

**The National Museum of Labour History
(Trading as The People's History Museum)**

Consolidated Financial Statements

For The Year Ended

5 April 2021

**Company Registration Number 02041438
Charity Number 295260**



**The National Museum of Labour History
Company Limited by Guarantee**

Financial Statements

Year Ended 5 April 2021

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**The National Museum of Labour History
Company Limited by Guarantee**

Trustees' Annual Report

Year Ended 5 April 2021

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the group for the year ended 5 April 2021.

Reference and Administrative Details

| | |
|------------------------------------|---|
| Registered Charity Name | The National Museum of Labour History |
| Charity Registration Number | 295260 |
| Company Registration Number | 02041438 |
| Registered Office | Left Bank Spinningfields Manchester M3 3ER |

The Trustees

The Trustees who served the Charity during the period to the date of signing the Trustees' Annual Report were as follows:

| | |
|-------------------|---------------------------|
| K Carberry | |
| M Carr | Resigned 5 November 2021 |
| R Gill | Resigned 5 November 2021 |
| S Lindsay | |
| L Powell | Resigned 6 November 2020 |
| J S Bassam (Lord) | |
| A Malik | Resigned 6 November 2020 |
| P Nowak | Resigned 14 May 2021 |
| B Donoghue | |
| M Clancy | Resigned 13 May 2021 |
| K Savage | |
| R Sharpe | |
| R Tulsiani | |
| V Phillips | |
| S Thompson | Appointed 6 November 2020 |
| D Luckin | Appointed 5 November 2021 |
| M Quiney | Appointed 14 May 2021 |
| A Douglas | Appointed 5 February 2021 |

The National Museum of Labour History Company Limited by Guarantee

Trustees' Annual Report

Year Ended 5 April 2021

| | | |
|--------------------------|---|---|
| Company Secretary | C Birchall C Corkin | Resigned 6 April 2021 Appointed 8 October 2021 |
| External Auditor | Beever and Struthers Statutory Auditor St. George's House 215 - 219 Chester Road Manchester M15 4JE | |
| Bankers | The Co-operative Bank plc Olympic House 6 Olympic Court Montford Street Salford M5 2QP Unity Trust Bank plc Nine Brindley Place Birmingham B1 2HB | |

Structure, Governance and Management

The full name of the Charity is The National Museum of Labour History. The Charity is governed by the terms of its Memorandum and Articles of Association. The Charity is a company which is limited by guarantee. The Charity uses the working title 'People's History Museum'.

The Trustees who have acted during the year are listed above.

The Charity's assets are available and adequate to fulfil the obligations of the Charity for each restricted fund.

Trustees' interests

As the Charity is a company limited by guarantee there are no shares or options in which any of the Trustees of the Charity could hold interests. Trustees notify the Company Secretary if they are aware of any instances of direct or indirect benefit which have occurred as a consequence of their Trusteeship of the Museum and a formal request for this information is issued each year as an agenda item in the October board meeting. During this accounting period two of the Trustees declared that a family member was employed by the Charity.

In both cases application and interview procedures were followed, no conflict or significant benefit was perceived and both Trustees declared the interest and did not vote on pay scale changes that affected all staff. Further details are provided in note 24.

Appointment of trustees

Trustees are appointed after Trustee vacancy advertisement and interview by existing Trustees and by majority vote of the Trustees of the Charity. The Trades Union Congress, Greater Manchester Combined Authority and Manchester City Council have the right to appoint a member of the Board.

The National Museum of Labour History Company Limited by Guarantee

Trustees' Annual Report

Year Ended 5 April 2021

Trustee induction and training

Newly appointed Trustees are issued with the following documents:

- Museum Memorandum and Articles of Association.
- Museum Annual Accounts and Reports.
- Charity Commission documentation.

The new Trustee would then spend time with the Museum Director working through the current Museum Business plan and discussing important items affecting the Museum at the time of appointment.

Organisation

Trustees meet together quarterly at which time the Museum Director, who is appointed by them and is responsible for the day to day running of the Museum, reports on all matters of museum policy and strategy. These meetings also include annual accounts and quarterly budget reports. Any changes in strategy are discussed, amended and when agreed, adopted as written museum policy by Trustees and implemented by the Director. Where risks are identified particularly regarding funding steps are taken as described below (see Risk management).

Related parties

The Charity has a trading subsidiary company and during the year two of the Trustees declared that a family member was employed by the Charity. Further details are provided in note 24.

Risk management

The Museum Director is charged with notifying Trustees of any risks facing the Museum and of important income and expenditure matters including:

- Possible future deficits to main revenue grants particularly from main funders (Greater Manchester Combined Authority – GMCA and Arts Council for England – ACE).
- Capital Expenditure projects. The Trustees are involved in preparation of bids and progress is reported when work commences.
- Any fundraising successes and the project involved.
- Any major changes to Museum and Archive funding structure, assessing both the negative and positive effects of these changes on the organisation.

Once notified of any problems Trustees discuss and decide appropriate action, which may direct museum staff or necessitate the setting up of a sub-committee of Trustees as required. The actions taken are then reported on and reviewed at subsequent meetings. An Audit/Risk sub-committee was set up in 2013 and holds meetings prior to the full board meeting to consider Budgets, Quarterly Reports, Cash flow and Risks identified in the Business plan in more detail and refer items to the full board meeting as required.

The Trustees are aware of staff structure and responsibilities and are notified of staff changes. Salaries for senior staff have been set with the assistance of Manchester City Council's Personnel Department and all staff are paid at Local Government rates and nationally agreed conditions of service apply.

The National Museum of Labour History Company Limited by Guarantee

Trustees' Annual Report

Year Ended 5 April 2021

Objectives and Activities

The principal activity of the Charity is that of a museum. The Trustees have paid due regard to the Charity Commission's guidance on public benefit and the following paragraphs describe the activities undertaken to deliver public benefit.

