephone	-	797	797	843
Advertising	-	1,501	1,501	75
General administration expenses	-	391	391	253
Bank charges	-	226	226	101
Share of governance costs (see note 10)	-	3,465	3,465	2,170
	<u>73,041</u>	<u>11,007</u>	<u>84,048</u>	<u>55,499</u>
Analysis by fund				
Unrestricted funds - general	44,256	9,717	53,973	
Unrestricted funds - designated	27	-	27	
Restricted funds	28,758	1,290	30,048	
	<u>73,041</u>	<u>11,007</u>	<u>84,048</u>	
For the year ended 31 December 2020				
Unrestricted funds - general	40,786	7,065		47,851
Unrestricted funds - designated	3,750	-		3,750
Restricted funds	3,898	-		3,898
	<u>48,434</u>	<u>7,065</u>		<u>55,499</u>

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Accountancy	-	3,465	3,465	-	2,170	2,170
	<u>-</u>	<u>3,465</u>	<u>3,465</u>	<u>-</u>	<u>2,170</u>	<u>2,170</u>
	<u>-</u>	<u>3,465</u>	<u>3,465</u>	<u>-</u>	<u>2,170</u>	<u>2,170</u>
Analysed between Charitable activities	-	3,465	3,465	-	2,170	2,170
	<u>-</u>	<u>3,465</u>	<u>3,465</u>	<u>-</u>	<u>2,170</u>	<u>2,170</u>

Included in Accountancy is £750 relating to independent examination fees (2020 £750) and £2,715 relating to Accountancy and Trustee meeting attendance (2020 £1,420).

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2020- £Nil).

The total amount of donations received without condition from Trustees or other related parties during the year was £240 (2020 £240).

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration	3	3
	<u>3</u>	<u>3</u>

Employment costs

	2021 £	2020 £
Wages and salaries	50,569	38,529
Other pension costs	2,353	1,760
	<u>52,922</u>	<u>40,289</u>

There were no employees whose annual remuneration was £60,000 or more.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Net gains/(losses) on investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Revaluation of investments	7,800	7,706
Gain/(loss) on sale of investments	135	-
	<u>7,935</u>	<u>7,706</u>

14 Tangible fixed assets

	Storage equipment £	Office and computer equipment £	Artefacts £	Total £
Cost				
At 1 January 2021	18,551	18,841	6,400	43,792
Additions	-	1,698	-	1,698
At 31 December 2021	<u>18,551</u>	<u>20,539</u>	<u>6,400</u>	<u>45,490</u>
Depreciation and impairment				
At 1 January 2021	15,523	17,030	-	32,553
Depreciation charged in the year	1,301	2,038	-	3,339
At 31 December 2021	<u>16,824</u>	<u>19,068</u>	<u>-</u>	<u>35,892</u>
Carrying amount				
At 31 December 2021	<u>1,727</u>	<u>1,471</u>	<u>6,400</u>	<u>9,598</u>
At 31 December 2020	<u>3,028</u>	<u>1,811</u>	<u>6,400</u>	<u>11,239</u>

All tangible fixed assets are used for charitable purposes.

The artefacts are stated at current market value at the point they are subsumed into the collection and due to the nature of the assets have not been depreciated for the current year.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 January 2021	89,361	1,298	90,659
Additions	48	2,103	2,151
Valuation changes	7,800	-	7,800
Investment income	-	305	305
Management fees	-	(1,130)	(1,130)
Disposals	(1,967)	(1,200)	(3,167)
	<u>95,242</u>	<u>1,376</u>	<u>96,618</u>
At 31 December 2021	95,242	1,376	96,618
Carrying amount			
At 31 December 2021	<u>95,242</u>	<u>1,376</u>	<u>96,618</u>
At 31 December 2020	<u>89,361</u>	<u>1,298</u>	<u>90,659</u>

16 Financial instruments

2021
£

2020
£

Carrying amount of financial assets

Instruments measured at fair value through profit or loss

95,242

89,361

17 Stocks

2021
£

2020
£

Raw materials and consumables

3,031

3,723

18 Debtors

2021
£

2020
£

Amounts falling due within one year:

