

# **MOLA Northampton**

Report and Financial Statements

Year Ended

31 March 2021

Company Number 08727508

Charity Number 1155198

# **MOLA Northampton**

## **Report and financial statements for the year ended 31 March 2021**

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## **MOLA Northampton**

### **Report and financial statements for the year ended 31 March 2021**

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#### **Board of Directors**

Rosamund Evelyn Blomfield-Smith (Chairman)  
Kenneth Eric Sorensen (Resigned 24 August 2020)  
Peter Stewart (Appointed 23 December 2020)  
Paul Rodgers (Appointed 23 December 2020)  
Alison Gowman (Appointed 23 December 2020)

#### **Interim Chief Executive**

Steve Parry (appointed 15 February 2021)

#### **Registered office**

Mortimer Wheeler House, 46 Eagle Wharf Road, London, N1 7ED

#### **Company number**

08727508

#### **Charity number**

1155198

#### **Bankers**

Lloyds Banking Group, 4th Floor, 25, Gresham Street, London EC2V 7HN

#### **Auditors**

BDO LLP, 55 Baker Street, London W1U 7EU

# MOLA Northampton

## Report of the directors for the year ended 31 March 2021

The Directors, who are also Trustees for the purposes of the Charities Act 2011, present their report together with the audited financial statements of the charity for the year ended 31 March 2021.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity, MOLA Northampton, is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association. The Charity was incorporated on 10 October 2013 and registered with the Charity Commission on 6 January 2014.

#### Structure

The Charity is a wholly owned subsidiary of Museum of London Archaeology (hereafter 'MOLA'), a charitable company limited by guarantee with charity number 1143574, company number 07751831 and registered office at Mortimer Wheeler House, 46 Eagle Wharf Road, London N1 7ED.

The Charity is an important and central part of MOLA's overall business. The Charity's Articles, charitable objects and strategic and business aims are identical and synonymous to those of MOLA. It was established as a separate, subsidiary legal entity to provide transparency and clarity with regard to working capital arrangements. The Charity operates primarily in the Midlands in the UK.

The Charity is governed by a Board of Trustees who are also Directors of the Company. The MOLA Northampton Articles state that the Board shall comprise up to five Directors of whom not more than two may also be Directors of MOLA. Director Trustees may be appointed either by Ordinary Resolution or by a decision of the Trustees and hold office for a term of three years. Retiring Director Trustees may be re-appointed but not for more than three consecutive terms of office. General meetings are required to pass a resolution to remove a Director. Ordinary resolutions can be passed by a simple majority and special resolutions, which require filing at Companies House, require at least 75 per cent of those eligible to vote in favour.

To meet the purpose and objects of the Charity, a range of business, financial and communications skills is sought at Board level. New Directors (Trustees) sign a Declaration of Eligibility statement which includes confirmation that they have read the HMRC Guidance *The 'Fit and Proper Persons test', a basic guide for charity managers*. A Register is maintained (and made available to the Board) of Members' Interests to ensure that any actual or perceived conflict can be properly identified and managed. Members of the Board are reimbursed for out-of-pocket expenses, such as transport costs to attend Board meetings, but are otherwise not remunerated.

The Chief Executive of MOLA is responsible for arranging a full induction for each new Director, which includes relevant briefing documentation and familiarisation meetings.

In 2017 the Board and Group Executive team evaluated the governance of the Group in view of the *Charity Governance Code* applicable for larger charities (in draft at that time). In response the Trustees and Executive Team have developed an Induction and Board Operations Manual (IBOM). The IBOM brings together key induction information relating to the Group's history, purpose, business and charitable activities; the Group's policy statements and principles of financial and risk management; the current Strategic Plan; procedures relating to the appointment of Trustee, the operation of the Board and its Committees; the Board Code of Conduct; and delegated authorities granted via Powers of Attorney and the Group Authority Matrix. There is an annual evaluation of Board performance and the IBOM is reviewed and updated annually.

Directors who served the charity during the year were as follows:

- Rosamund Evelyn Blomfield-Smith (Chairman)
- Kenneth Eric Sorensen (resigned 24 August 2020)
- Peter Stewart (Appointed 23 December 2020)
- Paul Rodgers (Appointed 23 December 2020)
- Alison Gowman (Appointed 23 December 2020)

The Board has met three times in the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021 with an overall members' attendance rate of 100%.

## MOLA Northampton

### Report of the directors for the year ended 31 March 2021 (*continued*)

The Board utilises the following standing Committees that exist with the MOLA Group:

- Remuneration, overseeing pay for members of the Executive team;
- Audit and Governance/Risk, to support the Board in areas including risk, internal control and governance;
- Finance and General Purposes, to support budgeting financial management and operations however the work of this Committee was combined with the Audit & Risk Committee. The final Finance and General Purposes Committee meeting was in December 2020;
- Developer Services, to oversee client, commercial and business activities including fieldwork delivery
- Research and Engagement overseeing delivery of charitable objectives
- Property Group, to oversee property issues as necessary

Representation of Board members on each of the committees varied through the year due to changes to both the Board membership and committee composition. The number of meetings held, Board members in attendance and overall MOLA Group Trustee attendance rates are summarised in the following table

| Sub-Committee              | Number of Meetings | Number of Charity Members | Overall Attendance |
|----------------------------|--------------------|---------------------------|--------------------|
| Remuneration Committee     | 1                  | 1                         | 100%               |
| Finance & General Purposes | 7                  | Between 2 - 3             | 100%               |
| Audit & Risk               | 5                  | Between 2 - 4             | 90%                |
| Developer Services         | 4                  | Between 2 - 3             | 100%               |
| Research & Engagement      | 4                  | Between 3 - 4             | 93%                |

#### Executive management

The Board appoints a Director to lead MOLA Northampton, who serves as part of the MOLA Group Executive Team led by the MOLA Chief Executive. The Group Executive Team are regarded as key management personnel for the Group. The Group Executive Team comprises the Chief Executive, Finance Director, Chief Operating Officer, Director of Research & Engagement, Director of Northampton, Director of Developer Services, Director of Infrastructure, Director of Project Management & Consultancy, Director of Research, Director of Group Communications, Business Development & Fundraising and Chief Digital Officer.