The Charity's aims are the advancement of education and knowledge by the provision and maintenance of a museum for the collection, conservation and public exhibition and display of objects, books, photographs and many other items of visual history relating to all aspects of the social and cultural history of Great Britain. These aims continue to form the basis for all museum policy.

Achievements and Performance

People's History Museum (PHM) in Manchester is the national museum of democracy, telling the story of its development in Britain: past, present, and future. The museum provides opportunities for all people to learn about, be inspired by and get involved in ideas worth fighting for; ideas such as equality, social justice, co-operation, and a fair world for all.

At the start of 2020/21 PHM had just celebrated its tenth birthday since its new building was opened in 2010 as well as its thirtieth anniversary being in Greater Manchester. The museum published an Impact Report demonstrating the impact of the organisation over the previous decade which was launched with key funders and stakeholders, and held a celebration party with the museum's wider supporters, friends and family.

Shortly after the birthday celebrations, the museum closed its doors and much of this financial year was dominated by the impact of the Covid-19 pandemic. PHM was closed for most of the year due to national and local restrictions and was only open to the public for two months in September and October 2020. In order to open in a covid-secure way the museum secured emergency funding for additional signage, one-way routes, perspex screens, timed online ticketing and other measures. Visitors returned to the museum at around 20-30% of pre-pandemic figures, and the museum team were delighted to be able to open the doors for local audiences.

While the museum building was closed to the public, the team worked incredibly hard to deliver services and programmes online for a wide range of audiences – moving planned activity onto digital platforms and creating new online content to engage audiences and keep them connected with PHM. The range of online programmes and activities included:

- My First Protest Song Online with music sessions for families with young children.
- Little People's History Museum Bedtime Stories for families with young children.
- Doodle Den resources and activities to support children's creativity at home.
- Vital Voters resources, competitions and YouTube channel for secondary school pupils at home.
- Fabric of Protest resources, Instagram stories and online sessions for creative crafting.
- Radical Lates online with a range of bookable events linked to the Migration programme.
- An online tour of the museum, produced in partnership with Manchester University.
- Museum images and stories published on Google Arts and Culture.

The National Museum of Labour History Company Limited by Guarantee

Trustees' Annual Report

Year Ended 5 April 2021

Achievements and Performance *(continued)*

The museum had planned to deliver its Migration programme in 2020 which was mostly delayed due to the museum being closed (apart from the online delivery listed above). The Community Programme Team (made up of individuals with lived experience of migration) continued to work remotely alongside the PHM team (connecting via zoom) to research and plan Migration exhibitions and interventions which could be displayed when the museum was able to open.

PHM also continued to develop its plans for its upcoming Nothing About Us Without Us (NAUWU) programme looking at the history of disabled people's activism and current issues and challenges facing disabled people. The NAUWU steering group continued to meet regularly online and planning and development work continued.

The museum continued to promote its activities and services on a range of digital platforms and secured good press coverage for its online activities and as part of media coverage of the reopening of cultural organisations in the Autumn 2020. The team worked hard throughout 2020/21 to continue to engage with audiences through social media platforms and to share content through news stories and blogs that achieved a significant reach.

While closed, the museum continued to care for its Designated collections (as an Accredited Museum through the Arts Council scheme). Staff were able to do regular collections and storage checks during closure, and to use time working remotely to work on collections management and research tasks which will strengthen the collection for the future. The museum was also proactive in reaching out to collect new contemporary material; especially in relation to significant events and protests related to Covid-19, Black Lives Matter and Environmental campaigning.

The museum's Board of Trustees continued to provide excellent governance, support and direction for PHM during the pandemic with the leadership of its two Co-Chairs. The museum continued to have representation on the Board from its major partners; Greater Manchester Combined Authority, Manchester City Council and The Trades Union Congress.

The museum couldn't have achieved all that it did in 2020/21 without the ongoing support and flexibility of its main funders in response to the pandemic; Greater Manchester Combined Authority (GMCA) and Arts Council England (ACE). The museum was also able to secure really important emergency funding and business support from Manchester City Council, the National Lottery Heritage Fund, the Art Fund, Joseph Rowntree Charitable Trust, the Granada Foundation and other funders, sponsors and stakeholders. Many of the museum's staff were placed on full time or part time furlough leave during this year which supported the museum with much needed income from the Job Retention Scheme.

Members of the public were very generous in their support of PHM over this year with a very successful crowdfunding campaign which generated over £50,000 (including a significant donation from PHM's friends at the Radical Tea Towel Company) and regular donations online (and onsite when the museum was able to open) throughout the year. With the museum closed, the team developed and launched an online shop during this year, and people were able to support PHM and buy from the shop for home delivery and click and collect services.

The National Museum of Labour History Company Limited by Guarantee

Trustees' Annual Report

Year Ended 5 April 2021

Achievements and Performance *(continued)*

Locally and nationally the pandemic brought the museums, art and culture sector together for mutual support and collaboration. PHM played an active role in many networks in Manchester, Greater Manchester and nationally as organisations responded to the pandemic and worked together on joint projects and campaigns including providing creative packs to households in Greater Manchester who couldn't easily access online content, and delivering joint marketing campaigns to promote digital services and to welcome people back to venues when they were able to open.

Plans for Future Periods

At the end of 2020/21 PHM was still closed to the public and looking ahead to being able to open again in May 2021 with the planned relaxation of national Covid restrictions.

The team continued to deliver activities and services online for audiences and looked ahead to being able to deliver the upcoming programme themes which had been delayed and disrupted in 2020/21:

- **Migration**

Exploring migration and re-examining the stories of the museum through the eyes of communities whose lives have been shaped by migration (including the museum's EU Horizon 2020 funded CultureLabs project). The museum continued to work with a Community Programme Team made of people whose lives have been shaped by migration who bring different perspectives to the museum.