Trade debtors

4

4

Other debtors

7,991

503

Prepayments and accrued income

292

304

8,287

811

Included in other debtors is £7,500 (2020 £Nil) in relation to grant income.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	1,760	1,190
Accruals and deferred income	2,875	2,680
	<u>4,635</u>	<u>3,870</u>
	<u><u>4,635</u></u>	<u><u>3,870</u></u>

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds				Balance at 31 December 2021
	Balance at 1 January 2020	Total incoming resources	Total resources expended	Balance at 1 January 2021	Total incoming resources	Total resources expended	Transfers between funds	
	£	£	£	£	£	£	£	£
Capital Endowment Fund	20,737	-	-	20,737	-	-	-	20,737
Fusiliers Aid Society Grant	2,896	-	(1,665)	1,231	-	(1,231)	-	-
Pilgrim Trust and MDNE Conservation Grant	3,484	-	(1,100)	2,384	-	(1,100)	-	1,284
Computer Project (AMOT)	1,086	-	(997)	89	-	(89)	-	-
Gun Safe Grant (AMOT)	634	-	(136)	497	-	(136)	-	361
The Joicey Trust Regimental Colours Grant	400	-	-	400	-	-	-	400
MDNE Firearms Cleaning Grant	-	1,357	-	1,357	-	-	-	1,357
Regimental FAS Covid Grant	-	830	-	830	-	(576)	-	254
MDNE Recovery & Development Grant	-	-	-	-	2,028	(1,510)	-	518
Arts Council Funding (CRF) - Culture Recovery Fund	-	-	-	-	25,000	(25,406)	406	-
	<u>29,237</u>	<u>2,187</u>	<u>(3,898)</u>	<u>27,525</u>	<u>27,028</u>	<u>(30,048)</u>	<u>406</u>	<u>24,911</u>

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Restricted funds

(Continued)

The Fusiliers Aid Society Grant represents donations towards the costs of heaters for the museum.

The Pilgrim Trust and Museum Development North East (MDNE) Conservation Grant represents donations made towards the environmental monitoring equipment for the museum.

The Army Museums Ogilby Trust Computer Grant represents donations towards the costs of new computer equipment for the museum.

The Army Museums Ogilby Trust Gunsafe grant represents donations towards the cost of a gunsafe.

The Joicey Trust Grant represents donations towards making and displaying new graphic images of the Regimental Colours.

The Museum Development North East (MDNE) grant represents donations towards the cleaning of firearms.

The Regimental Fusiliers Aid Society Covid grant represents donations towards the cost of the charity continuing its work during the Covid-19 pandemic and the subsequent reopening of the museum after the national lockdown.

The MDNE Recovery & Development grant represents donations to produce a virtual tour for the charity's website, conservation supplies and an A3 printer/scanner.

The Culture Recovery Fund from The Arts Council Funding represents donations towards providing financial help towards operating costs following Covid closure and for the production of 6 short films for the charity's website and social media.

At 31 December 2021 the balances of Fusiliers Aid Society Grant, Pilgrim Trust and MDNE Conservation Grant, Computer Project, Gun Safe Grant, The Regimental Fusiliers Aid Society Grant, MDNE Recovery & Development Grant and Culture Recovery Grant represent the net book values of those assets purchased with the grants received. As those assets are depreciated each year the restricted fund balances will reduce by the depreciation charged against them until extinguished.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 Unrestricted funds - designated

These are unrestricted funds which are material to the trust's activities made up as follows:

	Movement in funds			Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
Acquisition Fund	6,400	-	-	6,400	-	-	6,400
Conservation Fund	11,628	1,500	(1,020)	12,108	1,500	(27)	13,581
Refurbishment Fund	61,690	-	(2,730)	58,960	-	-	58,960
	<u>79,718</u>	<u>1,500</u>	<u>(3,750)</u>	<u>77,468</u>	<u>1,500</u>	<u>(27)</u>	<u>78,941</u>

The Acquisition Fund is applied to acquire display articles for the regimental collection. The proceeds of any minor items disposed of are credited to this fund, and used to make further acquisitions.

