

Company No. 252131  
Charity No. 313024  
OSCR No. SC041846

**MUSEUMS ASSOCIATION**

**REPORT AND FINANCIAL STATEMENTS**

**31 MARCH 2022**



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## REFERENCE AND ADMINISTRATIVE DETAILS

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For the year ended 31 March 2022

### **Status**

The organisation is a charitable company limited by guarantee, incorporated on 20 November 1930 and registered as a charity on 7 November 1962.

### **Governing document**

The company was established under a memorandum of association, which established the objects and powers of the charitable company and is governed under its articles of association.

### **Company number**

252131

### **Charity number**

313024

### **OSCR number**

SC041856

### **Registered office and operational address**

42 Clerkenwell Close  
London  
EC1R 0AZ

### **Bankers**

National Westminster  
Bloomsbury, Parr's Branch  
126 High Holborn  
London  
WC1V 6QB

### **Solicitors**

Russell-Cooke, Solicitors  
2 Putney Hill  
London  
SW15 6AB

Stone King, Solicitors  
16 St John's Lane  
London  
EC1M 4BS

### **Auditors**

Moore Kingston Smith LLP  
Chartered Accountants  
Statutory Auditors  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

### **Investment managers**

Rathbones  
8 Finsbury Circus  
Finsbury  
London  
EC2M 7AZ

### **Board 2021/22**

#### **President**

Gillian Findlay

#### **Vice President**

Simon Brown

Nivek Amichund

Alex Bird (retired 31/03/2022)

Stella Byrne

Dianna Djokey

Heledd Fychan (retired 12/05/2021)

Sara Kassam (appointed 15/10/2021)  
 Kathleen Lawther (appointed 28/04/2022)  
 Heather Lees  
 Michelle McGrath  
 Christine McLean (appointed 28/04/2022)  
 Steve Miller  
 Dhikshana Pering (retired 31/03/2022)  
 Rachael Rogers (appointed 15/10/2021)  
 Kim Streets (retired 31/03/2022)  
 Michael Terwey

## **Staff**

### **Director**

Sharon Heal

## **Membership, Marketing and Website**

### **Deputy Director**

William Adams

### **Marketing & Membership Manager**

Zoe Spencer

### **Membership & Marketing Officer**

Sophie Lawson

### **Marketing & Membership Officer**

Emma Randall

### **Account Manager**

Abigail Lasisi

### **Website and Digital Officer**

Francesca Collins

## **Projects and Programmes**

### **Programmes Manager**

Sally Colvin

### **Policy Manager**

Alistair Brown

### **Campaigns Officer**



Antonia Canal

**Decolonising Programme Officer**

Roshi Naidoo\*

**Collections Development Officer**

Sarah Briggs

**Projects Assistant**

Jacqui Buscher

**Workforce Development Officer**

Tamsin Russell

**Publications and Events**

**Head of Publications & Events**

Simon Stephens

**Deputy Editor**

Eleanor Mills

**News Editor and Staff Writer**

Geraldine Kendall Adams

**Online Publications Editor**

Rebecca Atkinson

**Finance and Resources**

**Head of Finance & Resources**

Neil Mackay

**Finance Administrator**

Jolanta Stevens

**Executive Assistant & HR Officer**

Charlie Lindus

*\* indicates person joined during the year*

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## REPORT OF THE BOARD

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The trustees, who are also directors of the company for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on page 4 forms part of this report. The financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice (SORP), accounting and reporting by charities issued in March 2015.

### **Objectives and activities for the public benefit**

The charitable objectives of the MA are: to advance education in, and to foster and encourage the preservation and better understanding of, the material heritage of mankind and the environment for the public benefit by the promotion and development of museums and galleries and by encouraging the involvement of members of the public in their work, and to establish, uphold and advance the standards of professional education, qualification, training and competence of those employed in museums and galleries.

The board members have referred to the Charity Commission's general guidance on public benefit in reviewing the aims and objectives of the charity, in planning future activities and how planned activities will contribute to those aims and objectives. The review of activities later in the report demonstrates what the MA has done during the year to achieve its aims and what its plans are for 2022/23.

### **Organisation and governance**

The MA is governed by a board of up to 14 people. Eight members of the board are elected by the members of the MA (one vote per member) and six are appointed by the board. For induction new trustees meet individually with the director and are given the most recent set of accounts, the constitution documents and a copy of the rules. The MA is run by the board, which agrees strategy and is accountable to members. Operational matters are delegated to the director who reports to the board.

## **Staffing**

The MA's salary policy is designed to provide a clear and flexible framework to reward employees with a view to attract and retain a competent workforce, which is essential to the ongoing success of the organisation. Pay grades within the policy are set by comparing appropriate market rates.

The board carries out a cost of living review annually. The director's salary is set separately by the board.

## **Investment policy**

By the terms of the articles of association of the MA, the board has the power to make any investment it sees fit. An investment strategy was implemented in 2018-19. Surplus cash is held in interest-earning bank accounts with funds of the grant-making trusts being invested in charity equity and fixed interest funds.

## **Risk management**

The MA commenced its new five-year strategic framework in April 2020 and continues to have careful financial planning at its core to ensure continued financial stability. The objectives of the plan will continue to be monitored by the board, with a report being presented at each of its meetings.

## **Reserves policy**

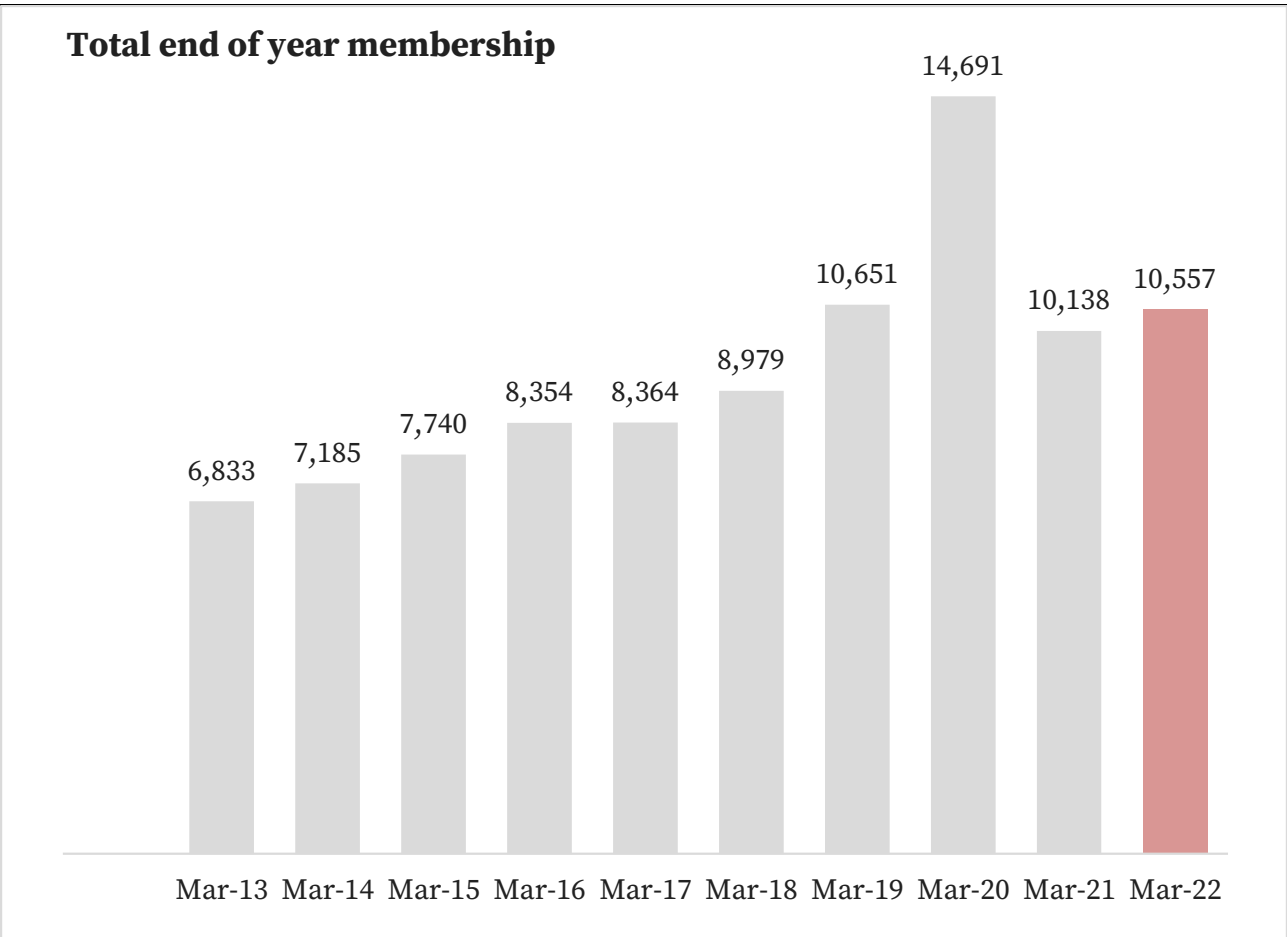
The reserves policy aims to maintain a sufficient level of reserves to enable normal operating activities to continue should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. In determining the level of reserves required by the MA, the trustees have considered the risks to the Association in respect of unrestricted income and expenditure and, where appropriate, restricted income. They have also considered any identified potential external major risks to income and expenditure.