PHM plans to reopen in May 2021 with Migration exhibitions on display including the More in Common exhibition commemorating the life of Jo Cox MP and sharing the experiences and creative content of a wide range of people living in Greater Manchester – as well as a wide range of community exhibitions.

- **Nothing About Us Without Us**

This long term project explores the representation of disabled people, the history of disabled people and disabled people's movements, and their ongoing fight for equality, independence and inclusion. The museum has worked with groups, campaigners and individuals to capture their stories and re-examine how the history of disabled people and disabled people's movements is represented. This programme is now planned to launch in 2022 with research and development work taking place in 2021.

PHM will have a new interim Business Plan in place for 2021/22 which aligns with an application to the Arts Council for an extension of NPO funding. This will provide an opportunity for the museum to embed the new vision and mission that was developed in 2019/20 with 4 aims and 4 priorities for the team to focus on while the museum continues to respond to, and recover from, the pandemic:

Aims

1. Impact-led engagement
2. Celebrating our stories
3. Bold profile and brand
4. Building financial sustainability and enterprise

The National Museum of Labour History Company Limited by Guarantee

Trustees' Annual Report

Year Ended 5 April 2021

Plans for Future Periods *(continued)*

Priorities

1. Access and inclusion
2. Environmental impact
3. Digital transformation
4. Investment in the future

2021/22 will see the museum appoint a new Chair of Trustees (after having two co-Chairs in post for 2 years as an interim arrangement) and there will also be recruitment of new Board Members to strengthen and diversify the Board.

Enterprise, fundraising and income generation will be a priority in the coming year as the museum expects recovery from the pandemic to be slow, and public behaviour to have been changed for the long term. A new partnership with an ethical and sustainable catering partner (Open Kitchen) will add strength to both the museum's visitor experience and commercial offer for clients coming to PHM for events. As emergency funding and the Job Retention Scheme come to an end in 2021, PHM expects to have to work harder to secure more of its own unrestricted income to ensure its sustainability and resilience.

Financial Review

The Statement of Financial Activities for the year is set out on page 14. During the year the conditions relating to the funding of the Museum by the Greater Manchester Combined Authority (GMCA) and Arts Council England (ACE) were fulfilled.

The Trustees are monitoring the effects of the Museum's closures to visitors due to Covid-19 from 18 March 2020. During the periods of closure, digital provision was increased and part of the salary for any staff unable to work from home was reclaimed under the Job retention scheme. The inevitable loss of Trading income has been noted, along with the extra operations costs required to re-open in a safe and welcoming manner. Funding organisations have assisted with grants to help cover some of these costs and the Trustees were very grateful for the Charity to receive one of its largest ever individual donation amounts in 2019/20. The donation was unrestricted and had no conflict with the Charity's values. It supported on-going projects, operating costs and the long term plans of the Museum in 2018-22.

Quarterly budgets, reserves amounts and expenditure savings will continue to be monitored closely by Trustees whilst fundraising will be concentrated on projects that help enable the Charity to work through this difficult period.

In the opinion of the Trustees, the Charity's assets are sufficient to fulfil the obligations of the Charity.

The National Museum of Labour History Company Limited by Guarantee

Trustees' Annual Report

Year Ended 5 April 2021

Reserves Policy Statement

The purpose of the operating reserve policy for The National Museum of Labour History (trading as the People's History Museum) is to ensure the stability of the on-going operations of the organisation. The Reserves are intended to provide an internal source of funds for emergency situations and also to enable cash flow when high value grant income is to be paid in arrears.

The Head of Finance will inform the Trustees as part of the Quarterly reporting of budgets and figures at board meetings if and when the use of reserves is likely. Should any additional reserves be required, this will be cleared with the Chair of the Audit/Risk Committee prior to spending.

The Charity's core funder has stated that they will provide at least 3 months' notice with grant monies should they intend to withdraw funds. The Trustees have agreed that this, together with a targeted reserve of a quarter of the previous year's unrestricted running costs (currently £349,590) (see note 10) will enable the Museum to function until alternative funding is secured. The current unrestricted free reserves are £173,832 (see note 22) and this will be used as and when is necessary. Post-year end, the Charity successfully secured £172,949 of funding from ACE's Cultural Recovery Fund 2 to reflate its unrestricted reserves and fundraising will continue to fund the Museum's programmes and to seek further unrestricted donations income to support the Charity's operations.

Responsibilities of the Trustees

The Trustees (who are also the directors of The National Museum of Labour History for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these 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 2019 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**The National Museum of Labour History
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Trustees' Annual Report

Year Ended 5 April 2021

Responsibilities of the Trustees *(continued)*

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed by order of the Trustees

A handwritten signature in black ink, appearing to read 'C Corkin', written over a horizontal line.

C Corkin
Company Secretary
Date:
17 November 2021

**The National Museum of Labour History
Company Limited by Guarantee**

**Independent Auditor's Report to the Members of The
National Museum of Labour History**

Year Ended 5 April 2021

Opinion

We have audited the financial statements of The National Museum of Labour History (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 5 April 2021 which comprise the Consolidated Statement of Financial Activities (incorporating the Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 5 April 2021 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 the financial statements section of our report. We are independent of the group and parent 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 group's or parent 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.

**The National Museum of Labour History
Company Limited by Guarantee**

**Independent Auditor's Report to the Members of The
National Museum of Labour History**

Year Ended 5 April 2021

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 (who are also the directors of the group and parent charitable company for the purposes of company law) 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.