#### Remuneration policy

Remuneration for MOLA Northampton staff is determined in accordance with the MOLA Group general pay structure. Pay decisions are taken annually and take account of discussions between the MOLA Executive team and the trade union, Prospect, which MOLA Northampton recognises. Remuneration for the Director of MOLA Northampton falls outside the general MOLA pay structure, and is the responsibility of the Board's standing Remuneration Committee, which operates to Terms of Reference that were approved by the Board in 2012. Those Terms determine that pay for the Executive team shall be:

- Tightly aligned to the delivery of MOLA's strategic goals and pay decisions for MOLA generally;
- Consistent with internal relativities;
- Affordable, with growth in reward aligned with profitability targets;
- Reflect the mid-term nature of MOLA's strategic challenges;
- Transparent, consistent, fair and free from discrimination.

Pay decisions both for the Executive and for staff generally are referenced against comparator organisations, the total cash and cumulative value of base pay, any 'pay at risk' and pension provisions, and take account of the economic climate, the Charity's short- and medium-term work forecast and the Board's overall aims to improve pay. No salary is paid to the MOLA Chief Executive by the Charity and no executive was paid in the reporting band of over £60k per annum solely for their work with MOLA Northampton during the year.

#### Risk

A detailed Group risk register is maintained by the Executive team and scrutinised monthly or more frequently by the Executive team and by the Board through each meeting of the Audit and Governance Committee.

# MOLA Northampton

## Report of the directors for the year ended 31 March 2021 (continued)

### Sustainability

The Charity embraces its duty to act as a responsible employer and contractor with regard to the environment and operates in line with an agreed Environmental and Sustainability policy. The Policy reflects the Charity's aims in this regard, which include to: design archaeological solutions with minimised environmental impact; conserve energy, paper, water and other resources; maximise the use of renewable energy; require all new building and refurbishment work to improve environmental performance through design, construction and operation; ensure materials used and goods purchased derive where possible from natural, sustainable sources; reduce waste through minimising consumption, re-using and recycling, and by using refurbished, recycled or recyclable products; reduce the use of volatile organic compounds and other harmful substances and eliminate all ozone depleting substances; reduce vehicle emissions and promote the use of public transport; use organic and fair-trade food and drink and ensure that products bought are animal cruelty free where applicable; develop and maintain effective management, target setting and reporting on environmental issues and encourage all staff to work in an environmentally responsible manner and to contribute to improving performance.

### Management

The strategic and tactical direction of the Charity was reviewed, as it will be annually, and set out in a Group Board-approved Strategic Plan. The Group Executive team is responsible for setting team and individual targets and performance measures to address and deliver the Strategic Plan goals; these are assessed through the organisation's performance and development review system.

**Professional accreditation:** The Charity is a *Registered Organisation*, as part of the MOLA Group, in the Chartered Institute for Archaeologists' quality assurance scheme. The Group Board has affirmed its commitment in this regard in a resolution stating:

*"The Board of Trustees and Directors resolves that all archaeological work by MOLA and MOLA Northampton shall be carried out in accordance with the Code of Conduct and other By-laws of the Chartered Institute for Archaeologists."*

### OBJECTIVES AND ACTIVITIES

#### Charitable Objects and Public Benefit

The objects of the Charity (which are set out at Article 3 of its Articles of Association) are to provide public benefit through educational archaeology and historic environment activities. The Trustees have taken into full account the Charity Commission's guidance on public benefit in determining the Charity's short and long-term plans. Accordingly, the Charity delivers a wide range of activities both independently and in conjunction with colleagues in other parts of MOLA and with external partners which include:

- (i) **Archaeological investigation and the creation of new knowledge:**  
The Charity delivers a programme of investigation, discovery and research into below-ground and built heritage. Much of this work relates to opportunities that arise through the planning process and are directly or indirectly funded by property developers, construction, infrastructure and aggregates sector professionals, from both the private and public sectors. This leads to a wide variety of fieldwork and post-excavation research projects which generate new understandings and new knowledge about the past. These projects also generate organised archives of information which then form an invaluable educational resource for future research enquiry. These activities are directly aligned with Government policy, including and in particular the National Planning Policy Framework (2012, updated 2019) which affirms the invaluable contribution that heritage activities carried out as part of the planning process make to the social, economic and cultural life of the nation.

# MOLA Northampton

## Report of the directors for the year ended 31 March 2021 (*continued*)

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In this regard, objectives included:

- Increasing the volume of fieldwork across the Midlands with focus on sectors experiencing growth in particular residential, distribution and infrastructure;
- Training and development to create, attract and retain the best archaeologists;
- Developing programmes to allow entry of non-archaeologists into the profession
- Continually improving the delivery and efficiency of approach and use of technology;
- Developing collaborative initiatives with other organisations to deliver archaeology on major infrastructure projects;
- Expansion of our capabilities for non-intrusive archaeological investigation including detailed building recording, widening and improving our geophysical survey offer and growing our drone fleet and trained operatives.
- Ensuring research and engagement opportunities are built into the project designs of suitable commercial projects from the start
- Move our Finds, Archives and Processing operations to a new purpose-designed facility

(II) **Widening access to research:**

The Charity manages an ambitious dissemination programme comprising monographs, peer-reviewed journal articles and other publications. These are produced for a wide range of students, researchers and members of the general public, and are disseminated through public lending libraries, local societies and direct sales.