The board agreed that, in line with Charity Commission guidelines, the MA will at least hold free reserves equivalent to three months' turnover. In 2021/22 this equated to £518,000. Unrestricted reserves at the year-end were £ 1.68m including designated funds of £600,000 for pension, £60,000 for planned investment in web updates. In the year the Trustees also designated £90,000 from free reserves towards access funding and membership support. This gave a free reserves figure of £ 942,000 at the year end.

A reduction in unrestricted income is a medium risk to the MA mainly due to the financial restraints within the sector potentially affecting the amounts free to spend on MA membership and activities over the coming year, with expenditure and restricted income considered a low risk. The major external potential risks identified are the ongoing impacts of the pandemic, potential cuts within the sector, and the cost of living crisis.

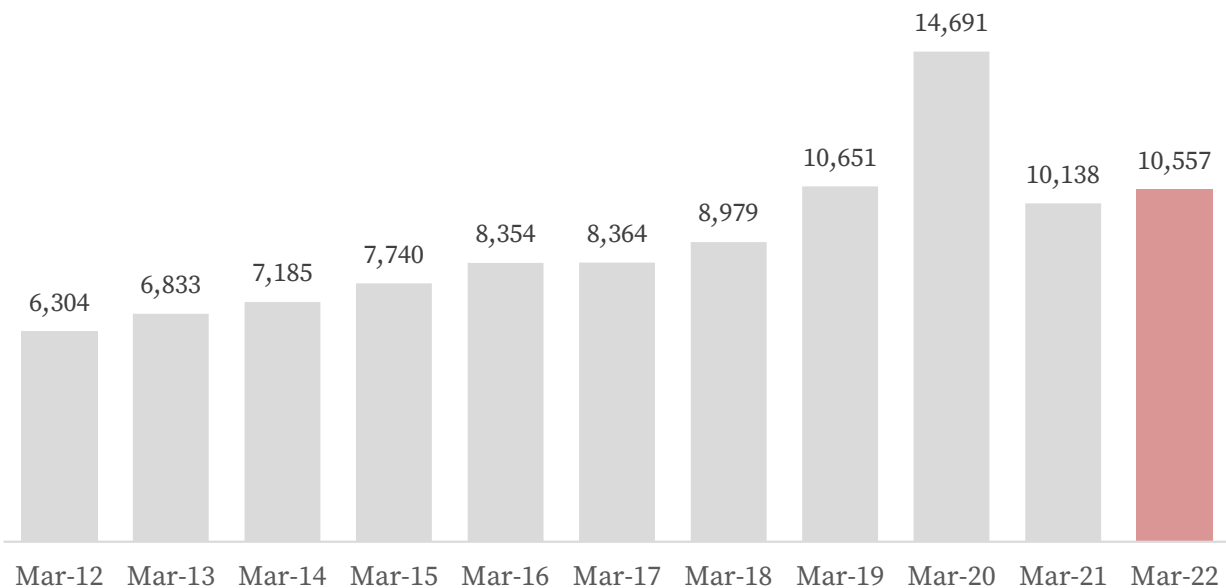
The overall reserves policy of the Association includes all reserves and therefore covers the Trust and Endowment funds managed by the MA but the focus of the policy is on the free reserves of the organisation.

### MEMBERSHIP





### Total end of year membership



### In 2021/22

Following a significant fall in 2020/21 due the impact of the pandemic, membership has slowly but steadily risen again. Overall membership increased by four per cent – with individual membership being the key driver. Institutional membership fell a little from its high point during the pandemic, and remains significantly higher than pre-pandemic levels.

### Individual membership

Year on year individual membership increased by five per cent (2021/22: 9,631; 2020/21: 9,192).

This growth was particularly in the student, volunteer and essential member categories.

Membership in the devolved nations of the UK remained high throughout the pandemic and have maintained these levels.

### Institutional membership

Year on year institutional membership fell by two per cent (2021/22: 673; 2020/21: 682). This level is still significantly higher than pre-pandemic levels and we continue to represent over 1,800 museums through our institutional members.

### Commercial membership

Year on year commercial membership fell by two per cent (2021/22: 253; 2020/21: 257). This reflects our strong engagement with our commercial members despite the significant impacts of the pandemic upon their work.

### **In 2022/23**

In 2022/23 we expect our members to be affected by the longer term impacts of the pandemic, by rising energy prices and the squeeze on public and personal finances and the cost of living crisis. We aim to retain our organisational members and slowly grow individual membership, through the support and advocacy we are undertaking for the sector.

## **WEBSITE AND DIGITAL**

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2021/22 saw us build on the significant digital engagement we had during the first year of the pandemic. Our digital audience remained very high and we saw significant growth in some of our social media channels; this was reflected equally across all four nations of the UK.

### **In 2021/22**

- We received 2,061,000 page views on our website from 1 April 2021 to 31 March 2022 and we engaged with 577,000 users. We updated existing content and launched large content areas for programmes such as Supporting Decolonisation in Museums and the Front-of-House Charter for Change.
- We consolidated our social media strategy as deployed in spring 2021. From April 2021 to April 2022, our social media followings increased notably on the following platforms:
  - LinkedIn: 14,163 to 23,177 (+9,014, a 64% increase)
  - Twitter: 61,945 to 65,727 (+3,782, a 6% increase)
  - Instagram: 4,226 to 5,392 (+1,166, a 28% increase)
- We successfully executed our first ever hybrid annual conference in Liverpool, managing an app for both in-person and online attendees and delivering content through the hashtag #Museums2021.
- We delivered two newsletters per week to keep our 45,000 subscribers up to date with the latest sector news, MA news and content from Museums Journal.
- We continued to work with our web development supplier to roll out new and improved functionality across the website.
- We made technical improvements to accessibility across the website, social media and our newsletters.

### **In 2022/23**

- We will continue to deploy new website content corresponding with the MA's work and update/improve existing content.
- We will consolidate our existing regular analytics work and upgrade our platform to Google Analytics 4 in line with new developments from Google.
- We will make further improvements to the website's design and development, specifically in the campaigns area.
- We will release a review of the first year of our social media strategy rollout.
- We will launch a web style and process guide to streamline the development and delivery of new content.
- We will deliver our second hybrid annual conference in Edinburgh, building on successes and learnings from the 2021 conference in Liverpool.