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' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

**The National Museum of Labour History
Company Limited by Guarantee**

**Independent Auditor's Report to the Members of The
National Museum of Labour History**

Year Ended 5 April 2021

Responsibilities of trustees

As explained more fully in the Responsibilities of the Trustees' Statement set out on pages 8-9, the trustees (who are also the directors of the group and parent 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 group and parent 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 parent 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 the 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the group through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, the Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

**The National Museum of Labour History
Company Limited by Guarantee**

**Independent Auditor's Report to the Members of The
National Museum of Labour History**

Year Ended 5 April 2021

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on income and salaries to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the parent 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 parent charitable 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 anyone other than the parent charitable company and the parent charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

MARIA HALLOWS FCA (Senior Statutory Auditor)

For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

St. George's House

215 - 219 Chester Road

Manchester

M15 4JE

Date: 17 December 2021

**The National Museum of Labour History
Company Limited by Guarantee**

**Consolidated Statement of Financial Activities (Incorporating the
Income and Expenditure Account)**

Year Ended 5 April 2021

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------------|
| Income and endowments | | | | | |
| Donations and legacies | 4 | 1,401,512 | 197,282 | 1,598,794 | 1,678,213 |
| Income from charitable activities: | | | | | |
| Operation of museum | 5 | - | - | - | 28,692 |
| Other trading activities: | | | | | |
| Commercial trading operations | 6 | 19,463 | - | 19,463 | 344,075 |
| Investment income | 7 | 422 | - | 422 | 1,776 |
| Other income | 8 | 22,974 | - | 22,974 | - |
| Total income | | <u>1,444,371</u> | <u>197,282</u> | <u>1,641,653</u> | <u>2,052,756</u> |
| Expenditure | | | | | |
| Expenditure on raising funds: | | | | | |
| Commercial trading operations | 9 | (14,397) | - | (14,397) | (155,782) |
| Expenditure on charitable activities: | | | | | |
| Operation of museum | 10 | (1,398,362) | (314,403) | (1,712,765) | (1,900,533) |
| Total expenditure | | <u>(1,412,759)</u> | <u>(314,403)</u> | <u>(1,727,162)</u> | <u>(2,056,315)</u> |
| Net income/(expenditure) for the year | | 31,612 | (117,121) | (85,509) | (3,559) |
| Transfers between funds | | (19,555) | 19,555 | - | - |
| Net movement in funds for the year | | 12,057 | (97,566) | (85,509) | (3,559) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>466,148</u> | <u>9,714,853</u> | <u>10,181,001</u> | <u>10,184,560</u> |
| Total funds carried forward | | <u>478,205</u> | <u>9,617,287</u> | <u>10,095,492</u> | <u>10,181,001</u> |

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

All income and expenditure derive from continuing activities.

The notes on pages 17 to 30 form part of these financial statements.

**The National Museum of Labour History
Company Limited by Guarantee**

Consolidated and Charity Balance Sheets

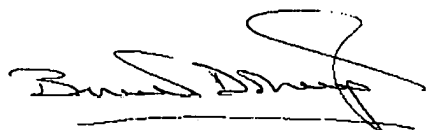
As at 5 April 2021

| | | Group | | Charity | |
|---|-------------|-------------------|-------------------|-------------------|-------------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 14 | 9,455,896 | 9,669,823 | 9,455,896 | 9,669,823 |
| Investments | 15 | - | - | 2 | 2 |
| | | <u>9,455,896</u> | <u>9,669,823</u> | <u>9,455,898</u> | <u>9,669,825</u> |
| Current assets | | | | | |
| Stocks | 16 | 25,718 | 25,979 | - | - |
| Debtors | 17 | 172,479 | 168,351 | 203,225 | 192,194 |
| Cash at bank and in hand | | 651,510 | 594,962 | 647,054 | 489,900 |
| | | <u>849,707</u> | <u>789,292</u> | <u>850,279</u> | <u>682,094</u> |
| Creditors: Amounts Falling due Within One Year | 18 | <u>(210,111)</u> | <u>(278,114)</u> | <u>(207,846)</u> | <u>(274,978)</u> |
| Net current assets | | <u>639,596</u> | <u>511,178</u> | <u>642,433</u> | <u>407,116</u> |
| Total assets less current liabilities | | <u>10,095,492</u> | <u>10,181,001</u> | <u>10,098,331</u> | <u>10,076,941</u> |
| Net assets | | <u>10,095,492</u> | <u>10,181,001</u> | <u>10,098,331</u> | <u>10,076,941</u> |
| Funds | | | | | |
| Restricted income funds | 20 | 9,617,287 | 9,714,853 | 9,617,287 | 9,714,853 |
| Unrestricted income funds | 21 | 478,205 | 466,148 | 481,044 | 362,088 |
| Total funds | | <u>10,095,492</u> | <u>10,181,001</u> | <u>10,098,331</u> | <u>10,076,941</u> |

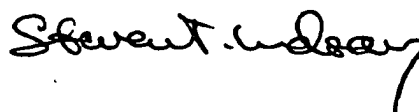
The net income for the year of the parent Charity was £21,390 (2020: net expenditure of £7,589).

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved and authorised for issue by the Board of Trustees on 5 November 2021 and are signed on its behalf by:



B Donoghue
Trustee



S Lindsay
Trustee

Company Registration Number: 02041438

The notes on pages 17 to 30 form part of these financial statements.

**The National Museum of Labour History
Company Limited by Guarantee**

Consolidated Cash Flow Statement

Year Ended 5 April 2021

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Cash flows from operating activities | | |
| <i>Net cash provided by operating activities</i> | 66,118 | 361,458 |
| Cash flows from investing activities | | |
| Investment income | 422 | 1,776 |
| Purchase of property, plant and equipment | (9,992) | (153,407) |
| <i>Net cash used in investing activities</i> | (9,570) | (151,631) |
| Net increase in cash and cash equivalents | 56,548 | 209,827 |
| Cash and cash equivalents at beginning of year | 594,962 | 385,135 |
| Cash and cash equivalents at end of year | <u>651,510</u> | <u>594,962</u> |

Reconciliation of net expenditure to net cash flow from operating activities

| | 2021 | 2020 |
|--|---------------|----------------|
| | £ | £ |
| Net expenditure for the year | (85,509) | (3,559) |
| Adjustments for: | | |
| Depreciation of tangible assets | 223,919 | 319,363 |
| Decrease / (increase) in stocks | 261 | (7,295) |
| Increase in debtors | (4,128) | (37,998) |
| (Decrease) / increase in creditors | (68,003) | 92,723 |
| Interest receivable | (422) | (1,776) |
| Net cash provided by operating activities | <u>66,118</u> | <u>361,458</u> |

The notes on pages 17 to 30 form part of these financial statements.