Objectives for the year were identified with the intention of developing the range and the impact of the Charity's work, including educational and public benefit of its work. These included:

- Continued development and expansion of a specialist team to aid the successful completion of post-excavation analysis and publication of academic and popular books, articles and brochures;
- Supporting Northampton Borough's heritage initiatives by developing collaborative research projects
- Supporting Northamptonshire County Council establish their new Archives' Repository
- Working with University of Northampton to develop innovative imaging and presentation tools
- Working closely with the MOLA Communications team and others to improve the dissemination of results through a wider range of media;
- Liaising with client and other sponsors to showcase the work of MOLA through public events, engagement with schools and exhibitions.
- Increased use of web-based products such as story maps, 3D models for use on MOLA and client websites
- Working with EMHERF to help create the next phase of Regional Research Agendas
- Developing links with universities for students and other researchers to use MOLA's archaeological archives

(III) **Connecting communities and place through archaeology:**

The Charity's work can provide valuable routes by which members of the public engage with and participate in the archaeology of their neighbourhoods and communities.

Objectives for the year were identified:

- To make the work of MOLA more widely known and thereby encourage active public participation in our work; and
- To seek new project opportunities for increased public engagement within planning-related archaeological projects, and thereby provide training for wider audiences.
- To work closely with schools to make the results of local archaeological discoveries available to the pupils and relevant to their wider studies
- To continue supporting local archaeological societies and groups

# **MOLA Northampton**

## **Report of the directors for the year ended 31 March 2021 (continued)**

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### **ACHIEVEMENTS AND PERFORMANCE**

Despite the initial dip in activity caused by the March 2020 COVID-19 lockdown MOLA Northampton had one of its busiest years ever, with large evaluations and excavations on strategic logistics sites and residential schemes including Great Haddon in Peterborough, Northampton Gateway and Magna Park at Lutterworth in Leicestershire. The archaeological remains recorded on these projects date from the prehistoric to medieval periods and will provide opportunities for statistically significant analysis into the development of settlements and land use across a broad area.

In support of our clients we have developed new ways of working improving quality and efficiency as well as working more closely with the London and Basingstoke offices. This growth in work has led to a sustained recruitment drive leading to an increase in permanent staff numbers at all levels of the Charity plus staff on fixed term contracts as the business required. This has enhanced the already considerable internal expertise, and further increased the Charity's ability to deliver on a wide range of projects including some particularly large-scale projects.

The Charity supported clients across a range of sectors dominated by house building, but also including quarries, new transport infrastructure, distribution centres, office space and energy supply schemes. The increased scale of the schemes with which the Charity became involved noted in previous years continued.

The continued development of new technologies and approaches, such as the use of Small Unmanned Aircraft and cart-based geophysical surveys means that such techniques have become well embedded in the day to day work of MOLA Northampton thereby improving efficiency and quality of data. MOLA is continuing to develop SUA technologies, with vehicles that can now be used enclosed spaces, which is of particular use in building recording especially where structures may be unsafe to enter. Trials of using mechanically towed carts for geophysics have proven successful, leading to an increase in productivity and a considerable reduction in manual strain. Of particular notes was the use of 3D modelling technologies to record richly furnished Saxon burials from Overstone. Further development of on-site digital recording system led by MOLA's IT department is being trailed. This is expected to have greater compatibility with MOLA post-excavation systems leading to efficiency savings, and will be tailored better to MOLA's ways of working. Digital recording is also being used for Health and Safety monitoring and reports, and will enable a more integrated approach within MOLA.

We have successfully established our Crofton Oak Northamptonshire Archaeological Resource Centre. Our archive team have been responsible for curating this large and important resource, representing well over thirty years work in the county, because until now the County Council have not possessed a suitable repository. The Centre also enables effective processing of finds from across the charity's key project sites.

### **PLANS FOR FUTURE PERIODS**

It is the aim of the MOLA group to merge the group charities of MOLA Northampton and Museum of London Archaeology. Whilst a date for this transfer has not been finalised the aim is that this will be completed as at 31 March 2022 after which the MOLA Northampton legal entity will become dormant and its business and net assets and liabilities will be transferred to its controlling parent, Museum of London Archaeology where the charity's work on major infrastructure projects such as HS2 and major road schemes together with work in support of the housing, distribution, commercial, aggregate and utilities sectors will continue and where we will continue to develop different and more efficient ways of delivering archaeological solutions for our clients. Part of this challenge will be to tackle the national shortage of trained archaeologists and we will continue to develop our apprenticeship and training programmes for new and existing staff, working with universities and engaging with citizen science and other volunteers and thereby providing wider economic, social and cultural value. The merging of legal entities will encourage increased co-operation and sharing of resources between offices, including development of systems to allow greater flexibility in the use of MOLA's workforce. We have continued to develop and roll out a bespoke digital recording system across significant sites with the aim of roll out across MOLA. We also plan to further develop our new Finds and Archives premises to make it a state-of-the-art facility.



# MOLA Northampton

## Report of the directors for the year ended 31 March 2021 (continued)

### FINANCIAL AND OPERATIONAL REVIEW

#### Transactions and financial position

In the year to 31 March 2021 the Charity generated income of £8,216k (2020 £5,952k) and a net surplus of £479k (2020 deficit £333k). The number of significant projects including further HS2 work and sites such as Northampton Gateway, Overstone Park and Magna Park, Lutterworth have helped to boost revenues. The COVID-19 pandemic had less impact on the operations of MOLA Northampton than the wider MOLA group because of the nature of key sites however activity was significantly constrained during the first lockdown.

Cash at 31 March 2021 closed at £1,584k (2020 £490k).

