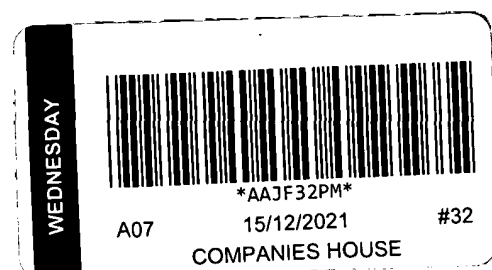


# MUSEUM OF LONDON (TRADING) LIMITED

Annual Report and Financial Statements  
for the year ended 31 March 2021

Company No: 05423292



# **MUSEUM OF LONDON (TRADING) LIMITED**

**Annual Report and Financial Statements for the year ended 31 March 2021**

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# MUSEUM OF LONDON (TRADING) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2021

## DIRECTORS, PROFESSIONAL ADVISERS AND ADMINISTRATIVE DETAILS

### Board of Directors

The following served during the year and up to the date of this report:

#### Executive Directors

Mr Andrew Marcus (appointed 3 February 2021)

Mr Sean O'Sullivan

Ms Anna Sheldon

Mr Richard Sweet (resigned 3 February 2021)

#### Non Executive Directors

Mr Jonathan Byrne

Mrs Caroline Cartellieri Karlsen (appointed 7 September 2021)

Mr Douglas Gilmore

Ms Mandy Mahil

Ms Milyae Park

Company Law does not distinguish between Executive and Non-Executive Directors.

### Company Secretary

Sean O'Sullivan

### Professional Advisers:

#### Independent Auditor

BDO LLP  
55 Baker Street  
London  
W1U 7EU

#### Legal Adviser

Farrer & Co  
66 Lincoln's Inn Fields  
London  
WC2A 3LH

#### Banker

Lloyds Bank  
25 Gresham Street  
London  
EC2V 7HN

### The registered office of the parent undertaking:

Museum of London (Registered Charity number 1139250)

150 London Wall

London EC2Y 5HN

Group consolidated financial statements may be obtained from this address.

### Other Information:

Company registered in England, number 05423292

VAT registration number GB 927 579 475

Company No: 05423292

# **MUSEUM OF LONDON (TRADING) LIMITED**

**Annual Report and Financial Statements for the year ended 31 March 2021**

## **DIRECTORS' REPORT**

The Directors present their report and the audited financial statements of the company for the year ended 31 March 2021. The legal and administrative details on page 2 form part of this report.

The entity meets the definition of a qualifying entity under FRS 102 and has taken advantage of the exemptions in respect of the preparation of a cash flow statement, disclosure of the remuneration of key management personnel and the disclosure of financial instruments.

In response to government guidance, all Museum of London sites were closed to the public and to all but essential employees on 19 March 2020. The Directors were kept updated throughout this process. The Directors continue to be updated on the response to and future implications of the COVID-19 pandemic through the Trading Board meetings that have continued to be held online. Following extensive planning for remobilising and in accordance with government guidance, the museums reopened on 6 August 2020 with COVID-Secure social distancing in place and controlled entry with timed tickets for a reduced number of hours each week. In line with Government restrictions all sites were closed again on 4 November 2020, reopening briefly between 3 and 12 December 2020. Since 19 May 2021 both Museums have been open to the public on a reduced 5 days per week basis, extending to 7 days per week during school holidays, and the company's activities are now operating at both sites.

The combination of closure and social distancing requirements have severely impacted the number of visitors for 2020/21, and it is likely to be several years before inbound tourism returns to pre-pandemic levels. Circa 25% of the museum's income is normally self-generated through donations, membership, exhibition ticket sales, retail, catering and venue hire. Decisions were taken promptly by Museum Governors and Executive Board to mitigate the impacts where possible. This included cancelling a planned temporary exhibition which reduced costs and also removed the risk of ticket sales being too low to cover costs; staff who were unable to carry out their roles due to museum closures were furloughed under the government's Coronavirus Job Retention Scheme; implementing a recruitment freeze; and restructuring.