The National Museum of Labour History Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 5 April 2021

1. General Information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Left Bank, Spinningfields, Manchester, M3 3ER.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP 2019 (FRS 102)) and the Charities Act 2011.

The Charity meets the FRS 102 definition of a public benefit entity.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Basis of Consolidation

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has availed itself of Paragraph 4(1) of Schedule 1 of the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the Charity's activities. A separate Statement of Financial Activities and income and expenditure account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Going Concern

As detailed in the Trustees' report, the Trustees have carefully considered and taken actions to deal with the effects of Covid-19 on the Charity and conclude that it hasn't resulted in any material going concern uncertainties.

The National Museum of Labour History Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 5 April 2021

3. Accounting policies *(continued)*

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the Charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of whether there are indicators of impairment of the Charity's tangible fixed assets. Factors taken into consideration include the economic viability and expected future financial performance of the asset.
- Determination of the recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the trustees the debt is not considered to be fully recoverable.
- Determination of whether a provision against stock is considered necessary.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying amount of such assets is £9,455,896 (2020: £9,669,823).

Recovery of trade debtors. A specific provision is made against certain debts where in the opinion of the trustees the debt is not considered to be fully recoverable. The provision reflected at the balance sheet date is £nil (2020: £nil).

The National Museum of Labour History Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 5 April 2021

3. Accounting policies *(continued)*

Income and Endowments

Donations and legacies including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions, which must be met before the Charity has unconditional entitlement.

Income from fundraising trading activities is recognised as earned as the related services are provided.

Investment income is recognised on a receivable basis.

Government grant income received from the Coronavirus Job Retention Scheme has been recognised on a receivable basis in the Statement of Financial Activities over the same period as the costs to which it relates. The government grant income is classified as unrestricted.

Fund Accounting Restricted Funds

The Charity has a restricted income fund to account for situations where a donor requires that a donation must be spent on a capital development project or similar purpose.

All other funds are unrestricted income funds and they include funds used for specified projects which contribute to the ongoing work of the Museum. The funds held in each of these categories are disclosed in Notes 20 and 21.

Expenditure

Expenditure is recognised when a liability is incurred.

- Costs of generating funds include those costs incurred in attracting voluntary income, those incurred in management service provision that raise funds and costs of investment management.
- Charitable activities include expenditure associated with the provision of charitable services and include both the direct costs and support costs relating to these activities.
- Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Museum activities.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Certain other costs, which are attributable to more than one activity, are apportioned across the cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. Costs allocated to charitable activities are the costs associated with achieving the charity's main objectives.

The National Museum of Labour History Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 5 April 2021

3. Accounting policies *(continued)*

Allocation of support costs

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving public accountability of the Charity and its compliance with regulation and good practice.

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

Fixed Assets

All fixed assets are initially recorded at cost.

Assets purchased with a value of £1,000 or greater have been capitalised and included as fixed asset additions.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|--------------------------------|----------------|
| Museum building | - 3 – 50 years |
| Equipment | - 10 years |
| Fixtures and fittings | - 10 years |
| Long leasehold buildings | - 50 years |
| Exhibition fixtures & fittings | - 10 years |

The Museum building includes both the building structure with a life of between 10 and 50 years and building fit-out costs with a life of between 3 and 10 years.

Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the Charity would have been willing to pay for the items on the open market.

Debtors

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

Cash at bank and in hand

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

The National Museum of Labour History Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 5 April 2021

3. Accounting policies *(continued)*

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The group 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.

Operating Lease Agreements

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Pension Costs

The employees of the Museum are members of the Greater Manchester Pension Fund (GMPF). The Scheme is administered by Tameside Metropolitan Borough Council. The Scheme provides benefits based on final pensionable pay. This is a multi-employer scheme where the share of assets and liabilities is not separately identifiable. The Museum has therefore accounted for its pension costs on a defined contribution basis as permitted by FRS102. Contributions to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

Exhibits

No value is attributed to exhibits donated to the Museum because either these assets are inalienable (the Charity is prohibited by its governing document from disposing of these assets) or neither a cost nor market value is available for the exhibit.

Expenditure which is required to preserve collection items is recognised in the Statement of Financial Activities when it is incurred.

Taxation

The Company is a registered Charity and by virtue of its trading activities being in fulfilment of the objects of the Charity, the Charity is exempt from corporation tax on all charitable activities.

**The National Museum of Labour History
Company Limited by Guarantee**

Notes to the Financial Statements

Year Ended 5 April 2021

4a. Donations and Legacies – Unrestricted

| | Collections and Engagement | Operations | Comms and PR | Total Funds 2021 | Total Funds 2020 |
|---|---|-------------------|-------------------------|---------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ |
| Gifts and sponsorship | | | | | |
| Gift in kind from Manchester City Council | - | 168,717 | - | 168,717 | 167,730 |
| General donations and subscriptions | 37,039 | 37,039 | 37,039 | 111,117 | 408,231 |
| Radical Heroes | 6,969 | 6,970 | 6,969 | 20,908 | 23,527 |
| Grants receivable | | | | | |
| GMCA | 163,588 | 163,588 | 81,794 | 408,970 | 408,970 |
| Business/TU Sponsorship | 8,480 | 8,480 | 4,240 | 21,200 | 50,767 |
| Arts Council England | 139,139 | 139,139 | 69,569 | 347,847 | 328,000 |
| Trust & Foundations | 9,420 | 9,420 | 4,710 | 23,550 | 50,300 |
| Coronavirus Job Retention Scheme | 64,083 | 64,083 | 32,042 | 160,208 | - |
| Other | 55,598 | 55,598 | 27,799 | 138,995 | 58,495 |
| | <u>484,316</u> | <u>653,034</u> | <u>264,162</u> | <u>1,401,512</u> | <u>1,496,020</u> |