#### Reserves policy

The Trustees recognise that the Charity's market fluctuates significantly, with substantial impact on revenues and costs but with little opportunity to control those fluctuations. The Charity's policy is to develop a Reserve to ensure adequate working capital cover, a platform for ensuring staff are adequately remunerated and supported by a benefits package that aids recruitment and retention and sufficient investment cover for immediate business development opportunities and purchasing of capital items.

The Charity's free reserves are unrestricted and held for the following reasons:

1. to provide working capital to manage fluctuations in cash-flow, protection against a serious disruption to operations and protection against a decline in the market for our services
2. to provide development of the Group's service quality
3. to provide capital growth for imminent developments
4. to cover future relocation costs

At its current size and recognising its role as a key income generator within the MOLA group, the Trustees calculate that the Charity requires £4,000k free reserves to meet these contingencies. Total free reserves are currently £3,000k. The Charity aims to build up its free reserves through unrestricted donations and through trading surpluses.

#### Principal Risks and Uncertainties

**COVID-19 Coronavirus:** COVID-19 has had a significant impact on the 2020/21 financial year and is still regarded as a significant, if reducing, risk in MOLA's risk register. Lockdown measures introduced in late March 2020 resulted in the closure of our offices and most client worksites. Revenue was therefore restricted during the first lockdown to that which could be delivered via home working as well as a few rural sites. The substantial reduction in revenue has had adverse consequences to the results during the first half of the year however there was improvement during the second half. The Group utilised the government's job retention scheme by placing up to two-thirds of its employees on furlough during the first lockdown and more flexibly after that thereby partly mitigating the impact of reduced revenues by reducing payroll cost. Cashflow has been supported by deferring VAT payments due in the period from March to June 2020 to March 2021 and the group has taken out a £1,250k Coronavirus Business Interruption Loan to provide working capital flexibility as the business continues to expand again in 2021/22.

**Financial risk assessment:** Project quotations and proposals are evaluated by a team of senior managers and project managers and reviewed by the Director of MOLA Northampton. Project finances are reviewed monthly at work-in-progress meetings and appraised for meeting target profit margins and billing in a timely manner.

**Fair payment:** Failure of clients to pay within a reasonable timeframe or without a justifiable reason for non-payment normally results in legal proceedings and work is stopped until payments are up to date.

## MOLA Northampton

### Report of the directors for the year ended 31 March 2021 (*continued*)

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**Business Risk:** The Charity's main business opportunities derive from infrastructure, including highways and rail schemes, and planning-led investigation of proposed development, construction and aggregates extraction sites. These opportunities rely heavily on the state of the UK economy, which has been volatile and uncertain throughout the reporting period. Nonetheless, the Charity has performed well reflecting the resilience of the business.

**Staffing Risk:** Availability of suitably qualified and experienced staff at all levels within the archaeology sector represents a continuing business risk. Our staff attraction and development programmes will help to mitigate potential resourcing shortfalls.

**Business Interruption:** The loss of data, records, access to locations or systems would prevent staff from undertaking their normal business activities. The Board is aware that the business could suffer interruption due to terrorism attack, fire, flooding, catastrophic event, systems or network failure. Any localised disruption preventing access to a large significant site or contractor's site could also have an impact on the business. Business interruption procedures have been established so that these can be put into effect in the event that any of the above incidents materialise. Robust systems have been put in place to back up electronic data, with cloud storage.

**Financial Controls, Cash Management and Reporting of Business Performance:** The business risk from inadequate controls to manage performance and cash generation might lead to losses, fraud, legal action or regulatory intervention. Failure to manage cash flow and achieve profitability targets could result in a loss of reputation and business integrity damaging our credit profile and access to funds or ability to fund raise. Clients are required to sign our terms and conditions before an appointment is accepted. Monthly review of debtors by management is a review process with debtors over 60 days reported to the Board.

MOLA has implemented controls and processes for all areas of the business including; expenses, purchase ordering, delegated authorities and capital expenditure reviews. Regular management reviews of costs, cash flow and project profitability are part of a month end discipline. Revenue and cost budgets will all be forecast quarterly within the management structure with performance reported regularly to the Board and the Audit & Risk Committee.

#### Health, Safety & Wellbeing

Staff employed by MOLA Northampton may at times work in hazardous locations, although deep trenching and shoring equipment is not generally required. Work often takes place on construction sites where other contractors and heavy machinery are operating, and the risks to health, safety and wellbeing are significant.

MOLA takes these matters seriously and the safety of its staff, customers and suppliers is of paramount importance. A full suite of health, safety and wellbeing processes have been developed and these are implemented and regularly reviewed in consultation with Health & Safety staff groups and the recognised trade union, Prospect. Our staff is our greatest asset and to assist them in developing their competence MOLA has invested in over 150 days training within the financial year and is committed to ensuring new recruits are trained to the same standard as existing staff members. Training is varied ranging from being industry specific to courses designed to meet our statutory requirements. Our training requirement is continually reviewed to ensure it is market leading and supports our vision and the continued professional development of our people.

The Charity benefits from the expertise of a trained MOLA Health & Safety Compliance Manager who provides direct support in the design and management of projects as well as in site inspections and mitigation measures which are in any case carried out by the Charity's management team. The Charity participates actively in a Group-wide Health and Safety committee. The health and wellbeing of the workforce is of paramount importance: a corporate health scheme is in place, and there are regular reviews of sickness statistics, accident statistics and RIDDOR reporting. Further employee wellbeing initiatives include a cycle to work scheme and discounted leisure and health promotions.

#### Related parties

Related party transactions are disclosed in the notes to the financial statements.

## **MOLA Northampton**

### **Report of the directors for the year ended 31 March 2021 (*continued*)**

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#### **Directors' responsibilities**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Directors are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and of the incoming resources and application of resources of the group for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors are responsible for keeping adequate accounting records that show and explain the Charity's transactions, 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.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Directors. The Directors' responsibility also extends to the on-going integrity of the financial statements contained therein.

