

**PETERBOROUGH MUSEUM AND ART GALLERY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

PETERBOROUGH MUSEUM AND ART GALLERY

LEGAL AND ADMINISTRATIVE INFORMATION

Corporate Trustee	Peterborough City Council
Charity number	311798
Principal address	Priestgate Peterborough
Accountants	Baldwins Holdings Limited t/a Rawlinsons Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP
Bankers	Barclays Bank PLC Peterborough Business Centre PO Box 294 1 Church Street Peterborough Cambridgeshire PE1 1EZ

PETERBOROUGH MUSEUM AND ART GALLERY

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PETERBOROUGH MUSEUM AND ART GALLERY

TRUSTEE REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The corporate trustee present their report and financial statements for the year ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Deed of Trust, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" revised in March 2005.

Objectives and activities

The Museum is based in an early nineteenth century classical style building within easy walking distance of the Cathedral and the city centre shops.

The corporate trustee have paid due regard to guidance issued by the Charity Commission in deciding what activities the museum should undertake.

The operational management of the Museum and Art Gallery is contracted to Vivacity Culture and Leisure (registered charity number 1138230) by Peterborough City Council.

The financial year 2017/2018 saw another busy and successful year including delivery of the following major projects:

- Conclusion of the Heritage Lottery Fund grant funded project where the museum has partnered with the archives service to deliver a WW1 project. The project included research into the servicemen who signed the visitor's books at www.peterboroughww1.co.uk with descendants of the servicemen being traced. This concludes with an exhibition 'The Soldiers and Sailors Rest', commemorate World War 1 opened in Peterborough Museum featuring the World War One guestbooks from Peterborough East Station.
- We were successful in gaining funding from the Heritage Lottery Fund and the Garfield Weston Loan Fund to support the Treasures exhibition opening in August 2018. The exhibition is part of city-wide programme of events to mark Peterborough 900 in 2018. Preliminary work has been successful in gaining loans in principle from National Museums including the British Museum and Victoria and Albert Museum.
- The Turner painting 'Peterborough from the North' from the museum's permanent collection started its year-long loan on tour to four venues in Japan, starting at Kitakyusyu. It is part of the largest Turner exhibition in Japan, which has been organised in partnership with the National Galleries of Scotland, and has loans from over 20 museums and organisation from the UK. The painting will be returned September 2018. This is the first time in recent history that the museum has organised an international loan.
- The delivery of the timeline project strand of our Museums and School partnership with Natural History Museum. All local heritage interest groups have been contacted with the opportunity to supply content for the website. The website will also contain a subscription area for schools, providing exclusive teaching and learning materials in the shape of a ground-breaking new place based curriculum. The site will go live to the public in 2018, to coincide with Peterborough 900. We have received confirmation from Arts Council England that we will receive a further two years of Museums and Schools funding. This will enable the heritage team to continue to work with the Natural History Museum to develop our schools programme.

PETERBOROUGH MUSEUM AND ART GALLERY

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Programming for the public during this financial year saw successful exhibitions across a range of topics, including an in-house exhibitions 'Toys - an exhibition looking at toys and play across the generations focused on objects from our permanent collections, and 'Must Farm' - an exhibition showcasing the unique Bronze age finds from Must Farm working in partnership with Cambridge Archaeology Unit, including wooden boats currently being conserved at Flag Fen.

The Museum events programme saw particular success with family activities. The annual Katharine of Aragon Festival took place in January, and marked the first of the city's events for the 'Peterborough Celebrates' campaign in 2018. Vivacity events included a lecture, family day at the Museum and themed walks, all of which were well attended. Half terms covered themes of 'Give us a Clue' based on Cluedo linking to our 'Toys' exhibition. Traditional skills workshops were again held at Peterborough Museum building on last years success working particularly well around the Christmas period, but also including collections based workshops supporting the Must Farm exhibition. Over 11,000 visitors participated in events over the year. The Heritage Festival Big Weekend again attracted over 28,000 visitors with the main theme being the English Civil War.

The education programme has developed new sessions for KS2-3 on Crime and Punishment, and KS2 'Play and Pastimes' to accompany the Toys exhibition. New teachers resource packs have been produced as part of the HLF WW1 project..

The Finds liaison officer for Cambridgeshire continues to be based at Peterborough one day a week. This role is part of the portable antiquities scheme a DCMS funded project to encourage the voluntary recording of archaeological objects found by members of the public in England and Wales. Finds processed at Peterborough included an important bronze gold torc, purchased by Ely Museum through the treasure act.

The Museum and Art Gallery continues to play an important and vital role in the City's rich heritage and complements and engages with the City's many other heritage venues, events and projects.

Achievements and performance

Financial review

The unrestricted funds which have not been designated for a specific use relate to the revaluation of the Flag Fen site. The corporate trustee considers that reserves at this level will ensure that they will be able to continue the museum's current activities.

The corporate trustee has assessed the major risks to which the museum is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Museum was founded by a Deed of Trust dated 1 February 1935 and a Scheme was made by the Secretary of State for Education and Science on the 29 February 1968. It is registered with the Charity Commission, number 311798 and its address is Priestgate, Peterborough. The constitution states that the charity trustees are the Mayor, Councillors and Citizens of the City of Peterborough. For all practical purchases the approach taken is to define this as Peterborough City Council act as the charity's sole corporate trustee.

The object of the charity is the provision and maintenance of a Museum and Art Gallery for the City of Peterborough and neighbourhood; for the preservation and exhibition of specimens of natural history, geology, archaeology, social history and the fine arts and as a centre for promoting artistic and general knowledge, and providing access to collections for the purpose of knowledge, education, research and learning. In considering, reviewing and planning our future objectives, aims and activities of the charity, we have referred to the guidance contained in the Charity Commission's general guidance on public benefit and the trustees have considered how they will contribute to the aims and objectives they have set.