4b. Donations and Legacies – Restricted

| | Collections and Engagement | Operations | Comms and PR | Total Funds 2021 | Total Funds 2020 |
|--|---|-------------------|-------------------------|---------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ |
| Grants receivable | | | | | |
| Arts Council England Designated Development Fund | 29,348 | 29,348 | 14,673 | 73,369 | - |
| Trust & Foundations | 19,555 | 19,555 | 9,778 | 48,888 | 92,493 |
| Other | 16,781 | 16,781 | 8,390 | 41,952 | 44,000 |
| National Lottery Heritage Fund Grant | 13,229 | 13,229 | 6,615 | 33,073 | 23,400 |
| European Grant | - | - | - | - | 22,300 |
| | <u>78,913</u> | <u>78,913</u> | <u>39,456</u> | <u>197,282</u> | <u>182,193</u> |

**The National Museum of Labour History
Company Limited by Guarantee**

Notes to the Financial Statements

Year Ended 5 April 2021

5. Income from charitable activities

| | Unrestricted Funds 2021 £ | Unrestricted Funds 2020 £ |
|---|------------------------------------|------------------------------------|
| Income from curatorial, exhibition and educational activities | - | 28,692 |

6. Commercial Trading Operations

Commercial trading operations principally relate to the trading subsidiary company, The National Museum of Labour History Trading Company Limited, company number 02526352. The profit for The National Museum of Labour History Trading Company Limited for the year ended 5 April 2021 was £7,881 (2020: £114,780).

7. Investment Income

| | Unrestricted Funds 2021 £ | Unrestricted Funds 2020 £ |
|--------------------------|------------------------------------|------------------------------------|
| Bank interest receivable | 422 | 1,776 |

8. Other Income

| | Unrestricted Funds 2021 £ | Unrestricted Funds 2020 £ |
|-------------------|------------------------------------|------------------------------------|
| VAT repayment | 3,150 | - |
| Insurance receipt | 19,824 | - |
| | <u>22,974</u> | <u>-</u> |

9. Analysis of expenditure on raising funds

| | Unrestricted Funds 2021 £ | Unrestricted Funds 2020 £ |
|-------------------------------|------------------------------------|------------------------------------|
| Commercial Trading Operations | <u>14,397</u> | <u>155,782</u> |

**The National Museum of Labour History
Company Limited by Guarantee**

Notes to the Financial Statements

Year Ended 5 April 2021

10. Analysis of expenditure on charitable activities

| | Collections and Engagement | Operations | Comms and PR | Total Funds 2021 | Total Funds 2020 |
|---|---|-------------------|-------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ | £ | £ |
| Exhibition costs | 24,820 | - | - | 24,820 | 74,013 |
| Learning | 9,892 | - | - | 9,892 | 23,796 |
| Conservation | 560 | - | - | 560 | 4,415 |
| Wages & Salaries | 292,318 | 292,318 | 146,160 | 730,796 | 729,141 |
| Employer's NIC | 23,391 | 23,391 | 11,695 | 58,477 | 57,621 |
| Pension costs | 72,005 | 72,005 | 36,002 | 180,012 | 174,283 |
| Staff- casual cover/ training /recruitment | 18,881 | 18,881 | 9,440 | 47,202 | 1,548 |
| Rent and rates | - | 168,717 | - | 168,717 | 167,730 |
| Water | - | 3,441 | - | 3,441 | 5,280 |
| Light & heat | - | 80,405 | - | 80,405 | 72,258 |
| Repairs & maintenance | - | 112,661 | - | 112,661 | 178,945 |
| Insurance | 9,789 | 9,789 | 4,895 | 24,473 | 20,341 |
| Marketing | - | - | 26,604 | 26,604 | 43,526 |
| Support Costs | | | | | |
| Travel & subsistence | 191 | 192 | 191 | 574 | 12,734 |
| Legal & professional fees | - | 7,450 | - | 7,450 | 1,199 |
| Sundry expenditure | - | 2,052 | - | 2,052 | 188 |
| Telephone | 510 | 509 | 510 | 1,529 | 3,060 |
| Postage, printing and stationery | 377 | 377 | 377 | 1,131 | 3,207 |
| Depreciation | 74,640 | 74,639 | 74,640 | 223,919 | 319,363 |
| Governance costs – audit fees | 2,683 | 2,684 | 2,683 | 8,050 | 7,885 |
| | <u>530,057</u> | <u>869,511</u> | <u>313,197</u> | <u>1,712,765</u> | <u>1,900,533</u> |

Of the £1,712,765 expenditure in 2021 (2020: £1,900,533), £1,398,362 was charged to unrestricted funds (2020: £1,359,246) and £314,403 to restricted funds (2020: £541,287).

11. Trustees Expenses

No travel expenses were reimbursed to trustees in the year (2020: 1 trustee totalling £59). The Trustees did not receive any remuneration during the year (2020: £nil).