#### **Auditor**

BDO LLP have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this directors' report advantage has been taken of the small companies' exemption.

#### **On behalf of the Board**



Peter Stewart  
Trustee

Date 26 1 22

# **MOLA Northampton**

## **Independent auditor's report to the members of MOLA Northampton**

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### **Opinion on the financial statements**

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 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.

We have audited the financial statements of MOLA Northampton ("the Charitable Company") for the year ended 31 March 2021 which comprise the Statement of financial activities, Balance sheet, Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### **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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remain independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions related to going concern**

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

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

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

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

## **MOLA Northampton**

### **Independent auditor's report to the members of MOLA Northampton (continued)**

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We have nothing to report in this regard.

#### **Other Companies Act 2006 reporting**

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 and the Strategic 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 Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors (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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under the Companies Act 2006 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.

#### ***Extent to which the audit was capable of detecting irregularities, including fraud***

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:

## **MOLA Northampton**

### **Independent auditor's report to the members of MOLA Northampton (continued)**

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- We have made enquiries of management and the board, including:
  - how they have identified evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance;
  - their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company. These include, but are not limited to, compliance with the Companies Act 2006, UK GAAP and tax legislation.
- In addition, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Those Charged with Governance and other management and inspection of regulatory and legal correspondence if any.
- We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.
- The Senior Statutory Auditor has assessed and concluded that the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We made inquiries of the Board and management.
- We read minutes of meetings and those charged with governance.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; considered completeness of related party transactions; and evaluated the business rationale of any significant transactions that are inappropriate or unusual or; and
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to percentage completion and going concern.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.


## MOLA Northampton

### Independent auditor's report to the members of MOLA Northampton (continued)

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#### Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
DA15AED75D45453...

Heather Wheelhouse (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
55 Baker Street  
London  
W1U 7EU  
Date 28 January 2022

**MOLA Northampton**  
**Statement of financial activities**  
**(including income and expenditure account)**  
**for the year ended 31 March 2021**

|  | Note | Year ended<br>31 March<br>2021<br>£ | Year ended<br>31 March<br>2020<br>£ |
|--|------|-------------------------------------|-------------------------------------|
| <b>Income</b>  |      |                                     |                                     |
| <i>Income from charitable activities:</i>                          |      |                                     |                                     |
| Archaeological services  | 2    | 7,958,160                           | 5,943,666                           |
| Government Grants  | 3    | 257,168                             | -                                   |
| Interest receivable  | 4    | 375                                 | 8,501                               |
| <b>Total income</b>  |      | <b>8,215,703</b>                    | <b>5,952,167</b>                    |
| <b>Expenditure</b>   |      |                                     |                                     |
| <i>Cost of raising funds:</i>                                      |      |                                     |                                     |
| Fundraising and publicity  | 5    | -                                   | 1,245                               |
| <i>Expenditure on charitable activities:</i>                       |      |                                     |                                     |
| Archaeological services and investigations                         | 5    | 7,736,910                           | 6,235,556                           |
| <i>Re-organisation costs</i>                                       | 5    | -                                   | 48,311                              |
| <b>Total expenditure</b>   |      | <b>7,736,910</b>                    | <b>6,285,112</b>                    |
| <b>Net income/(deficit) and net movement in funds for the year</b> |      | <b>478,793</b>                      | <b>(332,945)</b>                    |
| Balances brought forward   |      | 2,525,906                           | 2,858,851                           |
| Balances carried forward   |      | <b>3,004,699</b>                    | <b>2,525,906</b>                    |

All of the activities of the charity are classed as continuing.

The notes on pages 18 to 25 form part of these financial statements.



## MOLA Northampton

### Balance sheet at 31 March 2021

| Company number: 08727508                                       | Note | 2021             | 2021             | 2020             | 2020             |
|--|------|------------------|------------------|------------------|------------------|
|  |      | £                | £                | £                | £                |
| <b>Fixed assets</b>  |      |                  |                  |                  |                  |
| Tangible assets  | 7    |                  | 126,567          |                  | 117,142          |
| <b>Current assets</b>  |      |                  |                  |                  |                  |
| Debtors  | 8    | 3,186,100        |                  | 3,157,592        |                  |
| Cash and cash equivalents                                      |      | 1,584,346        |                  | 490,063          |                  |
|  |      | <u>4,770,446</u> |                  | <u>3,647,655</u> |                  |
| <b>Creditors: amounts falling due within one year</b>          | 9    | <u>1,892,314</u> |                  | <u>1,238,891</u> |                  |
| <b>Net current assets</b>                                      |      |                  | <u>2,878,132</u> |                  | <u>2,408,764</u> |
| <b>Total assets less current liabilities</b>                   |      |                  | <u>3,004,699</u> |                  | <u>2,525,906</u> |
| <b>Creditors: amounts falling due after more than one year</b> | 10   |                  | <u>-</u>         |                  | <u>-</u>         |
| <b>Net assets</b>  |      |                  | <u>3,004,699</u> |                  | <u>2,525,906</u> |
| <b>Funds</b>   |      |                  |                  |                  |                  |
| Unrestricted   |      |                  | <u>3,004,699</u> |                  | <u>2,525,906</u> |

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

The financial statements were approved by the Board of Directors and authorised for issue on



Peter Stewart  
Trustee

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The notes on pages 18 to 25 form part of these financial statements.

