

Registered number: 02302281
Charity number: 803675

MILTON KEYNES MUSEUM TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

MILTON KEYNES MUSEUM TRUST LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees	G Hawking, Chair J Beckerleg, Treasurer A Harris, Co-Sec (appointed 28 April 2021) RK Avann (resigned 29 July 2020) PR Collins (resigned 28 October 2020) EP Gifford JS Hilton (resigned 28 April 2021) DG Hopkins DN Loudon D Millis JE Palmer (appointed 29 April 2020) M Petchley (resigned 10 May 2021) R Sumner (appointed 27 January 2021) J Walker (resigned 17 May 2021)
Company registered number	02302281
Charity registered number	803675
Registered office	McConnell Drive Wolverton Milton Keynes MK12 5EL
Independent auditor	MHA MacIntyre Hudson Chartered Accountants Milton Keynes

MILTON KEYNES MUSEUM TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the Milton Keynes Museum Trust Limited for the 1 April 2020 to 31 March 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Museum is an accredited social history museum for Milton Keynes and the surrounding area. The prime objective is to provide a full range of Museum services for the people of Milton Keynes with the Museum being open throughout the year. It holds a programme of special events as well as additional activities during the half-term holidays. The Museum works with Milton Keynes Council and other members of the Heritage MK Consortium, to promote and protect the area's heritage and culture.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The strategic plan sets out specific objectives:

- To tell the whole story of Milton Keynes;
- To deliver a unique, hands-on experience to visitors, engaging people actively with the Museum's collections, buildings, and grounds;
- To retain volunteers at the heart of the Museum;
- To engage with, communicate effectively with and influence all interested parties;
- To operate a well-governed organisation; and
- To ensure financial stability

The Board is developing a 5-year business plan to direct the delivery of these objectives.

c. Activities undertaken to achieve objectives

The pandemic has curtailed the activities that could be undertaken whilst the Museum was required to be closed.

Work has been possible to increase the staff capacity by recruiting a Head of Development and seeking to recruit a Volunteer Officer. This will help in two areas which are crucial to the Museum's development and sustainability.

Some work has been possible to improve the visitor experience including refreshing the displays, improving the basic facilities, introducing a new website and undertaking minor projects.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

d. Social investment policies

The Museum has not been involved in social investment (repayable finance) opportunities.

e. Grant-making policies

The Museum has not been involved in making grants to others.

f. Volunteers

The Museum is operated mainly by volunteers who generously offer their time in many ways including: as room guides, serving in the shop and tea rooms, undertaking building and maintenance projects and helping with a range of other activities (library, education, collections, events and administration). The Trustees are incredibly grateful to all our volunteers who help create such a unique experience for our visitors.

As we re-open the Museum after the lockdown we will rely on our staff and volunteers to re-engage with our visitors and provide a safe environment for visitors, families and our supporters.

g. Main activities undertaken to further the Charity's purposes for the public benefit

The whole focus of the Museum is to benefit the residents of Milton Keynes and the surrounding area. The Museum explains the heritage of the area and the story and history of Milton Keynes. In addition the Museum provides an outreach service to schools.

MILTON KEYNES MUSEUM TRUST LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

a. Main achievements of the Charity

For the whole of the financial year 2020 to 2021 our activities at MK Museum have been restricted as the COVID 19 pandemic arrived and affected all visitor attractions.

On 24th March 2020, the Museum was closed in accordance with HM Government instruction. This immediately had a serious financial impact as we rely on income from visitors to fund our operations.

During the year we managed to open briefly in December 2020 to allow socially distanced visits to the Museum and our popular Father Christmas attraction. The Museum then closed again and we had no further visitors during the financial year.

The Museum was not able to re-open until May 2021 and even then this was subject to restrictions including limiting visitor numbers.

b. Key performance indicators

The main performance indicator is visitor numbers and visitor income. Visitor related income (from ticket sales, the shop and catering) was only £16,245 (2019/20: £314,957).

c. Review of activities

The pandemic has heavily constrained what could be achieved in 2020/21.

d. Factors relevant to achieve objectives

The main factors affecting the achievement of the Museum's objectives are:

- Income to support day-to-day running costs
- Funding to undertake capital projects
- The capacity of staff to undertake the work required
- The availability of volunteers to support the Museum

e. Fundraising activities and income generation

The Museum benefits from annual grants from the Milton Keynes Council (MKC) to support specific aspects of the Museum's operation. These include: support for the collections, a contribution to fund a part-time archivist, maintenance costs including those relating to the Bradwell Windmill.

