

Mechanics Centre Museum of Labour and Trades Union History Trust**Registered number:** 02150230**Balance Sheet****as at 31 March 2018**

	Notes	2018 £	2017 £
Tangible Fixed assets			
Heritage assets	3	51,310	53,022
Current assets			
Debtors	4	20,053	637
Cash at bank and in hand		65,770	67,596
		<u>85,823</u>	<u>68,233</u>
Creditors: amounts falling due within one year	5	(14,768)	(12,798)
Net current assets		<u>71,055</u>	<u>55,435</u>
Net assets		<u><u>122,365</u></u>	<u><u>108,457</u></u>
Capital and reserves/Funds of Charity			
Restricted Income Funds	6	5,000	5,000
Unrestricted Funds - General	7	117,365	103,457
Total Charity' Funds		<u><u>122,365</u></u>	<u><u>108,457</u></u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

The company is however required to provide an independent examiner's report and include certain information (under the Charities Act).

H Spooner

Director

Approved by the board on 17 July 2018

The notes form an integral part of these financial statements.

Mechanics Centre Museum of Labour and Trades Union History Trust

Notes to the Accounts

for the year ended 31 March 2018

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention, treating the company as a going concern, and in accordance with FRS 102, The Charities Acts and the Statement of Recommended Practice; Accounting by Charities (SORP 2015), The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

A separate summary Income and Expenditure account is included on page 7.

This basis has been adopted by the board as a result of its forward review of the company's activities for the next year. The board believe this is acceptable for at least the next 12 months.

Principal Activities

The company has established a Museum of Trades Union History. The Trust is a registered Charity No 519213. The company's objects are to advance the education of the public including advancing its knowledge of the origins, growth and development of the Labour and Trades union movements and promoting an understanding of the contribution made by the Manchester Mechanics Institute to the education of young men in the application of science to mechanical and manufacturing. These accounts reflect the trading and assets and liabilities of the charitable company and transactions undertaken by the charitable company with regards to grants raising and purchase of lease. Those with regard to the trading arm - Mechanics Centre Ltd have been excluded. The "Centre" hires out rooms for meetings/conferences etc. and provides related services, covenanting its surplus to the Charity to fund charitable activities.

Income

Income is brought into the accounts on the basis of receipts unless amounts due are reasonably certain. It is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes.

Statement of Recommended Practice

The recommendations of SORP 2015 'Accounting and Reporting of Charities' and 'Accounts & Reports Regulations' have been followed in the preparation of these accounts.

Affiliations & Donations in 2018 £22,480 included: -

£13,950 donated specifically towards the 150th Anniversary events and £6,000 from CWU.

Resources Expended

All expenditure is accounted for on an accrual basis.

Restricted Funds

Monies received towards specific items are held in the Restricted Fund.

These are credited to Profit and Loss Account over the respective periods of depreciation applied to the Tangible Fixed Assets they have financed.

Tangible fixed assets and Depreciation

Heritage Assets These are assets with historical qualities and are held and maintained for the contribution to knowledge and culture, advancing the preservation, conservation and educational objectives of the charity. The premium on the property lease detailed in notes 3 and 9 are central to the achievement of the purposes of the charity. This relates to the building 103 Princess Street. Other assets relate to historical items held and preserved along with the building, being central to the charity's objectives.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Premium in leases	Over the period of 40 years (previously over the lease 125 years)
Other fixed assets	5 - 10 years unless specific items of historical nature deem a longer period (viz. stained glass, memorabilia £4,530 which are not depreciated).

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

As a charity the company is exempt from tax on income and gains to the extent these are applied to its charitable objects.

2 Operating profit	2018	2017
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	1,712	1,712
Trustees Remuneration	Nil	Nil
Trustees Expenses	Nil	Nil
Income includes interest received	12	19

ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Activities undertaken directly

- Museum property cost	10,366	19,782
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Grants funding of activities

- Grants, Bursaries, 150 year anniversary *	18,563 *	3,000
- Support costs - Governance	1,749	2,020

Total	30,678	24,802
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* includes:

Banner Theatre	15,000	3,000
Other 150 year anniversary costs	3,563	-

	18,563	3,000
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3 Tangible fixed assets - Heritage Assets

	Land and buildings	Other	Total
	£	£	£
Cost			
At 1 April 2017	68,489	5,915	74,404
At 31 March 2018	68,489	5,915	74,404