## **PUBLICATIONS**

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Publications continue to offer comprehensive news, comment, best practice and information to the sector online and in print.

### **In 2021/22**

- We continued as a bi-monthly printed magazine with increased coverage of key sector issues, developments and trends.
- We published our first guest-edited issue of Museums Journal, with Museum X (the team behind the Black British Museum) taking over the whole issue with support from journal staff.
- We published our annual Careers Guide, which offers advice and support to those looking to enter the museum and gallery sector
- There were reviews of new and redeveloped museums and key temporary exhibitions in England, Northern Ireland, Scotland and Wales, as well as profiles of key sector figures and a focus on an international museum opening in each issue.
- We continued to offer a comprehensive online editorial offer on the MA's website.
- We developed an editorial mission statement for Museums Journal.

### **In 2022/23**

- We will publish a themed issue on how museums are responding to the climate crisis.
- We will continue to cover key developments in museums across England, Northern Ireland, Scotland and Wales.
- We will publish more campaigning and investigative content.

- We will continue to give MA members a voice in our editorial content online and in print.

## CONFERENCE AND EVENTS

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The annual conference has continued to evolve in response to the Covid-19 pandemic and was held in Liverpool and online in November 2021. This hybrid approach was extremely popular, with high levels of engagement from museum people across the four nations of the UK and overseas. We will build on this success going forward as we look to further develop out conferences and events in a post-Covid world.

Our one-day conferences also evolved during the period and were all online. We have successfully moved to a paying model, while still offering our programme of free online meetings for MA members across the UK.

### **In 2021/22**

- Our annual conference was a hybrid event and was in Liverpool and online.
- We offered a successful programme of eight paid-for one day conferences covering digital technology, accessibility, curation, exhibition design, community participation and revenue generation.
- The one-day conference programme also included Moving on Up, our one-day conference for mid- career museum professionals, and Don't Stop Me Now, our one-day conference for those wanting to enter the museum sector, including museum studies students, apprentices and trainees.
- We held a free international webinar on the impact of the Black Lives Matter movement on museums.
- We ran two free webinars on the MA's learning and engagement manifesto.
- We held eight free members' meetings covering every nation in the UK.

### **In 2022/23**

- Our annual conference will be a hybrid event and will be held in Edinburgh and online.
- We will hold two in-person one-day conferences: Moving on Up, our event for mid-career museum professionals, and Museum Tech 2022: A Digital Festival for Museums.
- Our other six one-day conferences will be online and will cover accessibility, collections, community partnerships, exhibition design and Don't Stop Me Know, our one-day conference for those wanting to enter the museum sector.

- We will hold a series of free hybrid members' meetings in each nation of the UK.
- We will also hold a series of free one-hour webinars for members.

## **POLICY AND ADVOCACY**

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The MA's vision for the sector across the UK is for inclusive and socially engaged museums at the heart of their communities and our mission is to inspire museums to change lives. Over the past year we have worked to support our members and the sector to emerge from the pandemic and to deliver this vision and mission.

Coronavirus has continued to have an impact on society and our museums, and we have advocated for the extension of emergency funding and for the continuation and strengthening of the connection between museums and their communities during this period.

### **In 2021/22**

- We advocated for a strong recovery from the coronavirus crisis, recognising that the sector will need to rebuild audiences and tackle critical issues such as the climate crisis, diversity and decolonising our institutions.
- We conducted research to ensure our advocacy is evidence-based, including our Redundancy Tracker which measured 4,824 job losses over 24 months. We also undertook research into local authority funding for museums across the UK and will continue to use that evidence to advocate for investment in local museums.
- We continued to support the work of the Decolonisation Guidance Working Group and launched the Supporting Decolonisation in Museums guidance at Conference 2021.
- We supported ongoing conversations about anti-racism and museums and produced a Museum Essentials online training module to support understanding and best practice.
- We championed and campaigned for a diverse and inclusive workforce and worked with Front of House Museums network and other stakeholders to produce the Front of House Charter for Change
- We developed best practice in workforce wellbeing to create new guidance for the sector and created a wellbeing hub on our website.
- We continued to disseminate the Learning and Engagement Manifesto, through webinars, conferences and events.

- We published museum manifestos for the elections in Wales and Northern Ireland in collaboration with board members and reps, and worked with stakeholders and Museums Galleries Scotland to produce a manifesto for culture in Scotland.
- We worked to build and sustain relationships with key stakeholders in all nations to make the case for socially impactful museums.
- We delivered the Museums Change Lives Awards at our annual conference, raising the profile of social impact work and highlighting innovative digital innovation.
- We continued to advocate the value of museums to politicians and stakeholders across the UK, meeting with senior politicians and civil servants in every nation.
- We delivered press and broadcast interviews on topics including coronavirus, decolonisation, representation of women in collections, and recovery from the pandemic.
- We responded to government consultations and policy across the UK including Levelling Up Policy, Spending Review 2021, Scottish Cultural Funding, and the illegal Russian invasion of Ukraine.

### **In 2022/23**

- We will continue to advocate for funding to support museums to deliver for their communities.
- We will further disseminate our Supporting Decolonisation in Museums guidance to help the sector build skills and confidence to act on decolonisation.
- We will produce a decolonisation Museum Essentials online training module to support understanding and best practice, and will bring together a network of practitioners.
- We will campaign for a diverse and representative workforce and will update our salary guidelines and use them to campaign for fair and equitable pay in the sector.
- We will further develop best practice in workforce and community wellbeing and create new resources to support this activity.
- We will build our campaign for museums to work with their audiences to tackle the climate crisis.

## **ETHICS**

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Our Ethics Committee leads sector thinking on a range of ethical issues from decolonisation to climate change and gives advice to institutions and individuals on case work.

**In 2021/22**

- We worked with the Decolonisation Guidance working group and the Ethics Committee to publish the Supporting Decolonisation in Museums guidance
- We championed ethical good practice through speaking at events and delivering training.
- We dealt with a range of ethical queries and case work.
- We worked with funders to develop a programme to support decolonisation skills and confidence.

**In 2022/23**

- We will work with colleagues across the sector to redraft the Disposal Toolkit and provide clear, up-to-date advice that enables all museums to confidently and ethically dispose of items from their collections while maintaining public trust.
- We will continue to support museums in navigating a range of ethical issues
- We will continue to deal with a range of ethical queries and case work.
- We will publish further support for decolonising practice including a Museum Essentials online module and will build skills and confidence by bringing people together in networks and at events.

**TRUSTS AND FUNDS**

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The MA administers two trusts established to assist museums and their staff in specific areas of collections development and care.

**Beecroft Bequest**

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The Beecroft Bequest awards grants of up to £20,000 for the purchase of pictures and works of art (furniture or textiles can be considered) not later than the 18th century in date.

**Grants awarded 2021/22**

£10,000	QDG Heritage Trust
£10,000	Lowestoft Museum
£ 2,000	Daventry Town Council
£ 10,000	Paxton Trust

## **The Museums Association Benevolent Fund**

The Museums Association Benevolent Fund was established to alleviate financial distress suffered by members of the Museums Association and to support the education and training of museums and galleries personnel.

### **Grants awarded 2021/22**

£9,039	CPD awards and fees
£13,902	Covid Hardship awards
£2,200	Hardship awards
£12,408	Inclusive memberships and events

In 2022/23 the fund will continue to allocate funds towards members suffering financial distress during the pandemic, provide inclusive events places and support CPD fees and activity.

## **PROGRAMMES**

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The MA's programmes aim to support people and museums to put our values into practice.

### **Collections and engagement**

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Our work this year has brought together increased recognition of social inequality, from Black Lives Matter and Covid health and wellbeing outcomes, and learning from our changed working practices during the pandemic.