In the pandemic period the Museum has benefitted from business support grants from MKC, a donation from the Foyle Foundation and several grants from the Arts Council England. These have helped to mitigate the loss of visitor income.

f. Investment policy and performance

The Museum does not hold specific investments except for its cash holdings. The return on these holdings is minimal given the low interest rates during 2020/21.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Financial review

a. Financial review and going concern

The Museum's financial position is showing an overall surplus of £255,597 at 31 March 2021 (2020: surplus of £133,443); this is a combination of:

- the operating position;
- movements in designated / restricted funds
- income for specific items.

The Museum seeks to break even operationally and in 2020/21 made a surplus of £56,868 (2020: deficit £5,515). Milton Keynes Council provided £135,453 to fund a Head of Development (appointed in 2021/22). Net funding in respect of specific projects was £15,910.

The Museum's treatment of VAT has been updated and a settlement has been agreed with the HMRC. The provision made in 2019 has been used to fund this settlement

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Museum's reserves policy is to reserve sufficient funds to cover the Museum in the event of a major setback. We aim to hold £150,000 as cash flow to cover outgoings for staff costs, utilities and maintenance. The unrestricted, general funds as at 31 March 2021 were £294,584 (2020: £193,799). Whilst this is above the reserves policy the Trustees are cognisant of the need to support the operational costs of running the Museum during 2021/22 when external support is expected to be less than in 2020/21.

The Board has designated £182,819 from its unrestricted reserves to cover the costs of employing the Head of Development for two years and the costs of depreciation of assets acquired during the pandemic period.

The Board holds several restricted reserves for specific purposes (see note 18 to the accounts). These total £277,352 (2020: 305,359).

c. Material investments policy

The Museum continues to invest in the collection and in the facilities of the Museum, as far as funding permits.

d. Principal risks and uncertainties

The Charity Trustees have undertaken a detailed review of the risks faced by the Museum and the Board has updated its risk register. The Board is satisfied that systems and actions are in place or are being implemented to mitigate exposure to the major risks.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

e. Financial risk management objectives and policies

The Museum has an established finance manual and scheme of delegation to underpin the financial control framework. There are risks in relation to the control framework because the small staff team means that it is difficult to ensure appropriate separation of duties.

Payroll is provided by a third party.

The greatest financial risk is probably related to the level of income that can be achieved each year to support the costs of managing the Museum. This is mitigated in part by the reserves policy.

f. Principal funding

The Museum's finances have been significantly affected by the impact of the Covid-19 pandemic in 2020/21. For most of the year the Museum has not been able to open which means that almost all income from visitors (from tickets, shop sales and restaurant sales) was lost.

MK Museum was grateful to receive financial support from MK Council which provided emergency related grants. We also applied for and were awarded funding from the Emergency Response Fund (supported using public funding by the National Lottery through Arts Council England), and the Department Digital, Culture, Media and Sport's Culture Recovery Fund (supported using public funding by Arts Council England). We are also grateful to The Foyle Foundation for grant funding to support the reopening of the Museum.

HM Government job retention scheme (furlough) allowed us to retain staff and offset staff costs. Unfortunately two administration staff were identified as being at risk and subsequently two staff were made redundant.

The additional income has enabled the Museum to maintain its reserves.

Structure, governance and management**a. Constitution**

Milton Keynes Museum Trust Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association. The Memorandum and Articles of Association were updated in June 2021.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

Trustees are interviewed by members of the Board and the Board puts forward individuals to be elected and / or co-opted under the terms of the Memorandum of Association. The aim is to achieve a wide mix of skills and experience. The Board is keen to diversify its membership.