12. Net Outgoing Resources for the Year

This is stated after charging:

| | 2021 | 2020 |
|---|-------------|--------------|
| | £ | £ |
| Staff pension contributions | 180,012 | 174,283 |
| Depreciation | 223,919 | 319,363 |
| Auditors' remuneration – Audit fee | 8,050 | 7,885 |
| Auditors' remuneration – Non-Audit fees | <u>850</u> | <u>1,130</u> |

**The National Museum of Labour History
Company Limited by Guarantee**

Notes to the Financial Statements

Year Ended 5 April 2021

13. Staff Costs and Emoluments

Total staff costs were as follows:

| | 2021 | 2020 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Wages and salaries | 730,796 | 729,141 |
| Social security costs | 58,477 | 57,621 |
| Other pension costs | 180,012 | 174,283 |
| | <u>969,285</u> | <u>961,045</u> |

Pension obligations

The National Museum of Labour History is an "Admitted Body" to the Greater Manchester Pension Fund (GMPF). GMPF is a multi-employer defined benefit scheme, being part of the Local Government Pension Scheme.

The last formal valuation of the scheme was performed at 31 March 2019 by a professionally qualified actuary using the 'Projected Unit' actuarial method. The market value of the Fund's assets at that date was £23,844,000,000.

It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers.

Financial assumptions

The financial assumptions underlying the valuation were as follows:

| | % per annum |
|-------------------|--------------------|
| Discount rate | 3.6 |
| CPI | 2.3 |
| Pay increases | 3.1 |
| Pension increases | 2.3 |

The valuation revealed a surplus of assets compared with the value of liabilities of £529 million.

**The National Museum of Labour History
Company Limited by Guarantee**

Notes to the Financial Statements

Year Ended 5 April 2021

13. Staff Costs and Emoluments (continued)

Particulars of employees:

The average head count of employees during the year was 34 (2020: 39). The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

| | 2021 | 2020 |
|-------------------------|------------------|------------------|
| | No | No |
| Number of museum staff | 25 | 27 |
| Number of support staff | 4 | 5 |
| | <u>29</u> | <u>32</u> |

No employee received remuneration of more than £60,000 during the year (2020: none).

The Board considers its key management personnel comprise the Trustees and the Senior Management Team. The total employment benefits including employer pension contributions of the key management personnel were £152,888 (2020: £142,934).

14. Tangible Fixed Assets – Group and Charity

| | Museum Building (restricted) £ | Equipment £ | Fixtures & Fittings £ | Leasehold Property £ | Exhibition Fixtures & Fittings £ | Total £ |
|------------------------|---|------------------------|--|-------------------------------------|---|--------------------------|
| Cost | | | | | | |
| At 6 April 2020 | 12,530,726 | 385,996 | 176,220 | 103,301 | 313,151 | 13,509,394 |
| Additions | - | 5,233 | 4,759 | - | - | 9,992 |
| At 5 April 2021 | <u>12,530,726</u> | <u>391,229</u> | <u>180,979</u> | <u>103,301</u> | <u>313,151</u> | <u>13,519,386</u> |
| Depreciation | | | | | | |
| At 6 April 2020 | 3,195,831 | 316,454 | 51,836 | 45,353 | 230,097 | 3,839,571 |
| Charge for the year | 183,372 | 10,666 | 14,851 | 2,066 | 12,964 | 223,919 |
| At 5 April 2021 | <u>3,379,203</u> | <u>327,120</u> | <u>66,687</u> | <u>47,419</u> | <u>243,061</u> | <u>4,063,490</u> |
| Net book value | | | | | | |
| At 5 April 2021 | <u>9,151,523</u> | <u>64,109</u> | <u>114,292</u> | <u>55,882</u> | <u>70,090</u> | <u>9,455,896</u> |
| At 5 April 2020 | <u>9,334,895</u> | <u>69,542</u> | <u>124,384</u> | <u>57,948</u> | <u>83,054</u> | <u>9,669,823</u> |

**The National Museum of Labour History
Company Limited by Guarantee**

Notes to the Financial Statements

Year Ended 5 April 2021

15. Investments – Charity

Movement in market value

| | 2021 £ | 2020 £ |
|---------------------------------|-----------|-----------|
| Market value at 6 April 2020 | 2 | 2 |
| Market value at 5 April 2021 | <u>2</u> | <u>2</u> |
| Historical cost at 5 April 2021 | <u>2</u> | <u>2</u> |

Analysis of investments at 5 April 2021 between funds

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|--------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Other investments | | | | |
| UK Group undertakings | <u>2</u> | <u>-</u> | <u>2</u> | <u>2</u> |

The National Museum of Labour History Trading Company Limited is a wholly owned subsidiary of The National Museum of Labour History. The subsidiary company is incorporated in England and Wales. The principal activities during the year were running of the Museum shop, corporate room hire and other income generation activities.

16. Stocks

| | Group 2021 £ | 2020 £ | Charity 2021 £ | 2020 £ |
|-------|--------------------|---------------|----------------------|-----------|
| Stock | <u>25,718</u> | <u>25,979</u> | <u>-</u> | <u>-</u> |

17. Debtors

| | Group 2021 £ | 2020 £ | Charity 2021 £ | 2020 £ |
|------------------------------------|--------------------|----------------|----------------------|----------------|
| Trade debtors | 115,981 | 136,954 | 109,513 | 124,999 |
| Amounts owed by group undertakings | - | - | 37,298 | 35,798 |
| Prepayments and accrued income | 55,853 | 19,418 | 55,769 | 19,418 |
| Other debtors | <u>645</u> | <u>11,979</u> | <u>645</u> | <u>11,979</u> |
| | <u>172,479</u> | <u>168,351</u> | <u>203,225</u> | <u>192,194</u> |

**The National Museum of Labour History
Company Limited by Guarantee**

Notes to the Financial Statements

Year Ended 5 April 2021

18. Creditors: Amounts falling due within one year

| | Group | | Charity | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Trade creditors | 33,393 | 98,757 | 33,359 | 98,424 |
| Accruals and deferred income | 173,113 | 175,254 | 172,255 | 175,082 |
| Other taxation and social security | 1,373 | 2,631 | - | - |
| Other creditors | 2,232 | 1,472 | 2,232 | 1,472 |
| | <u>210,111</u> | <u>278,114</u> | <u>207,846</u> | <u>274,978</u> |