#### **In 2021/22**

- From the Esmée Fairbairn Collections Fund, we awarded 24 grants totalling £ 943,569 to museums and partnership working with communities and collections.
- We worked with existing grantees to adapt their projects to the needs arising from the Covid-19 pandemic: issues ranging from recruitment of staff and volunteers, to hybrid delivery and changing local needs.
- We began a research project into the impact of digital funding, in partnership with Art Fund UK.



**In 2022/23**

- We will work with the Esmée Fairbairn Foundation to review the Collections Fund and how it supports their strategy relating to creative, confident communities.
- We will share research and case studies about working with collections to support community partnerships; wellbeing; and social and climate justice.
- We will work with partners ASDC and the Liminal Space to explore shared experiences across museums and science centres about public engagement and financial stability.

**Inclusion**

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We ensure that equity, diversity and inclusion are woven through our programmes and drive our future plans. This includes the funding that we award through the Collections Fund, Benevolent Fund and Beecroft Bequest, and developing specific programmes that support inclusion.

**In 2021/22**

- We began the Decolonisation Skills and Confidence programme to support the practical application of the Decolonisation Guidance in museums.
- We published a Museum Essentials courses on Supporting Anti-Racism.
- We dedicated £15,000 as part of the Benevolent Fund to support inclusive memberships and inclusive event places, in addition to our usual support.
- We made changes throughout our programmes to support inclusion, for example through funding terms and conditions specifying ways of supporting equitable community relationships and through the questions we ask in applications about how work relates to Power to the People framework and the Supporting Decolonisation in Museums guidance.

**In 2022/23**

- We will publish an updated salary survey and resources on inclusive recruitment.
- We will produce a guide to Decolonisation Comms and Language, to support museums to communicate their decolonising work.
- Through the Decolonisation Skills and Confidence programme, we will launch a Museum Essentials course on decolonisation, a training programme and a leaders network.

**WORKFORCE DEVELOPMENT**

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Our support for the museum workforce continues to centre around the impacts of the Covid-19 pandemic. We have continued our core programmes, the Associateship of the Museums

Association (AMA), a self-led CPD programme with mentoring and support groups; the Fellowship of the Museums Association (FMA), developing and recognising significant commitment to and impact on the sector; and Museum Essentials, an online learning programme introducing key elements of working in the museum sector. We have also reviewed the range of additional programmes and offers that we ran through the pandemic and developed a new workforce strategy.

### **In 2021/22**

- We continued our Essential Mentoring programme and Career Conversations, with 150 participants benefiting. Our Facebook groups for staff on furlough and those managing in a crisis had over 100 members and were brought to a close as the museum sector reopened.
- We launched the Front of House Charter, which was created with the Front of House Museums network. The charter explores how we can improve the treatment and experience of front-of-house museum colleagues through the commitment of organisations, line managers and others.
- We had 570 new learners joined Museum Essentials, resulting in 3,915 learners across our five courses.
- There were 82 people registered for the AMA and 15 people were awarded the Associateship. An additional five people registered for FMA.

### **In 2022/23**

- We will launch a new competency framework for all of our professional development programmes, provide a tool to self-assess individual development needs and link to our resources that support competency development. We will update the materials for the AMA and FMA and provide support for phased transition to the new framework.
- We will embed our approach to mentoring as a long- term programme run alongside the AMA and FMA.
- We will update and develop our careers hub and introduce guidance on inclusive recruitment.
- We will begin a campaign exploring workforce and community wellbeing.
- We will publish new Museum Essentials courses on decolonisation and climate justice.
- We will update our salary guidelines to support the sector in addressing the issue of low pay.

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## REVIEW OF FINANCIAL ACTIVITIES

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The results for the year 2021/22 show a negative movement in funds of £283k before actuarial gains/losses on pension scheme assets.

Overall, unrestricted income of £1,510k was 3% lower than last year (£1,559k). Our key areas of unrestricted income are: membership £930k (2021: £1,119k), publications £140k (2021: £118k) and events £213k (2020: £29k).

Unrestricted (including designated) expenditure was 4% lower at £1,489k (2021: £1,554k).

With limited growth in the financial markets MA investments showed an unrealised gain of £139k.

The balance of restricted funds decreased by £403k largely due to the distribution of grant funds for the UKRI Digital Innovation and Engagement project. The balance of endowment funds remained similar.

The Museums Association has a lease on a property in Clerkenwell Close, London that runs to September 2031.

### **Statement of the Board's responsibilities**

The board members (who are also directors of the MA for the purposes of company law) are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the board members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the board members 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The board members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the board members are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the board members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

### **Members of the Board**

Members of the board, who are also trustees under charity law, who served during the year and up to the date of this report are as detailed on page four.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees

at 31 March 2022 was 10,557 (31 March 2021: 10,138). Members of the board have no beneficial interest in the charitable company.

### **Auditors**

Moore Kingston Smith were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the Board on 11 October 2022 and signed on its behalf by,

A handwritten signature in dark ink, appearing to read 'G Findlay'.

Gillian Findlay, President

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## **INDEPENDENT AUDITORS' REPORT**

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### **Opinion**

We have audited the financial statements of Museums Association for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to

liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material

misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:



- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006, the Charities Act 2011 and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **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; and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members and trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Date 12 October 2022

*Moore Kingston Smith LLP*

Neil Finlayson, Senior Statutory Auditor  
For and on behalf of Moore Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

# Museums Association

## Statement of Financial Activities (incorporating an Income and Expenditure Account)

For the year ended 31 March 2022

	Note	Endowment £	Restricted £	Unrestricted £	2022 Total £	2021 Total £
<b>Income and endowments from:</b>						
<i>Donations, grants and legacies</i>	3	-	545,858	40,000	<b>585,858</b>	865,727
<i>Investment income</i>		9,186	6,586	117,414	<b>133,186</b>	126,998
<i>Charitable activities</i>	4	-	-	1,320,454	<b>1,320,454</b>	1,296,191
<i>Other incoming resources</i>		-	-	32,659	<b>32,659</b>	112,557
<b>Total incoming resources</b>		<b>9,186</b>	<b>552,444</b>	<b>1,510,527</b>	<b>2,072,157</b>	<b>2,401,473</b>
<b>Resources expended</b>						
<i>Charitable activities</i>	5	32,000	973,044	1,489,156	<b>2,494,200</b>	1,723,847
<b>Total resources expended</b>	5	<b>32,000</b>	<b>973,044</b>	<b>1,489,156</b>	<b>2,494,200</b>	<b>1,723,847</b>
Net gain/(loss) on investment assets	11a	23,437	17,773	97,565	<b>138,775</b>	437,689
<b>Net incoming/(outgoing) resources before transfers and other recognised gains and losses</b>	6	<b>623</b>	<b>(402,827)</b>	<b>118,936</b>	<b>(283,268)</b>	<b>1,115,315</b>
Gross transfers between funds		-	-	-	-	-
Transfer of funds out of the charity		-	-	-	-	-
Actuarial gain/(loss) on defined benefit pension scheme		-	-	(267,000)	<b>(267,000)</b>	(136,000)
<b>Net movement in funds for the year</b>		<b>623</b>	<b>(402,827)</b>	<b>(148,064)</b>	<b>(550,268)</b>	<b>979,315</b>
<b>Reconciliation of funds</b>						
<b>Funds brought forward at 1 April 2022</b>		<b>475,238</b>	<b>1,106,779</b>	<b>1,825,751</b>	<b>3,407,768</b>	<b>2,428,453</b>
<b>Funds carried forward</b>	14/15	<b>475,861</b>	<b>703,952</b>	<b>1,677,687</b>	<b>2,857,500</b>	<b>3,407,768</b>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. Movements in funds are disclosed in Note 14 to the financial statements.