The Charity Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Charity Trustees

G Hawking (Chair)
J Beckerleg (Treasurer)
J S Hilton (Hon. President) (Resigned 28 April 2021)
R K Avann (Resigned 29 July 2020)
P Collins (Resigned 28 October 2020)
E Gifford
A Harris (Appointed 28 April 2021)
D Hopkins
D N Loudon
D Millis
JE Palmer (Appointed 29 April 2020)
M Petchey (Resigned 10 May 2021)
R Sumner (Appointed 27 January 2021)
J Walker (Resigned 17 May 2021)

Company Secretary: D S Mills (resigned 28 April 2021)
A Harris (appointed 28 April 2021)

c. Organisational structure and decision-making policies

The Board of Trustees have responsibility for the overall governance of the Museum. The Museum Director is responsible for the day-to-day management of a management team of senior volunteers and staff members, who oversee the activities of the Museum.

The Museum has a set of Policies that meet governance requirements. These are reviewed by the Board in sequence and updated.

d. Policies adopted for the induction and training of Trustees

New trustees are briefed by the Chair of the Board and the Museum Director. Trustees are directed to information on national websites to explain the role and responsibilities of charity trustees. Specific training to meet identified development needs is available as appropriate.

e. Pay policy for key management personnel

The Trustees consider the pay and reward package available for staff members each year. The aim is to balance ensuring that people are appropriately rewarded with the resources which the Museum can afford.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

f. Related party relationships

There are no declared related parties relationships.

None of the Charity Trustees has any beneficial interest in the company. All of the Charity Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

g. Trustees' indemnities

There are no third party indemnities.

Plans for future periods

The Board has agreed a strategy for the Museum and is finalising a 5-year plan to develop the Museum. Related work is under way to establish a fundraising strategy.

A critical aspect of the future work programme will be the recovery from the pandemic and promoting the Museum to restore the visitor numbers to pre-pandemic levels.

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MILTON KEYNES MUSEUM TRUST LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Disclosure of information to auditor

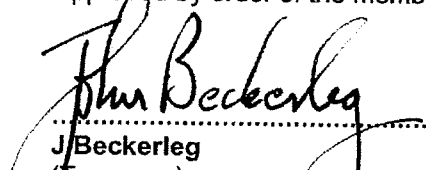
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, MHA MacIntyre Hudson, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
J Beckerleg
(Treasurer)
Date: 7th December 2021

MILTON KEYNES MUSEUM TRUST LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES MUSEUM TRUST LIMITED

Opinion

We have audited the financial statements of Milton Keynes Museum Trust Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

MILTON KEYNES MUSEUM TRUST LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES MUSEUM TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

MILTON KEYNES MUSEUM TRUST LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES MUSEUM TRUST LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

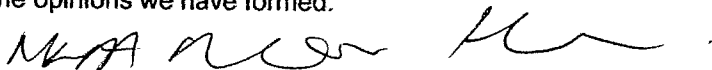
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rational of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations

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 charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Milton Keynes

Date: 13/12/2021

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

MILTON KEYNES MUSEUM TRUST LIMITED
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	516,330	30,267	546,597	337,406
Charitable activities	4	15,360	-	15,360	314,957
Investments	5	911	-	911	3,148
Other income	6	23,076	-	23,076	13,873
Total income		555,677	30,267	585,944	669,384
Expenditure on:					
Raising funds		17,478	-	17,478	55,841
Charitable activities	7	254,595	58,274	312,869	480,100
Total expenditure		272,073	58,274	330,347	535,941
Net movement in funds		283,604	(28,007)	255,597	133,443
Reconciliation of funds:					
Total funds brought forward		193,799	305,359	499,158	365,715
Net movement in funds		283,604	(28,007)	255,597	133,443
Total funds carried forward		477,403	277,352	754,755	499,158

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

The notes on pages 17 to 29 form part of these financial statements.