The corporate trustee who served during the year were:

Peterborough City Council

PETERBOROUGH MUSEUM AND ART GALLERY

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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

On behalf of the board of corporate trustee

Councillor S Allen
Trustee

Dated: 25 July 2018

PETERBOROUGH MUSEUM AND ART GALLERY

STATEMENT OF TRUSTEE RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

The corporate trustee are responsible for preparing the Trustee Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the corporate trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the museum and of the incoming resources and application of resources of the museum for that year.

In preparing these accounts, the corporate trustee are required to:

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

The corporate trustee are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the museum and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

PETERBOROUGH MUSEUM AND ART GALLERY

ACCOUNTANTS' REPORT TO THE CORPORATE TRUSTEE ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF PETERBOROUGH MUSEUM AND ART GALLERY FOR THE YEAR ENDED 31 MARCH 2018

In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the financial statements of Peterborough Museum and Art Gallery for the year ended 31 March 2018, which comprise the Statement of Financial Activities and the related notes from the charity's accounting records and from information and explanations you have given us.

This report is made to the charity's trustees as a body, in accordance with the terms of our engagement letter dated 18 April 2018. Our work has been undertaken solely to prepare for your approval the accounts of Peterborough Museum and Art Gallery and state those matters that we have agreed to state to the charity's trustees, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Peterborough Museum and Art Gallery and the charity's corporate trustee as a body, for our work or for this report.

It is your duty to ensure that Peterborough Museum and Art Gallery has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of Peterborough Museum and Art Gallery. You consider that Peterborough Museum and Art Gallery is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the financial statements of Peterborough Museum and Art Gallery. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Rawlinsons

27 July 2018

Accountants

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

PETERBOROUGH MUSEUM AND ART GALLERY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
<u>Expenditure on:</u>			
Charitable activities	3	12,758	12,758
		<hr/>	<hr/>
Net expenditure for the year/ Net movement in funds		(12,758)	(12,758)
Fund balances at 1 April 2017		422,013	434,771
		<hr/>	<hr/>
Fund balances at 31 March 2018		409,255	422,013
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

PETERBOROUGH MUSEUM AND ART GALLERY

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	6	409,255		422,013	
		<u>409,255</u>		<u>422,013</u>	
Income funds					
Unrestricted funds		409,255		422,013	
		<u>409,255</u>		<u>422,013</u>	

The accounts were approved by the Corporate Trustee on 25 July 2018

Councillor S Allen
Trustee

PETERBOROUGH MUSEUM AND ART GALLERY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Peterborough Museum and Art Gallery is a foundation to provide a museum and art gallery for the City of Peterborough and neighbourhood..

1.1 Accounting convention

The accounts have been prepared in accordance with the museum's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The museum is a Public Benefit Entity as defined by FRS 102.

The museum has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the corporate trustee in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are funds subject to specific restriction imposed by the donors or by the purpose of the appeal.

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

1.4 Incoming resources

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

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

PETERBOROUGH MUSEUM AND ART GALLERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Tangible fixed assets

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

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

Land and buildings	Over 35 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Impairment of fixed assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.7 Cash and cash equivalents

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

Basic financial assets

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

PETERBOROUGH MUSEUM AND ART GALLERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.8 Notional Costs

In previous years a notional cost of capital, which matched that calculated in the accounts of Peterborough City Council in accordance with the Treasury Guidance, had been disclosed on the face of the Statement of Financial Activities. This notional cost had no financial impact on the performance of the charity and is no longer considered relevant for disclosure therefore, on this basis, has been excluded from these accounts.

There is no financial adjustment necessary to the current or previous years accounts as a result of this change of policy.

1.9 Heritage assets

The museum has various collections of heritage assets which are held in support of the museum's primary objective of increasing knowledge, understanding and appreciation of the Peterborough area.

The trustees do not consider that reliable cost or valuation information can be obtained for the vast majority of items held in the collections. This is because of the diverse nature of the assets held, the number of assets held and the lack of comparable market values. The trustees consider that obtaining valuations for the majority of the collections would involve disproportionate cost. The museum does not therefore recognise these assets on its balance sheet. The insurance valuation for the collections is £6,307,378 (2017 - £6,183,704). The Flag Fen exhibits have a declared value of £85,265 (2017 - £83,594) with an insured sum of £98,055 (2017 - £96,133).

2 Critical accounting estimates and judgements

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

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

PETERBOROUGH MUSEUM AND ART GALLERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Charitable activities

	2018 £	2017 £
Depreciation and impairment	12,758	12,758

4 Corporate Trustee

The trustees neither received nor waived any emoluments during the year. No expenses were reimbursed to trustees.

5 Employees

There were no employees during the year.

6 Tangible fixed assets

	Land and buildings £
Cost	
At 1 April 2017	496,435
At 31 March 2018	496,435
Depreciation and impairment	
At 1 April 2017	74,422
Depreciation charged in the year	12,758
At 31 March 2018	87,180
Carrying amount	
At 31 March 2018	409,255
At 31 March 2017	422,013

The museum operates from property held by Peterborough City Council as trustees for the charity. No value is included in these accounts for that property.

The land and buildings at Flag Fen have been revalued to the depreciated replacement cost value. The valuation was carried out by Peterborough City Council on 9 May 2011. There are certain restrictions on the land from one of the original funders to the site.

7 Related party transactions

There were no disclosable related party transactions during the year (2017 - none).