# Museums Association (Limited by Guarantee)

## Balance Sheet

As at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible Fixed Assets	9	40,129	35,806
Intangible Fixed Assets	10	27,722	72,398
Investments	11	2,915,916	2,777,141
		<u>2,983,767</u>	<u>2,885,345</u>
<b>Current assets</b>			
Debtors	12	465,904	727,842
Cash at bank and in hand		4,377	124,340
		<u>470,281</u>	<u>852,182</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>596,548</u>	<u>517,758</u>
<b>Net current assets/(liabilities)</b>		<b>(126,267)</b>	<b>334,423</b>
<b>Net assets excluding pension asset</b>		<b>2,857,500</b>	<b>3,219,768</b>
<b>Defined benefit scheme asset</b>	18	<u>0</u>	<u>188,000</u>
<b>Net assets including pension asset</b>	14/15	<u><u>2,857,500</u></u>	<u><u>3,407,768</u></u>
<b>Funds</b>			
Endowment funds		475,861	475,238
Restricted funds		703,952	1,106,779
Unrestricted funds			
Designated funds		735,566	716,165
General funds		<u>942,121</u>	<u>921,586</u>
Unrestricted income funds excluding pensions asset		1,677,687	1,637,751
Pension reserve	18	<u>0</u>	<u>188,000</u>
Total unrestricted funds		<u>1,677,687</u>	<u>1,825,751</u>
<b>Total funds</b>	14/15	<u><u>2,857,500</u></u>	<u><u>3,407,768</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime with Part 15 of the Companies Act 2006.

Approved by the Board on 11 October 2022 and signed on its behalf by



Gillian Findlay  
President



Simon Brown  
Vice President

# Museums Association

## Statement of Cash Flows

For the year ended 31 March 2022

	2022 £	2021 £
<b>Cash flow/(outflow) from operating activities</b>		
Cash generated from operations	(85,003)	42,447
Interest paid	-	-
Net cash provided by/(used in) operating activities	<u>(85,003)</u>	<u>42,447</u>
<b>Cash flow from investing activities</b>		
Bank interest received	45	1,446
Acquisition of fixed asset investments	(35,004)	(73,903)
Disposal of financial instruments	-	-
<b>Net cash used in investing activities</b>	<u>(34,959)</u>	<u>(72,457)</u>
<b>Net increase in cash and cash equivalents</b>	<b>(119,963)</b>	<b>(30,010)</b>
Cash and cash equivalents at beginning of year	<b>124,340</b>	<b>154,350</b>
<b>Cash and cash equivalents at end of year</b>	<u><b>4,377</b></u>	<u><b>124,340</b></u>

## Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2022 £	2021 £
<b>Net income including endowments</b>	<b>(550,268)</b>	<b>979,315</b>
<b>Adjustments for:</b>		
Depreciation charges	24,396	19,523
Amortisation	50,960	75,211
Bank interest received	(45)	(1,446)
Net (gains)/ losses on investments	(138,775)	(437,689)
Decrease (increase) in pension asset	188,000	67,000
Decrease / (increase) in stock	-	-
Decrease/ (increase) in debtors	261,938	(344,855)
Increase/ (decrease) in creditors	78,790	(314,612)
<b>Net cash provided by/(used in) operating activities</b>	<u><b>(85,003)</b></u>	<u><b>42,447</b></u>

## **Museums Association**

### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2022**

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##### **1. Accounting Policies**

- a) The financial statements have been prepared under the historical cost convention except for investments which are included at market value. The statements have been prepared in accordance with the Statement of Recommended Practice (SORP) FRS 102, Accounting and Reporting by Charities published in 2015, the Companies Act 2006 and applicable accounting standards. The financial statements are prepared in sterling, which is the functional currency of the charity. Amounts presented are rounded to the nearest pound.
- b) The charity is a company limited by guarantee and incorporated in England & Wales. The members of the company are the individuals and institutions in membership of the Association. In the event of the charity being wound up, the liability in respect of guarantee is limited to £1 per member of the charity. The company is a public benefit entity.
- c) The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. In light of the current pandemic, Trustees have reviewed and approved revised budgets and forecasts, in particular taking into account pressures on events, membership, publications and investment income. Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.
- d) General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds are unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.
- e) Restricted and endowment funds are to be used for specific purposes as laid down by the donor. Income generated from investments held by the funds is restricted to use by the fund. Expenditure which meets these criteria is charged to the fund.
- f) Incoming resources, including grants, are included in the statement of financial activities (SOFA) when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably, net of VAT where applicable.
- g) Membership income is included on a receivable basis with amounts relating to future accounting years deferred as subscriptions in advance. For subscriptions of publications the amount recognised is calculated on a pro-rata basis covering the period paid for in the accounting year. Events income is recognised in the accounting year in which the event takes place.
- h) Investment income and gains are allocated to the appropriate fund.

## **Museums Association**

### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2022**

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#### **Accounting Policies (Continued)**

- i) Resources expended are accounted for on an accruals basis and allocated to the particular activity where the cost relates directly to that activity. However, the support costs of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned first to restricted funds in accordance with funding restrictions and then to the remaining unrestricted activities on the basis of staff numbers. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably.
- j) Governance costs are no longer presented as a separate category of expenditure in the Statement of Financial Activities as they are now regarded as part of support costs which are allocated to the cost of activities undertaken by the Charity.
- k) Grants and bursaries payable are recognised when a decision to make an award has been made and communicated to the recipients.
- l) 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.
- m) The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all its financial instruments.

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

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

#### ***Basic financial assets***

Basic financial assets, which include trade and other receivables 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.

#### ***Basic Financial Liabilities***

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, and subsequently measured at amortised cost using the effective interest method.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS102. See notes 12 and 13 for the debtor and creditor notes.

## Museums Association

### Notes to the Financial Statements

#### For the Year Ended 31 March 2022

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##### Accounting Policies (Continued)

- n) Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are:

Furniture & Equipment	10.00% per annum, straight line method
IT & Computers	33.33% per annum, straight line method

Depreciation costs are allocated to Support Costs.

- o) Intangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition. Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life. The amortisation rates in use are:

Website & Database	33.33% per annum, straight line method
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Amortisation costs are allocated to Support Costs.

- p) Investments held as fixed assets are included at mid-market value at the balance sheet date. The gain or loss for each period is taken to the statement of financial activities. Unrealised gains are shown in note 11a. Gains are shown on the face of the SOFA. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment are recognised immediately in the profit or loss account.
- q) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the length of the lease.
- r) The charity used to operate a defined benefit pension scheme on behalf of its employees. The scheme is now closed. The assets of the scheme are held separately from those of the charity in an independently administered scheme.

Current or past service costs and gains, as determined by the scheme's actuary, are charged to the statement of financial activities each year. Pension finance costs or income are included within total resources expended or incoming resources as applicable. Actuarial gains and losses arising are recognised within 'gains and losses' on the statement of financial activities.

In addition, any deficit on the scheme, representing the shortfall of the value of the scheme assets below the present value of the scheme liabilities is recognised as a liability on the balance sheet to the extent that the employer charity is able to recover a surplus or has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds.



## **Museums Association**

### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2022**

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##### **Accounting Policies (Continued)**

- s) The charitable company also agrees to contribute to personal pension schemes. The pension cost charge represents contributions payable by the charitable company to the individual schemes. The charitable company has no liability under the schemes other than for the payment of those contributions.
- t) Trust funds are funds:
  - i) which are administered by or on behalf of the MA
  - ii) whose funds are held for specific purposes which are within the general purposes of the MA; or
  - iii) which are subject to a substantial degree of influence by the MA, are treated as branches and accounted for as part of the MA.
- u) The MA undertakes an administrative role in the running of the Esmee Fairbairn Collections Fund. The MA undertake this service in return for a grant which is recognised as income in the statutory accounts.

The MA also hold funds as an intermediary, awaiting instructions from an approval panel (where control is retained by the Principal: Esmee Fairbairn), to distribute the funds. Although the MA monitor and report against the use of the funds in their administrative capacity, the ultimate control over the distribution of the funding and legal responsibility for ensuring the charitable application of the funds is retained by Esmee Fairbairn.