Depreciation

At 1 April 2017	20,000	1,382	21,382
Charge for the year	1,712	0	1,712
At 31 March 2018	-	-	-
	<u>21,712</u>	<u>1,382</u>	<u>23,094</u>

Tangible Fixed Assets - Heritage Assets - ctd**Tangible Fixed Assets - Heritage Assets - ctd****Net book value**

At 31 March 2018	<u>46,777</u>	<u>4,533</u>	<u>51,310</u>
At 31 March 2017	<u>48,489</u>	<u>4,533</u>	<u>53,022</u>

The cost of Land & Buildings represents gross premium £120,900 plus legal costs £10,812 total £131,712 less a sublease to Mechanics Centre Ltd £63,223 - Net £68,489.

The company has entered into a lease with the Council of the City of Manchester. The term is 125 years less 20 days from 1989 at a peppercorn rent.

The sublease for the part of the building is to The Mechanics Centre Ltd for a term of 125 years less 30 days at a peppercorn rent from 1989. The "Centre" uses this to hire out rooms for meetings/conferences and supply related services. This is intended to make a surplus which the "Centre" covenants to this company to fund its charitable activities. The Land and Buildings are accessible to the public.

There have been no Heritage Asset transactions in the last five years. The trustees believe the use of the Heritage Asset relates to the objects of the charity.

The Trustees intend to retain the lease and maintain the building. There is no intention of acquiring further buildings.

If memorabilia and artefacts become available the company would consider acquisition and has no intention of disposing of those held.

4 Debtors	2018	2017
	£	£
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>20,053</u>	<u>637</u>

5 Creditors: amounts falling due within one year	2018	2017
	£	£
Trade creditors - Service charge to Manchester City Council	12,952	11,032
Other creditors	<u>1,816</u>	<u>1,766</u>
	<u>14,768</u>	<u>12,798</u>

6 Restricted Income Funds	2018	2017
	£	£
At 1 April 2017	<u>5,000</u>	<u>5,000</u>
At 31 March 2018	<u>5,000</u>	<u>5,000</u>

The company has previously received £5,000 from "Equity" for the design, manufacture, installation and future upkeep and maintenance of a stained glass window. The costs expended to date are included in Fixed Assets note 3.

7 Unrestricted Funds	2018	2017
	£	£
At 1 April 2017	103,457	109,438

Net Additions/(Reduction) in the year	13,908	(5,981)
At 31 March 2018	117,365	103,457
The purpose of the fund is covered in the Directors Report		

8 Share Capital

The Company is limited by guarantee and does not have share capital.

9 Future Commitments

There are no future commitments other than the ongoing lease commitments and payment of service charge.

The company Mechanics Centre Ltd has entered into a lease with the Mechanics Centre Museum of Labour and Trades' Union History Trust - "The Trust" a registered Charity holding a similar lease from Manchester City Council. The term is 125 years at a peppercorn rent from 1989. The companies also pay ongoing service and maintenance charges for the building and common parts to Manchester City Council in total £32,420 (2017 £20,030) with The Mechanics Centre's share based upon the services utilised by it - presently 80% (2017 (70%).

10 Related Party Transactions

2018	2017
£	£

The related party relationship is explained in the Directors Report and the Trustees Annual Report

Amount due from the Mechanics Centre Ltd accumulated due to recharges of insurance, rates and water initially charged to The Trust

20,053	637
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Amount due (to) the Mechanics Centre Ltd - as above

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During the year the Charity received Gift Aid from the Mechanics Centre Ltd of:

22,600	18,000
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It is intended any related party debt will be settled within 12 months

Social Media Management

Mr M Dodd, the adult son of a trustee Mr Peter Dodd runs a business "Tempest Publicity" which provides these services on an arms length basis agreed by the other trustees.

The charge for the year in promoting the company is

3,500	3,500
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Recovery from Mechanics Centre

6,072	-
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The amount outstanding at year-end (included above)

6,072	Nil
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Remuneration is paid by Mechanics Centre Ltd for services as shown below - but not as Trustees of this company

Chairman - Mr H Spooner

1,000	1,000
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Company Secretary - Mr J McNicholls

5,000	5,000
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Other details are shown in notes 3, 4, 5 and 9.

There are no funds held as custodian trustee

11 Controlling party

There is no ultimate controlling party.

12 Other information

Mechanics Centre Museum of Labour and Trades Union History Trust is a private company limited by shares and incorporated in England. Its registered office is 103 Princess Street, Manchester M1 6DD:

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