## MOLA Northampton

### Statement of cash flows For the year ended 31 March 2021

|   | Note | 2021     | 2021             | 2020     | 2020               |
|---|------|----------|------------------|----------|--------------------|
|   |      | £        | £                | £        | £                  |
| <b>Cash generated by/(used in) operating activities</b>         | 12   |          | <b>1,155,108</b> |          | <b>(1,200,310)</b> |
| <b>Cash flows from investing activities</b>                     |      |          |                  |          |                    |
| Interest received   | 4    | 375      |                  | 8,501    |                    |
| Purchase of tangible fixed assets                               | 7    | (61,201) |                  | (72,379) |                    |
|   |      |          |                  |          |                    |
| <b>Cash (used in)/generated from investing activities</b>       |      |          | <b>(60,826)</b>  |          | <b>(63,878)</b>    |
| <b>Cash flows from financing activities</b>                     |      |          |                  |          |                    |
| Repayment of loan   |      | -        |                  | -        |                    |
|   |      |          |                  |          |                    |
| <b>Cash (used in)/generated from financing activities</b>       |      |          | <b>-</b>         |          | <b>-</b>           |
|   |      |          |                  |          |                    |
| (Decrease)/increase in cash and cash equivalents                |      |          | <b>1,094,282</b> |          | <b>(1,264,188)</b> |
| Cash and cash equivalents at the beginning of the year          |      |          | <b>490,063</b>   |          | <b>1,754,251</b>   |
| Cash and cash equivalents at the end of the year                |      |          | <b>1,584,345</b> |          | <b>490,063</b>     |
|   |      |          |                  |          |                    |
| <b>Reconciliation of net cash flow to movement in net funds</b> |      |          |                  |          |                    |
| Increase in cash and cash equivalents                           |      |          | <b>1,094,282</b> |          | <b>(1,264,188)</b> |
| Repayment of loan   |      |          | -                |          | -                  |
| Change in net funds   |      |          | <b>1,094,282</b> |          | <b>(1,264,188)</b> |
| Net funds at 1 April  |      |          | <b>490,063</b>   |          | <b>1,754,251</b>   |
| Net funds at 31 March   |      |          | <b>1,584,345</b> |          | <b>490,063</b>     |

The notes on pages 18 to 25 form part of these financial statements.

# MOLA Northampton

## Notes forming part of the financial statements for the year ended 31 March 2021

### 1 Accounting policies

MOLA Northampton is an incorporated charity registered in England & Wales with the Charity Commission. The address of the registered office is given on the contents page and the nature of its operations is set out in the report of the directors. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2<sup>nd</sup> edition issued in October 2019 and applicable to charities preparing their accounting in accordance with the Financial Reporting Standard applicable in the UK (FRS102 - effective 1 January 2019) the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Charity's accounting policies. Our approach to the going concern basis of accounting is discussed in detail below.

#### *Disclosure exemptions*

In preparing the separate financial statements of the charity, advantage has been taken of the following disclosure exemption available in FRS 102:

- The requirements of section 11 Financial Instruments paragraph 11.39 to 11.48A;

The following principal accounting policies have been applied:

#### *Going concern*

The impact of COVID-19 during the 2020-21 financial year has been significant however the organisation has dealt well with the situation and the finances have proved to be resilient.

The organisation responded quickly to COVID-19. Lockdown measures introduced in late March resulted in the closure of our offices and the majority of client worksites where either travel to and from site, or work undertaken was impractical to undertake in a safe, socially distanced manner. As a result, during the first quarter of 2020-21 revenue was restricted to that which could be delivered via home working and a few rural sites, most notably HS2 and A14. The substantial reduction in revenue had an adverse impact on the results during the first quarter of 2020-21 however this was mitigated by taking advantage of the government's job retention scheme with up to 70% of staff furloughed during the first lockdown.

A budget for the 2020-21 financial year was prepared in June 2020 reflecting the impact of the first lockdown but anticipating a surge in activity once the wider economy bounced back after the pandemic. As the result of the second wave of the pandemic leading to a second lockdown in November, project activity has seen more of a gradual improvement during the latter half of the financial year. Firstly, the lifting of COVID restrictions led to a significant increase in activity during July-August 2020 as methods of safe working further developed. Since, project fieldwork activity has been largely unaffected by the imposition of a second national lockdown in November 2020 and the stricter third lockdown in December although it hasn't grown to the pre-pandemic levels anticipated in our budget.

2021-22 has continued this trend and after seven months of that financial year the business is profitable, cash generative and the outlook for the remainder of the year is positive. Given this and our plans beyond 2021-22, we consider our operations to be sustainable and that there is an optimistic outlook.

To provide further assurance over short term cashflows across the group as the business expands again in 2021-22, the MOLA Group has taken out a Coronavirus Business Interruption Loan Scheme (CBILS) facility of £1.25m. The facility was drawn down in the parent company during February 2021 but with the intention of supporting the whole MOLA group as it expands.

It is the intention of the Trustees that MOLA Northampton's business and net assets will be formally transferred into Museum of London Archaeology this charity's parent company. A date for the transfer has not been set but is anticipated to be as at 31 March 2022.

## MOLA Northampton

### Notes forming part of the financial statements for the year ended 31 March 2021 *(continued)*

#### 1 Accounting policies *(continued)*

The Directors have undertaken an initial budget exercise for the 2021-22 financial year and based upon their assessment of the reforecasts for the 2020-21 financial year, initial projections for 2021-22 and the additional support to cash flow the Directors are confident in the future viability of the business and do not believe there is any material uncertainty in adopting the going concern basis of accounting.

More immediately, the Directors have also assessed the Charity's future programme of works and commitments against the working capital in place. Whilst the current lockdown has limited the growth in activity levels in the second half of 2020-21, it hasn't prevented us from continuing to work on many projects and The Directors view the level of net current assets as sufficient to ensure future operations particularly in the light of plans that suggest a major upturn in activity during 2021 and therefore that the prospect for the business will continue to improve.