Funds received and expended in this manner are excluded from the accounts as income and expenditure. Further details can be found in note 19.

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

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the trustees in applying the accounting policies adopted, they are required to make judgements, estimates and assumptions that have a significant effect on the amounts recognised in the financial statements and carry a significant risk of material adjustment in the next financial year. No judgements or key sources of uncertainty have been identified by the trustees.

**Museums Association**

**Notes to the Financial Statements**

**For the Year Ended 31 March 2022**

**3. Donations, grants and legacies**

	Restricted £	Unrestricted £	2022 £
<b>Trusts and funded projects</b>			
UKRI	-	-	-
Decolonisation	89,000	-	89,000
Museums Freelance	25,000	-	25,000
ACE	150,000	-	150,000
Paul Hamlyn	-	40,000	40,000
Wellcome Trust	119,000	-	119,000
HMRC JRSI	-	32,659	32,659
Other	1,175	-	1,175
	<u>384,175</u>	<u>72,659</u>	<u>456,834</u>
 Esmee Fairbairn Collections Fund	 <u>161,683</u>	 <u>-</u>	 <u>161,683</u>
	<b><u>545,858</u></b>	<b><u>72,659</u></b>	<b><u>618,517</u></b>

	Restricted £	Unrestricted £	2021 £
<b>Trusts and funded projects</b>			
UKRI	633,125	-	633,125
Other	49,641	153,107	202,748
	<u>682,766</u>	<u>153,107</u>	<u>835,873</u>
 Esmee Fairbairn Collections Fund	 <u>142,411</u>	 <u>-</u>	 <u>142,411</u>
	<b><u>825,177</u></b>	<b><u>153,107</u></b>	<b><u>978,284</u></b>

**4 Charitable activities**

	Restricted £	Unrestricted £	2022 £
Membership	-	929,869	929,869
Publications	-	140,103	140,104
Events	-	212,942	212,942
Professional development	-	37,460	37,460
	<u>-</u>	<u>1,320,375</u>	<u>1,320,375</u>
	<b><u>-</u></b>	<b><u>1,320,375</u></b>	<b><u>1,320,375</u></b>
	Restricted £	Unrestricted £	2021 £
Membership	-	1,118,961	1,118,961
Publications	-	118,386	118,386
Events	-	29,273	29,273
Professional development	-	29,571	29,571
	<u>-</u>	<u>1,296,191</u>	<u>1,296,191</u>
	<b><u>-</u></b>	<b><u>1,296,191</u></b>	<b><u>1,296,191</u></b>

**Museums Association**

**Notes to the Financial Statements**

**For the Year Ended 31 March 2022**

**5. Total Resources Expended**

	Publications £	Events £	Membership £	Professional Development £	Policy & Public Affairs £	Governance £	Support £	Trusts/ Projects £	Total £
Staff costs - direct (Note 7)	146,088	117,099	171,770	62,291	160,514	-	341,458	169,159	<b>1,168,379</b>
Direct costs	102,821	95,543	24,506	268	7,931	3,630	157,812	168,037	<b>560,548</b>
Grants and Bursaries	-	-	-	-	-	-	-	682,771	<b>682,771</b>
Depreciation	-	-	-	-	-	-	19,464	55,891	<b>75,355</b>
Trustees' expenses	-	-	-	-	-	7,147	-	-	<b>7,147</b>
sub total	248,909	212,642	196,276	62,559	168,445	10,777	518,734	1,075,858	<b>2,494,200</b>
Allocated support costs	132,378	94,556	151,289	56,733	94,556	(10,777)	(518,734)	-	-
Total resources expended	<b>381,287</b>	<b>307,198</b>	<b>347,565</b>	<b>119,292</b>	<b>263,001</b>	-	-	<b>1,075,858</b>	<b>2,494,200</b>

**For the Year Ended 31 March 2021**

	Publications £	Events £	Membership £	Professional Development £	Policy & Public Affairs £	Governance £	Support £	Trusts/ Projects £	Total £
Staff costs - direct (Note 7)	169,257	166,261	222,153	92,054	180,008	-	243,594	81,539	<b>1,154,866</b>
Direct costs	103,623	40,236	40,379	2,973	2,354	6,084	214,651	25,953	<b>436,253</b>
Grants and Bursaries	-	-	(7,500)	(8,130)	-	-	-	52,811	<b>37,181</b>
Depreciation	-	-	-	-	-	-	13,310	82,237	<b>95,547</b>
Trustees' expenses	-	-	-	-	-	-	-	-	-
sub total	272,880	206,497	255,032	86,897	182,362	6,084	471,555	242,540	<b>1,723,847</b>
Allocated support costs	104,484	89,557	149,262	44,779	89,557	(6,084)	(471,555)	-	-
Total resources expended	<b>377,364</b>	<b>296,054</b>	<b>404,294</b>	<b>131,676</b>	<b>271,919</b>	-	-	<b>242,540</b>	<b>1,723,847</b>

**Museums Association**

**Notes to the financial statements**

**For the year ended 31 March 2022**

**6. Net incoming/(outgoing) resources for the year**

This is stated after charging/crediting:	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Interest payable	-	-
Bank charges	<b>22,481</b>	18,378
Depreciation	<b>75,356</b>	94,734
Operating lease rentals		
▪ property	<b>72,147</b>	93,855
Board's remuneration	-	-
Board's reimbursed expenses (travel and subsistence)	<b>7,148</b>	-
Auditors' remuneration:		
▪ Audit	<b>18,995</b>	11,300
▪ Other services	-	-
	<b>54,041</b>	56,553
Income from quoted investments	<b>45</b>	1,446
Bank interest receivable		

£ 1,202 in reimbursed travel and subsistence costs relating to attendance at Board meetings were paid to 6 board members (2021:0) during the year. Trustee indemnity is covered by the organisation's Charity Care insurance.

# Museums Association

## Notes to the financial statements

### For the year ended 31 March 2022

#### 7. Staff costs and numbers

Staff costs were as follows:	<b>2022</b>	2021
	£	£
Salaries and wages	855,779	908,081
Settlement payments	34,326	-
Social security costs	92,409	94,736
Temps/Consultants	2,088	12,114
Costs of pension scheme - defined contribution	73,752	75,936
Costs of pension scheme - defined benefit	71,918	48,041
	<b>1,130,271</b>	<b>1,138,908</b>
Other staff costs	36,053	15,958
	<b>1,168,379</b>	<b>1,154,866</b>
Total emoluments paid to staff were:	<b>855,779</b>	<b>908,081</b>

The Charity considers its key management personnel comprise the trustees, the Chief Executive Officer and 3 heads of departments. The total employment benefits of the key management personnel were £ 356,856 (2021: £ 363,333). Trustees receive no remuneration.

Redundancy payments totalling £ 34,326 were made to 2 staff.

#### Earnings over £60,000 (including pension)

	<b>2022</b>	2021
	No.	No.
Number of employees receiving £80,001 - £90,000	2	1
Number of employees receiving £70,001 - £80,000	2	3
Number of employees receiving £60,001 - £70,000	-	-

The employees above participated in the pension scheme. Contributions paid on behalf of the employees totalled £ 25,101 (2020: £ 25,570).