MILTON KEYNES MUSEUM TRUST LIMITED**(A company limited by guarantee)****REGISTERED NUMBER: 02302281**

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	60,919	10,175
Heritage assets	13	17,270	13,820
		<u>78,189</u>	<u>23,995</u>
Current assets			
Stocks	14	16,417	16,956
Debtors	15	25,246	184,289
Cash at bank and in hand		685,330	427,701
		<u>726,993</u>	<u>628,946</u>
Creditors: amounts falling due within one year	16	(50,427)	(153,783)
Net current assets		<u>676,566</u>	<u>475,163</u>
Total assets less current liabilities		<u>754,755</u>	<u>499,158</u>
Net assets excluding pension asset		<u>754,755</u>	<u>499,158</u>
Total net assets		<u><u>754,755</u></u>	<u><u>499,158</u></u>
Charity funds			
Restricted funds	18	277,352	305,359
Unrestricted funds	18	477,403	193,799
Total funds		<u><u>754,755</u></u>	<u><u>499,158</u></u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 145 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

MILTON KEYNES MUSEUM TRUST LIMITED

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REGISTERED NUMBER: 02302281

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
J Beckerleg
(Treasurer)
Date: 7th December 2021

The notes on pages 17 to 29 form part of these financial statements.

MILTON KEYNES MUSEUM TRUST LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net cash used in operating activities	317,374	(108,474)
Cash flows from investing activities		
Interest received	911	3,148
Purchase of tangible fixed assets	(57,206)	(7,088)
Purchase of heritage assets	(3,450)	(5,245)
Net cash used in investing activities	(59,745)	(9,185)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	257,629	(117,659)
Cash and cash equivalents at the beginning of the year	427,701	545,360
Cash and cash equivalents at the end of the year	685,330	427,701

The notes on pages 17 to 29 form part of these financial statements

MILTON KEYNES MUSEUM TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. General information

Milton Keynes Museum Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is McConnell Drive, Wolverton, Milton Keynes, MK12 5EL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Milton Keynes Museum Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

2.2 Going concern

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

Covid-19 Statement:

In response to the Covid-19 pandemic, the Charity Trustees have considered the future cashflow requirements of the Charity and how these might be impacted by Covid-19. Based on these considerations and having regard to the resources available to the charity, the Charity Trustees have concluded that there is no material uncertainty arising from the Covid-19 pandemic and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Charity 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.

MILTON KEYNES MUSEUM TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.4 Income

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25%
Office equipment	-	25%

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**NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.7 Heritage assets

The Charity possesses a historical collection of heritage assets, which are accessible to the public for viewing and research. These are recognised initially at cost of acquisition.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

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

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

2. Accounting policies (continued)

2.13 Fund accounting

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

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 costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	1,098	10,267	11,365	337,403
Grants	515,232	20,000	535,232	3
	<u>516,330</u>	<u>30,267</u>	<u>546,597</u>	<u>337,406</u>
<i>Total 2020</i>	<u>99,077</u>	<u>238,329</u>	<u>337,406</u>	

in the prior year, the Charity received donations totalling £99,077 and grants of £238,329.

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NOTES TO THE FINANCIAL STATEMENTS
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4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Entrance and group fees	10,778	10,778	202,455
Shop income	-	-	29,471
Tea shop	4,582	4,582	83,031
Total 2021	<u>15,360</u>	<u>15,360</u>	<u>314,957</u>
<i>Total 2020</i>	<u>314,957</u>	<u>314,957</u>	

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Deposit interest	911	911	3,148
<i>Total 2020</i>	<u>3,148</u>	<u>3,148</u>	

6. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Other income	23,076	23,076	13,873
<i>Total 2020</i>	<u>13,873</u>	<u>13,873</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	68,862	44,400	113,262	272,102
Staff costs	176,838	13,874	190,712	203,885
Depreciation	8,895	-	8,895	4,113
	<u>254,595</u>	<u>58,274</u>	<u>312,869</u>	<u>480,100</u>
<i>Total 2020</i>	<u>380,729</u>	<u>99,371</u>	<u>480,100</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	98,200	15,062	113,262	272,102
Staff costs	190,712	-	190,712	203,885
Depreciation	8,895	-	8,895	4,113
	<u>297,807</u>	<u>15,062</u>	<u>312,869</u>	<u>480,100</u>
<i>Total 2020</i>	<u>466,583</u>	<u>13,517</u>	<u>480,100</u>	

9. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>4,962</u>	<u>4,725</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff costs

	2021 £	2020 £
Wages and salaries	177,885	188,232
Social security costs	10,327	12,343
Contribution to defined contribution pension schemes	2,500	3,310
	<u>190,712</u>	<u>203,885</u>

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Average number of employees	<u>8</u>	<u>10</u>