19. Commitments under Operating Leases – Group and Charity

At 5 April 2021 the Charity had total commitments under non-cancellable operating leases as set out below.

| | Assets other than Land and buildings | |
|---------------------------------------|---|-------------|
| | 2021 | 2020 |
| | £ | £ |
| Operating leases which expire: | | |
| Within 1 year | - | 543 |
| Within 2 to 5 years | - | - |
| | <u>-</u> | <u>543</u> |

20. Restricted Income Funds – Group and Charity

| | Balance at 6 April 2020 | Incoming resources | Outgoing resources | Transfers between funds | Balance at 5 April 2021 |
|-----------------------------------|--|-------------------------------|-------------------------------|--|--|
| | £ | £ | £ | £ | £ |
| Building grant | 9,654,624 | - | (183,372) | - | 9,471,252 |
| European grant | 60,229 | - | (60,229) | - | - |
| Arts Council England | - | 73,369 | - | - | 73,369 |
| Joseph Rowntree | - | 26,950 | (12,429) | 10,555 | 25,076 |
| Nesta | - | 3,000 | (3,000) | - | - |
| History Makers on Strike | - | 18,938 | (18,938) | - | - |
| Respond and Reimagine | - | 40,000 | (2,410) | - | 37,590 |
| Victoria & Albert | - | 952 | (952) | - | - |
| Art Fund | - | 1,000 | - | 9,000 | 10,000 |
| National Lottery Heritage Fund | - | 33,073 | (33,073) | - | - |
| Total Funds | <u>9,714,853</u> | <u>197,282</u> | <u>(314,403)</u> | <u>19,555</u> | <u>9,617,287</u> |

**The National Museum of Labour History
Company Limited by Guarantee**

Notes to the Financial Statements

Year Ended 5 April 2021

20. Restricted Income Funds – Group and Charity (continued)

The building grant relates to funds received which were only to be used for capital expenditure enabling redevelopment and improvement of the Museum buildings.

The main funders included Heritage Lottery Fund, North West Development Agency, Manchester City Council, the European Regional Development Fund and Allied London Properties Limited.

21. Unrestricted Income Funds – Group and Charity

Group

| | Balance at 6 April 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers between funds £ | Balance at 5 April 2021 £ |
|---------------|------------------------------------|----------------------------|----------------------------|------------------------------------|------------------------------------|
| General Funds | <u>466,148</u> | <u>1,444,371</u> | <u>(1,412,759)</u> | <u>(19,555)</u> | <u>478,205</u> |

Charity

| | Balance at 6 April 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers between funds £ | Balance at 5 April 2021 £ |
|---------------|------------------------------------|----------------------------|----------------------------|------------------------------------|------------------------------------|
| General Funds | <u>362,088</u> | <u>1,539,925</u> | <u>(1,401,414)</u> | <u>(19,555)</u> | <u>481,044</u> |

22. Analysis Net Assets Between Funds – Group

| | Tangible fixed assets £ | Net current assets £ | Total £ |
|----------------------------------|-------------------------------|----------------------------|--------------------------|
| Restricted Income Funds | | | |
| Building grants | 9,151,523 | 319,729 | 9,471,252 |
| Arts Council England | - | 73,369 | 73,369 |
| Joseph Rowntree | - | 25,076 | 25,076 |
| Respond and Reimagine | - | 37,590 | 37,590 |
| Art Fund | - | 10,000 | 10,000 |
| | <u>9,151,523</u> | <u>465,764</u> | <u>9,617,287</u> |
| Unrestricted Income Funds | <u>304,373</u> | <u>173,832</u> | <u>478,205</u> |
| Total Funds | <u><u>9,455,896</u></u> | <u><u>639,596</u></u> | <u><u>10,095,492</u></u> |

The National Museum of Labour History Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 5 April 2021

23. Company Limited by Guarantee

The National Museum of Labour History is a company limited by guarantee but not having a share capital and is registered as a charity under the Charities Act 2011.

Every member undertakes to contribute to the assets of the Museum in the event of it being wound up while they are a member, or within one year after they cease to be a member and of the costs, charges and expense of winding up, and for the adjustment of the rights of the contributories among themselves, such amounts as may be required, not exceeding £1 per member.

24. Related Party Transactions

In accordance with FRS 102, the Charity discloses related party transactions that were recognised in the Statement of Financial Activities. Trustees' remuneration and expenses are disclosed in note 11 and remuneration of key management personnel is disclosed in note 13.

During the year two of the Trustees declared that a family member was employed by the Charity (2020: 2).

The employees concerned were Ellen Bassam £4,932 (2020 – £291) daughter of Trustee JS Bassam (Lord) and Serpil Lindsay £5,310 (2020 – £5,041) wife of Trustee Steven Lindsay. The figures indicate the total cost to the Charity of their employment including Employers NI and Employers Pension contributions.

In both cases application and interview procedures were followed, no conflict or significant benefit was perceived and both Trustees declared the interest and did not vote on pay scale changes that affected all staff.

During the year the Charity received a gift aid donation of £114,780 (2020 – £110,750) from its subsidiary, National Museum of Labour History Trading Company Limited. The balance due from National Museum of Labour History Trading Company Limited at the year-end was £37,298 (2020 – £35,798).

There were no other related party transactions during the year.

25. Analysis of Changes in Net Debt

| | At 6 April 2020 £ | Cashflows £ | At 5 April 2021 £ |
|--------------------------|-------------------------|----------------------|-------------------------|
| Cash at bank and in hand | 594,962 | 56,548 | 651,510 |
| Total | <u><u>594,962</u></u> | <u><u>56,548</u></u> | <u><u>651,510</u></u> |