The average weekly number of employees (full-time equivalent) during the year was as follows:

	<b>2022</b>	2021
	No.	No.
Publications	3.5	3.5
Restricted projects	1.5	1.5
Events	2.0	3.0
Membership	4.0	5.0
Professional development	1.5	1.5
Policy and public affairs	2.5	2.5
Support	3.0	3.0
	<b>18.0</b>	<b>20.0</b>

# Museums Association

## Notes to the financial statements

### For the year ended 31 March 2022

#### 8. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 9. Tangible fixed assets

	Furniture and Equipment £	IT & Computers £	Total £
<b>COST</b>			
At 1st Apr 2021	54,730	172,983	<b>227,713</b>
Additions in year	19,404	9,315	<b>28,718</b>
At 31 March 2022	<u>74,134</u>	<u>182,298</u>	<u><b>256,431</b></u>
<b>DEPRECIATION</b>			
At 1st Apr 2021	37,816	154,091	<b>191,907</b>
Disposals in year	-	-	-
Charge for the Year	<u>4,940</u>	<u>19,456</u>	<u><b>24,396</b></u>
At 31 March 2022	<u>42,756</u>	<u>173,547</u>	<u><b>216,302</b></u>
<b>NET BOOK VALUE</b>			
<b>At 31 March 2022</b>	<u><b>31,378</b></u>	<u><b>8,751</b></u>	<u><b>40,129</b></u>
At 1st Apr 2021	<u>16,914</u>	<u>18,892</u>	<u>35,807</u>

#### 10. Intangible fixed assets

	Website & Database £	Total £
<b>COST</b>		
At 1st Apr 2021	433,075	<b>433,075</b>
Additions in year	6,285	<b>6,285</b>
Disposals in year	-	-
At 31 March 2022	<u>439,360</u>	<u><b>439,360</b></u>
<b>AMORTISATION</b>		
At 31 March 2021	360,677	<b>360,677</b>
Disposals in year	-	-
Charge for the Year	<u>50,960</u>	<u><b>50,960</b></u>
At 31 March 2022	<u>411,638</u>	<u><b>411,638</b></u>
<b>NET BOOK VALUE</b>		
<b>At 31 March 2022</b>	<u><b>27,722</b></u>	<u><b>27,722</b></u>
At 31 March 2021	<u>72,398</u>	<u>72,398</u>

**Museums Association**

**Notes to the financial statements**

**For the year ended 31 March 2022**

**11a. Investments**

	<b>2022</b>	2021
	£	£
Rathbones		
At 01 April 2021	2,777,141	2,339,452
Disposal proceeds	-	-
Additions during the year, at cost	-	-
Disposals during the year, at brought forward value	-	-
Realised (losses) gains	-	-
Unrealised (losses) / gains	138,775	437,689
At 31 March 2022	<b>2,915,916</b>	<b>2,777,141</b>

At the balance sheet date, the market value of the portfolio comprised:

Fixed interest	343,149
UK equities	1,061,041
Global equities	1,289,089
Property	147,478
Other assets	75,159
At 31 March 2022	<b>2,915,916</b>

Individual holdings representing more than 5% of the market value of the portfolio at the balance sheet date are as follows:

	<b>2022</b>
	£
BROWN ADVISORY FUNDS US Sustainable Growth C Inc	132,921

Analysis of investment portfolio	<b>2022</b>	2021
	£	£
Rathbones	2,777,141	2,777,141
At 31 March 2022	<b>2,915,916</b>	<b>2,777,141</b>

**Museums Association**

**Notes to the financial statements**

**For the year ended 31 March 2022**

<b>11b. Investment in subsidiary</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Shares in subsidiary at cost	<b>2</b>	<b>2</b>

**12. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>68,957</b>	71,247
Grant Debtors	<b>171,983</b>	565,911
Other debtors	<b>4,996</b>	5,924
VAT recoverable	-	-
Prepayments and accrued income	<b>219,968</b>	84,760
	<b>465,904</b>	<b>727,842</b>

**13. Creditors : amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>57,465</b>	32,631
Accruals	<b>55,477</b>	57,705
PAYE, social security and other taxes	<b>32,743</b>	35,505
VAT payable	<b>18,422</b>	5,999
Other creditors	<b>7,607</b>	1,843
Subscriptions in advance	<b>424,834</b>	384,075
	<b>596,548</b>	<b>517,758</b>

All deferred income recognised in 2019 was released in 2021 relating to fees for cancelled events due to Covid (held over with customer agreement).



Museums Association

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds

	At 31 March 2021 £	Incoming Resources *	Outgoing Resources £	Transfers £	At 31 March 2022 £
<b>Endowment funds</b>					
Beecroft Bequest	475,238	32,623	(32,000)	-	<b>475,861</b>
<b>Total endowment funds</b>	<u>475,238</u>	<u>32,623</u>	<u>(32,000)</u>	<u>-</u>	<u><b>475,861</b></u>
<b>Restricted funds:</b>					
Benevolent Fund	353,179	35,534	(37,794)	-	<b>350,919</b>
Esme Fairbairn	118,730	161,683	(155,416)	-	<b>124,997</b>
UKRI	633,125	-	(609,401)	-	<b>23,724</b>
Art Fund L & E	1,745	-	(1,745)	-	<b>-</b>
Wellcome Trust	-	119,000	-	-	<b>119,000</b>
Museum Freelance	-	15,000	(14,600)	-	<b>400</b>
Decolonisation programme	-	89,000	(4,273)	-	<b>84,727</b>
ACE CRF	-	150,000	(149,815)	-	<b>185</b>
<b>Total restricted funds</b>	<u>1,106,779</u>	<u>570,217</u>	<u>(973,044)</u>	<u>-</u>	<u><b>703,952</b></u>
<b>Unrestricted funds:</b>					
<i>Designated funds:</i>					
Pension Company	600,000	-	-	-	<b>600,000</b>
Fixed Asset reserve	116,165	-	(55,891)	-	<b>60,274</b>
Access	-	215	(8,342)	10,000	<b>1,873</b>
Campaign and membership support	-	-	(6,581)	80,000	<b>73,419</b>
<i>Total designated funds</i>	<u>716,165</u>	<u>215</u>	<u>(70,814)</u>	<u>90,000</u>	<u><b>735,566</b></u>
<b>General funds</b>	<u>921,586</u>	<u>1,528,877</u>	<u>(1,418,342)</u>	<u>(90,000)</u>	<u><b>942,121</b></u>
<b>Total unrestricted funds</b>	<u>1,637,751</u>	<u>1,529,092</u>	<u>(1,489,156)</u>	<u>-</u>	<u><b>1,677,687</b></u>
<b>Pension reserve fund</b>	<u>188,000</u>	<u>-</u>	<u>(188,000)</u>	<u>-</u>	<u><b>-</b></u>
<b>Total funds</b>	<u><u>3,407,768</u></u>	<u><u>2,131,932</u></u>	<u><u>(2,682,200)</u></u>	<u><u>(90,000)</u></u>	<u><u><b>2,857,500</b></u></u>

\* Includes gains on investment assets

## **Museums Association**

### **Notes to the financial statements**

**For the year ended 31 March 2022**

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#### **Movements in funds (continued)**

##### **14) Purposes of Endowment Funds**

The Beecroft Bequest originates from a legacy made in 1961 which is used to make grants to museums to help fund purchases of pictures and works of art produced no later than the 18th century.

##### **Purposes of restricted funds**

The Benevolent Fund assists financially distressed members of the MA and now includes within its purpose the promotion of education and professional development of members of the MA.

The MA runs the Esmée Fairbairn Collections Fund (EFCF), offering grants of £20,000 to £100,000 to museums for time-limited work with collections. Through this fund the MA and the Esmée Fairbairn Foundation seek to develop a series of projects that demonstrate the inspiring and engaging potential of collections to deliver social impact for people and communities.

The MA received funds to administer £600k of grants for the UKRI Digital Innovation and Engagement programme.

The Art Fund granted funds to support a Learning & Engagement research programme.

The MA received £150,000 from the Arts Council Cultural Recovery Fund.

Museum Freelance granted £15,000 to distribute funds to freelance workers in the sector.

The Decolonisation programme is supported by the Art Fund, the Esmée Fairbairn Foundation, the John Ellerman Foundation and the Paul Hamlyn Foundation to provide guidance and support to the sector.

The MA received £119,000 from the Wellcome Trust as 50 % part payment of a grant fund for UK science centres.