No employee received remuneration amounting to more than £60,000 in either year.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

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

12. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2020	23,178	27,966	51,144
Additions	57,206	2,433	59,639
At 31 March 2021	80,384	30,399	110,783
Depreciation			
At 1 April 2020	18,966	22,003	40,969
Charge for the year	5,568	3,327	8,895
At 31 March 2021	24,534	25,330	49,864
Net book value			
At 31 March 2021	55,850	5,069	60,919
At 31 March 2020	4,212	5,963	10,175

13. Heritage assets

Assets recognised at cost

	Heritage assets 2021 £	Total 2021 £
Carrying value at 1 April 2020	13,820	13,820
Additions	3,450	3,450
	17,270	17,270

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. Stocks

	2021 £	2020 £
Finished goods and goods for resale	<u>16,417</u>	<u>16,956</u>

15. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	(30)	179,162
Other debtors	20,707	528
Prepayments and accrued income	4,569	4,599
	<u>25,246</u>	<u>184,289</u>

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	27,740	2,043
Other taxation and social security	7,129	128,120
Other creditors	2,243	10,649
Accruals and deferred income	13,315	12,971
	<u>50,427</u>	<u>153,783</u>

17. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>685,330</u>	<u>427,701</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

18. Statement of funds**Statement of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
Designated funds				
Designated tariff funding	-	135,453	-	135,453
Designated grant funded capital	-	47,366	-	47,366
	<u>-</u>	<u>182,819</u>	<u>-</u>	<u>182,819</u>
General funds				
General Funds - all funds	<u>193,799</u>	<u>372,858</u>	<u>(272,073)</u>	<u>294,584</u>
Total Unrestricted funds	<u>193,799</u>	<u>555,677</u>	<u>(272,073)</u>	<u>477,403</u>
Restricted funds				
Connected Earth Fund	44,166	-	-	44,166
New (Ancient) Gallery	209,009	10,267	(16,000)	203,276
Large Exhibit Display Building Fund	27,917	-	(27,917)	-
Grant re Archivist	5,816	15,000	(13,874)	6,942
The Bradwell Windmill	18,451	5,000	(483)	22,968
	<u>305,359</u>	<u>30,267</u>	<u>(58,274)</u>	<u>277,352</u>
Total of funds	<u>499,158</u>	<u>585,944</u>	<u>(330,347)</u>	<u>754,755</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

18. Statement of funds (continued)**Statement of funds - prior year**

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds				
General Funds - all funds	199,314	431,055	(436,570)	193,799
Restricted funds				
Restricted Funds - all funds	166,401	238,329	(99,371)	305,359
Total of funds	<u>365,715</u>	<u>238,329</u>	<u>(535,941)</u>	<u>499,158</u>

19. Summary of funds**Summary of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Designated funds	-	182,819	-	182,819
General funds	193,799	372,858	(272,073)	294,584
Restricted funds	305,359	30,267	(58,274)	277,352
	<u>499,158</u>	<u>585,944</u>	<u>(330,347)</u>	<u>754,755</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Summary of funds (continued)**Summary of funds - prior year**

	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2020</i>
	£	£	£	£
General funds	199,314	431,055	(436,570)	193,799
Restricted funds	166,401	238,329	(99,371)	305,359
	<u>365,715</u>	<u>669,384</u>	<u>(535,941)</u>	<u>499,158</u>

20. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021
	£	£	£
Tangible fixed assets	60,919	-	60,919
Heritage assets	17,270	-	17,270
Current assets	449,641	277,352	726,993
Creditors due within one year	(50,427)	-	(50,427)
Total	<u>477,403</u>	<u>277,352</u>	<u>754,755</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	255,597	133,443
Adjustments for:		
Depreciation charges	8,895	4,113
Investment income	(911)	(3,148)
Decrease/(increase) in stocks	539	(920)
Decrease/(increase) in debtors	156,610	(176,421)
Decrease in creditors	(103,356)	(65,541)
Net cash provided by/(used in) operating activities	317,374	(108,474)

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	685,330	427,701
Total cash and cash equivalents	685,330	427,701

23. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	427,701	257,629	685,330
	427,701	257,629	685,330

24. Pension commitments

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.