#### *Income*

All income is recognised once the Charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of income can be measured with sufficient reliability. Income related to the provision of archaeological services represents the value of work executed for clients during the year excluding value added tax, and includes amounts in respect of long-term work in progress as described in the long-term contracts policy below.

Donations are accounted for when receivable.

#### *Long-term contracts and revenue recognition*

Income is recognised in line with the completion of projects with percentage completion determined using the cost approach. These estimated are based on costs incurred to date are compared to total project cost to completion, with revenue recognised accordingly. Profit is only recognised to the extent that the total project is assessed to be profitable. Provision is made for any future losses as soon as they are foreseen.

For contracts where revenue exceeds fees invoiced, the excess is included as amounts recoverable on contracts within debtors. For contracts where fees invoiced exceed revenue, the excess is included in payments in advance within creditors.

#### *Judgements and key sources of estimation uncertainty*

In the application of the charitable company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and the underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The most significant area of judgement in preparing the financial statements are the anticipated value and costs in relation to incomplete long-term contracts.

# MOLA Northampton

## Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

### 1 Accounting policies (*continued*)

#### *Expenditure*

Expenditure, which is charged on an accruals basis, is allocated between the following expenditure headings incurred direct in the fulfilment of the charity's objectives:

- Costs of raising funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### *Apportionment of expenditure*

Direct charitable expenditure includes the direct costs of the activities and depreciation on related assets.

Where such costs relate to more than one functional category, they have been split on an estimate of time or floor space as appropriate.

#### *Funds*

*Unrestricted funds* - These represent funds which can be expended as the Directors see fit, in accordance with the charitable objects of the Charity.

*Restricted income funds* - These represent income received which can only be expended for the purpose specified by the donor.

#### *Fixed assets and depreciation*

Tangible fixed assets are stated at net book value. All tangible assets with a cost greater than £3,000 are capitalised and depreciated on a straight-line basis to write off their cost over their expected useful lives. Furniture, computer equipment and other equipment are all depreciated over 4 years (25%) or the asset's expected useful life if shorter.

#### *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.

#### *Operating leases*

Annual rentals are charged to the statement of financial activities on a straight-line basis over the term of the lease.

### 2 Charitable activities

|                           | Year ended<br>31 March | Year ended<br>31 March |
|---------------------------|------------------------|------------------------|
|                           | 2021<br>£              | 2020<br>£              |
| Archaeology services - UK | <u>7,958,160</u>       | <u>5,943,666</u>       |

## MOLA Northampton

Notes forming part of the financial statements  
for the year ended 31 March 2021 (*continued*)

### 3 Government Grants

|                   | Year ended<br>31 March | Year ended<br>31 March |
|-------------------|------------------------|------------------------|
|                   | 2021                   | 2020                   |
|                   | £                      | £                      |
| Government Grants | 257,168                | -                      |

The company received a total of £257,168 under the government's Job Retention Scheme, established in response to the COVID-19 pandemic.

### 4 Interest receivable

|                     | Year ended<br>31 March | Year ended<br>31 March |
|---------------------|------------------------|------------------------|
|                     | 2021                   | 2020                   |
|                     | £                      | £                      |
| Interest receivable | 375                    | 5,649                  |

### 5 Total expenditure

|                                  | Year ended<br>31 March | Year ended<br>31 March |
|----------------------------------|------------------------|------------------------|
|                                  | 2021                   | 2020                   |
|                                  | £                      | £                      |
| <i>Fundraising and publicity</i> |                        |                        |
| Advertising                      | -                      | 1,245                  |
| <i>Archaeological services</i>   |                        |                        |
| Project costs                    | 3,161,462              | 2,070,728              |
| Payroll and staff costs          | 3,226,462              | 2,677,869              |
| Office and other costs           | 1,293,194              | 1,436,657              |
| Depreciation                     | 51,776                 | 40,468                 |
|                                  | 7,723,060              | 6,225,722              |
| <i>Administrative costs:</i>     |                        |                        |
| Auditor's remuneration           | 13,850                 | 9,834                  |
|                                  | 7,736,910              | 6,235,556              |

## MOLA Northampton

Notes forming part of the financial statements  
for the year ended 31 March 2021 (continued)

### 5 Total expenditure (continued)

|                              | Year ended<br>31 March<br>2021<br>£ | Year ended<br>31 March<br>2020<br>£ |
|------------------------------|-------------------------------------|-------------------------------------|
| <i>Re-organisation costs</i> | -                                   | 48,311                              |

Reorganisation costs during 2020 included redundancy costs and payments in lieu of notice paid to staff made redundant during the year as part of the Group's re-organisation.

The payroll costs included:

|                       |                  |                  |
|-----------------------|------------------|------------------|
| Salaries              | 2,850,258        | 2,266,434        |
| Social security costs | 248,695          | 210,089          |
| Other pension costs   | 127,509          | 200,765          |
|                       | <u>3,226,462</u> | <u>2,677,288</u> |

The average number of staff employed by the charity during the year was:

|                               |            |            |
|-------------------------------|------------|------------|
| Management                    | 2          | 3          |
| Administrative                | 8          | 4          |
| Archaeological - in the field | 108        | 103        |
|                               | <u>118</u> | <u>110</u> |

In the year the charity employed the following numbers of higher paid employees:

|   |          |          |
|---|----------|----------|
| £60,000 - £69,999 per annum                                 | -        | 1        |
|   | <u>£</u> | <u>£</u> |
| The pension cost in aggregate for the higher paid employees | -        | 6,483    |

The key management personnel of the Charity comprise one division director for part of the year and two division managers. The division director was appointed Interim Chief Executive for the MOLA group. The total employee benefits of the key management personnel during the year was £160,815 (2019 - £160,821).