The MA received £150,000 from the Arts Council Cultural Recovery Fund.

##### **Purposes of designated funds**

A fund of £600,000 was set up in 2012 in place of the charge on the property sold that year held by the Museums Association Pension Plan.

The Fixed Asset Reserve has funds set aside for future capital expenditure.

The Access fund was established to support access and inclusion needs for MA events and activities.

Designated campaign and support funding was established to support MA campaigns and membership.

# Museums Association

## Notes to the financial statements

For the year ended 31 March 2022

### 15. Analysis of Net Assets Between Funds

				2022
	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	Total Funds £
Intangible Fixed Assets	-	-	27,722	27,722
Tangible Fixed Assets	-	-	40,129	40,129
Investments	492,460	373,441	2,050,015	2,915,916
Net Current Assets	(16,599)	330,511	(440,179)	(126,267)
Pension scheme asset	-	-	-	-
<b>Net Assets at 31 March 2022</b>	<b>475,861</b>	<b>703,952</b>	<b>1,677,687</b>	<b>2,857,500</b>
				2021
	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	Total Funds £
Intangible Fixed Assets	-	-	72,398	72,398
Tangible Fixed Assets	-	-	35,806	35,806
Investments	469,023	355,668	1,952,450	2,777,141
Net Current Assets	6,215	751,111	(422,903)	334,423
Pension scheme asset	-	-	188,000	188,000
<b>Net Assets at 31 March 2021</b>	<b>475,238</b>	<b>1,106,779</b>	<b>1,825,751</b>	<b>3,407,768</b>

### 16. Related parties

The MA appoints the trustees of the Benevolent Fund and the Beecroft Bequest and thus has a significant influence over the affairs of these trusts.

3 Trustees held a position with entities which at the year end had debtor balances (Membership or Events Fees) with the Museums Association:

		2022 £
Sara Kassam	Victoria and Albert Museum	60
Michael Terwey	National Trust for Scotland	2,358
		<b>2,418</b>

### 17. Operating lease commitments

		2022 £	2021 £
Expenditure committed to under operating leases falling due in;			
<b>Property</b>			
	Less than one year	93,000	69,750
	2 to 5 years	372,000	372,000
	More than 5 years	418,500	511,500
<b>Other</b>			
	Less than one year	1,147	1,147
	2 to 5 years	-	-
	More than 5 years	-	-

## Museums Association

### Notes to the Financial Statements

#### For the year ended 31 March 2022

#### 18. Defined benefit pension scheme

The association operates a defined benefit scheme in the UK which was paid-up at 31 March 2008 so no further service liability will accrue.

The most recent full actuarial valuation was carried out in 2019 by a qualified actuary. As the scheme was fully funded no contributions were made in 2021-22.

Defined benefit cost:

	2022 £'000	2021 £'000
Current service cost	-	-
Net interest cost on the recognised defined benefit asset	-	-
Remeasurements recognised in the SOFA	-	-
	<u>-</u>	<u>-</u>

Remeasurements recognised in Other Comprehensive Income:

	2022 £'000	2021 £'000
Remeasurement of defined benefit obligation	(154)	718
Return on plan assets	(318)	(645)
Change in effect of the asset ceiling	472	(73)
	<u>-</u>	<u>-</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

Financial Assumptions:

	2022 %	2021 %
Discount rate at the end of the year	2.9%	2.2%
Retail Price Inflation	3.8%	3.4%
Consumer Price Inflation	3.1%	2.7%
Increases in deferment	3.1%	2.7%
Rates of increase to pensions in payment		
Pensions earned before 6/4/97	0.0%	0.0%
Pensions earned after 5/4/97	3.8%	3.4%

Based on the mortality assumptions detailed below, the following illustrates the life expectancies used to place a value on the Scheme's liabilities as at 31 March 2022:

Life expectancy	Male	Female
Member aged 65 at the effective date of the calculations	20.3	22.6
Member aged 65 at a date 20 years after the effective date of the calculations	20.3	22.6

# Museums Association

## Notes to the Financial Statements

**For the year ended 31 March 2022**

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### Financial Assumptions (cont.)

Demographic and other assumptions	2022	2021
Mortality after retirement base table	S3PA with ages rated up 2 years	S3PA with ages rated up 2 years
Future improvements	CMI_2019 [1.25%]	CMI_2019 [1.25%]
Cash commutation	All members will commute 25% of pension on current terms	All members will commute 25% of pension on current terms
Retirement age	Normal retirement age	Normal retirement age
Proportion of members with a spouse	85% - Males; 75% females	85% - Males; 75% females
Average age difference between member and spouse	Females are 3 years younger than males	Females are 3 years younger than males
Discretionary increases	No allowance	No allowance

The expected return on the plan assets is based on the fair value of the assets at the beginning of the period and the expected long term rate of return as estimated at the start of the period.

The employee benefit obligations recognised in the balance sheet are as follows:

	2022 £'000	2021 £'000
Present value of defined benefit obligations	3,328	3,419
Fair value of plan assets	(3,328)	(3,607)
Net asset recognised in the Balance Sheet	-	(188)

# Museums Association

## Notes to the Financial Statements

### For the year ended 31 March 2022

#### 18. Defined benefit pension scheme (continued)

Movements in the present value of the defined benefit obligation are as follows:

	2022 £'000	2021 £'000
Opening defined benefit obligation	3,419	2,648
Service cost (Current and past)	-	-
Interest cost	75	63
Remeasurement arising from changes in assumptions	(202)	729
Remeasurement arising from experience	48	(11)
Benefits paid	(12)	(10)
Liabilities at end of period	<u>3,328</u>	<u>3,419</u>

Changes in the fair value of plan assets are as follows:

	2022 £'000	2021 £'000
Opening fair value of plan assets	3,607	2,903
Interest income	79	69
Actual return on plan assets, excluding interest income	(346)	645
Contributions by employer	-	-
Benefits paid	(12)	(10)
Assets at end of period	<u>3,328</u>	<u>3,607</u>

The actual return/(deficit) on plan assets was £ (0); (2021: (£645,000)).

The major categories of plan assets as a percentage of total plan assets are as follows:

	2022		2021	
	£'000	%	£'000	%
Equities	2,330	70%	2,597	72%
Bonds & Gilts	300	9%	361	10%
Property	599	18%	577	16%
Cash	100	3%	72	2%

## **Museums Association**

### **Notes to the Financial Statements**

#### **For the year ended 31 March 2022**

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##### **19. Funds held by The Museums Association as an intermediary agent**

The Museums Association receives an annual restricted grant from Esmee Fairbairn to support the research, development and administration of the Esmee Fairbairn Collections Fund. This is recognised as income in the financial statements.

The MA also receives £1.3 million per year for 2020-22 over the extended life of the programme for distribution to grant recipients. Under the terms of the agreement, the Museums Association will receive, review and filter applications which will be sent to an approval panel for consideration. The panel consists of two Esmee Fairbairn trustees, the Esmee Fairbairn chief executive, the Museums Association's chief executive and two members from the museums community. Based on the composition of the panel and the fact that the Esmee Fairbairn chief executive has the casting vote on the approval of awards, the Museums Association has no ultimate control over the distribution of the awards.

Under this arrangement the Museums Association is holding the funds as an intermediary, awaiting instruction from Esmee Fairbairn to distribute the funds. Although the Museums Association will monitor and report against the use of the funds, the ultimate control of the funding and legal responsibility for ensuring the charitable application of the funds would appear to remain with the Esmee Fairbairn Foundation.

As such, funds received and distributed under this arrangement have been excluded from the MA's accounts. This year, £ 282,677 was carried forward, £ 1,173,208 was received and £ 943,569 was awarded. At the year end, the MA held cash of £ 512,315 which is payable to grantees under the programme. This bank balance and corresponding liability have also been removed from the financial statements.