Significant disposal proceeds are allocated to funds at the Trustees' discretion.

The Conservation Fund is used for the preservation of items in the regimental collection. In the year, various amounts have been expended for this purpose and have been charged to this fund accordingly. In previous years conservation equipment has been capitalised with the depreciation charged over 5 years to the Conservation Fund.

The Refurbishment Fund represents donations and transfers designated towards the costs of redeveloping the museum.

Transfers are made from the General Fund to the Designated Fund to cover the excess of expenditure over income in the year, where applicable.

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

22 Analysis of net assets between funds

	Unrestricted Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Designated Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:								
Tangible assets	774	6,400	2,424	9,598	636	6,400	4,203	11,239
Investments	96,618	-	-	96,618	90,659	-	-	90,659
Current assets/(liabilities)	26,107	72,541	22,487	121,135	12,577	71,068	23,323	106,968
	<u>123,499</u>	<u>78,941</u>	<u>24,911</u>	<u>227,351</u>	<u>103,872</u>	<u>77,468</u>	<u>27,526</u>	<u>208,866</u>

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

23 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
£	£	£
Donations and legacies		
Donations and gifts - unrestricted	11,930	17,953
Legacies - unrestricted	10,000	-
Coronavirus support donations - unrestricted	15,000	-
Grants - unrestricted	543	3,252
Conservation - designated	1,500	1,500
Grants - restricted	27,028	2,187
	<hr/>	<hr/>
	66,001	24,892
Activities for generating funds		
Shop sales	970	586
	<hr/>	<hr/>
	970	586
Investment income		
Investment income	305	337
Deposit account interest	210	877
	<hr/>	<hr/>
	515	1,214
Incoming resources from charitable activities		
Visitor entrance fees	25,882	-
Research fees	2,058	1,267
	<hr/>	<hr/>
	27,940	1,267
Other incoming resources		
Government grants	1,111	8,797
Photography	77	-
	<hr/>	<hr/>
	1,188	8,797
Total incoming resources	<hr/>	<hr/>
	96,614	36,756
Resources expended		
Costs of generating funds		
Costs of generating donations and legacies		
Opening stock - shop	3,723	2,455
Shop purchases and donated goods	241	1,795
Closing stock - shop	(3,031)	(3,723)
	<hr/>	<hr/>
	(933)	(527)
Investment management costs		
Investment management costs	(1,082)	(985)
	<hr/>	<hr/>
Balance Carried Forward	94,599	35,244

THE FUSILIERS MUSEUM OF NORTHUMBERLAND

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
£	£	£
Balance Brought Forward	94,599	35,244
Charitable Activities		
Wages and salaries - unrestricted	41,299	38,529
Staff Pension Costs - unrestricted	2,353	1,760
Office equipment depreciation - unrestricted	459	432
Storage equipment depreciation - unrestricted	65	65
Hire of equipment - unrestricted	80	-
Conservation - designated	27	1,020
Ground floor refurbishment - designated	-	2,730
Wages and salaries - restricted	9,270	-
Office equipment depreciation - restricted	1,579	2,662
Storage equipment depreciation - restricted	1,236	1,236
Conservation - restricted	878	-
Redevelopment project costs - restricted	15,629	-
Hire of equipment - restricted	166	-
	(73,041)	(48,434)
Other		
Computer software and consumables - unrestricted	618	1,602
Rent - unrestricted	637	850
Insurance - unrestricted	759	993
Repairs and cleaning - unrestricted	1,746	78
Travel expenses - unrestricted	35	100
Postage, stationery and telephone - unrestricted	546	843
Advertising - unrestricted	1,501	75
General administrative expenses - unrestricted	391	253
Bank charges - unrestricted	184	101
Accountancy - unrestricted	3,300	2,170
Computer software and consumables - restricted	39	-
Rent - restricted	213	-
Insurance - restricted	256	-
Repairs and cleaning - restricted	324	-
Postage, stationery and telephone - restricted	251	-
Bank charges - restricted	42	-
Accountancy - restricted	165	-
	(11,007)	(7,065)
Surplus before movement on investments	10,551	(20,255)
Surplus/(Deficit) for the Year	18,486	(12,549)