#### *Remuneration of Trustees*

The Trustees did not receive any remuneration during the year. The Trustees did not receive any reimbursement of expenses.

#### *Transactions with Trustees and connected persons*

There were no transactions with Trustees or connected persons during the year.

## MOLA Northampton

Notes forming part of the financial statements  
for the year ended 31 March 2021 *(continued)*

### 6 Tax

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporate Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the year.

### 7 Tangible assets

|                          | Leasehold<br>improvements<br>£ | Plant and<br>equipment<br>£ | Furniture<br>and fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£            |
|--------------------------|--------------------------------|-----------------------------|--------------------------------|----------------------------|-----------------------|
| <i>Cost or valuation</i> |                                |                             |                                |                            |                       |
| At 1 April 2020          | 50,734                         | 74,950                      | 9,728                          | 177,394                    | 312,806               |
| Additions                | -                              | -                           | 8,500                          | 52,701                     | 61,201                |
|                          | <u>50,734</u>                  | <u>74,950</u>               | <u>18,228</u>                  | <u>230,095</u>             | <u>374,007</u>        |
| At 31 March 2021         | <b>50,734</b>                  | <b>74,950</b>               | <b>18,228</b>                  | <b>230,095</b>             | <b>374,007</b>        |
| <i>Depreciation</i>      |                                |                             |                                |                            |                       |
| At 1 April 2020          | 8,814                          | 58,078                      | 8,328                          | 120,444                    | 195,664               |
| Charge for the year      | 5,073                          | 13,543                      | 2,881                          | 30,278                     | 51,775                |
|                          | <u>13,887</u>                  | <u>71,621</u>               | <u>11,209</u>                  | <u>150,722</u>             | <u>247,439</u>        |
| At 31 March 2021         | <b>13,887</b>                  | <b>71,621</b>               | <b>11,209</b>                  | <b>150,722</b>             | <b>247,439</b>        |
| <i>Net book value</i>    |                                |                             |                                |                            |                       |
| At 31 March 2021         | <u><b>36,846</b></u>           | <u><b>3,328</b></u>         | <u><b>7,020</b></u>            | <u><b>79,373</b></u>       | <u><b>126,567</b></u> |
| At 31 March 2020         | <u>41,920</u>                  | <u>16,872</u>               | <u>1,400</u>                   | <u>56,950</u>              | <u>117,142</u>        |



## MOLA Northampton

Notes forming part of the financial statements  
for the year ended 31 March 2021 *(continued)*

### 8 Debtors

|   | 2021             | 2020             |
|---|------------------|------------------|
|   | £                | £                |
| Amounts recoverable on contracts              | 1,271,704        | 1,024,376        |
| Trade debtors                                 | 1,837,174        | 1,330,993        |
| Prepayments – other                           | 77,222           | 45,036           |
| Amounts due from Museum of London Archaeology | -                | 757,187          |
|   | <u>3,186,100</u> | <u>3,157,592</u> |

### 9 Creditors: amounts falling due within one year

|   | 2021             | 2020             |
|---|------------------|------------------|
|   | £                | £                |
| Trade creditors                             | 391,614          | 243,863          |
| Amounts due to Museum of London Archaeology | 117,957          | 87,650           |
| Taxation and social security                | 67,786           | 198,376          |
| Payments in advance                         | 1,212,660        | 660,234          |
| Other creditors                             | -                | -                |
| Accruals                                    | 102,296          | 48,768           |
|   | <u>1,892,314</u> | <u>1,238,891</u> |

### 10 Related party transactions

During the year MOLA Northampton supplied services to the Museum of London Archaeology to the value of £452,845 and received services to the value of £472,066. The net balance due to the Museum of London Archaeology at 31 March 2021 was £117,957. At 31 March 2020 a net balance of £669,537 (£757,187 due from the Museum of London Archaeology less £87,650 due to Museum of London Archaeology).

### 11 Company limited by guarantee

The company is a company limited by guarantee, not having share capital.

## MOLA Northampton

### Notes forming part of the financial statements for the year ended 31 March 2021 *(continued)*

#### 12 Reconciliation of net movement in funds to net cash flow from operating activities

|   | 2021      | 2020        |
|---|-----------|-------------|
|   | £         | £           |
| Net movement in funds                                   | 478,793   | (332,946)   |
| Depreciation of tangible fixed assets                   | 51,775    | 40,468      |
| (Increase)/decrease in amounts recoverable on contracts | (247,328) | (172,996)   |
| (Increase)/decrease in debtors                          | 218,820   | (993,918)   |
| (Decrease)/increase in creditors                        | 653,423   | 267,583     |
| Interest received                                       | (375)     | (8,501)     |
|   | <hr/>     | <hr/>       |
| Cash generated from/(used in) operating activities      | 1,155,108 | (1,200,310) |
|   | <hr/>     | <hr/>       |

#### 13 Commitments under operating leases

As at 31 March 2021, the charity has commitments to lease payments under non-cancellable operating leases as set out below:

|                            | Land and<br>buildings<br>2021<br>£ | Other<br>2021<br>£ | Land and<br>Buildings<br>2020<br>£ | Other<br>2020<br>£ |
|----------------------------|------------------------------------|--------------------|------------------------------------|--------------------|
| Within one year            | 83,250                             | 10,748             | 118,250                            | 43,461             |
| Between one and two years  | 48,250                             | 5,330              | 83,250                             | 8,599              |
| Between two and five years | 72,375                             | 2,127              | 120,625                            | 4,367              |
| Over five years            | -                                  | -                  | -                                  | -                  |
|                            | <hr/>                              | <hr/>              | <hr/>                              | <hr/>              |
| Total                      | 203,875                            | 18,205             | 322,125                            | 56,427             |
|                            | <hr/>                              | <hr/>              | <hr/>                              | <hr/>              |