The combination of lower visitor numbers and the wider economic implications of the pandemic posed a severe challenge to the company's financial position in 2020/21. To mitigate the impacts, agreement was made the Museum of London Board of Governors to reduce the charges normally made to the company for use of resources during the financial year ending 31 March 2021 to reflect the fact that the museum sites were unavailable and the company cannot operate to its normal levels. This agreement continues to cover 2021/22.

### **Incorporation and status**

The Museum of London (Trading) Limited was incorporated on 13 April 2005 as a company limited by shares. The Governing Document is the Memorandum and Articles of Association of the company. The company is a fully owned subsidiary of the Museum of London. The Museum of London was established by the 1965 Museum of London Act and is a registered charity (number 1139250).

The Directors are set out on page 2. No Directors held any shares in the company at 31 March 2021 (2020: none).

# MUSEUM OF LONDON (TRADING) LIMITED

## Annual Report and Financial Statements for the year ended 31 March 2021

### Principal activities

The principal activities of the Museum of London (Trading) Limited are retailing (two gift shops managed by the Museum), events and income earned from the provision of corporate hire and catering services.

### Results for the year

Turnover was £454k (2020: £3,004k) which, after deduction of cost of sales of £220k (2020: £1,979k), resulted in a gross profit of £234k (2020: £1,025k). Interest receivable in the year was £1k (2020: £12k), interest payable in the year was £nil (2020: £nil) and after deduction of administrative expenses net profit amounted to £86k (2020: £463k). The company is obliged to pay the whole of its taxable profits each year to its parent undertaking, the Museum of London, under a Deed of Covenant.

### Going concern

The accounts are prepared on the going concern basis as financial projections show the company is able to meet its liabilities as they fall due for the foreseeable future. In reaching the conclusion on the ability of the museum to remain a going concern, the Directors have considered the uncertainty relating to the financial impact of the COVID-19 pandemic and reviewed the cashflow projections to 31 March 2023.

The Board of Governors of the Museum of London has provided a Letter of Support that confirms extended payment terms for recharges due from the company to the charity and that the charity will not require this to be paid before December 2022. While uncertainty exists surrounding the quantity and timing of future trading income, given the measures already in place, the Directors consider that it is reasonable to assume the museum is able to continue to operate for the coming 12 months and that it is appropriate for the accounts to be prepared on a going concern basis.

### Financial risk management

The ongoing impacts of the COVID-19 pandemic poses a significant risk to the company and its ability to generate income is severely limited by reduced visitor numbers to the museums and reduced demand for events.

The full value of the 2020/21 profit has been accrued as payable to the Museum of London under the deed of covenant in place between the two entities. It is currently expected that this will be paid in full. Amounts owed to the Museum of London at the year end is £2.1m (2020: £2.7m), including the charitable payment. The Directors are confident that the Museum's Board of Governors will not call in this debt until the company has returned to profitability.

The company is not unduly exposed to price, credit, liquidity or foreign exchange risk

### Disclosure of information to the Auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and

## MUSEUM OF LONDON (TRADING) LIMITED

### Annual Report and Financial Statements for the year ended 31 March 2021

- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### Directors' responsibility statement

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*).


Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Adoption of report

By Order of the Board of Directors



.....  
Director signature

SEAN O'SULLIVAN

.....  
Director name

13 / 10 / 21

.....  
Date

# MUSEUM OF LONDON (TRADING) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2021

## INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE MUSEUM OF LONDON (TRADING) LIMITED

### Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31/03/2021 and of the company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Museum of London (Trading) Limited ("the Company") for the year ended 31/03/2021 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity and the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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

### Conclusions related to going concern

In auditing the financial statements, we have concluded that the Directors' 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 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 Directors with respect to going concern are described in the relevant sections of this report.

### Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements,

## **MUSEUM OF LONDON (TRADING) LIMITED**

### **Annual Report and Financial Statements for the year ended 31 March 2021**

we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, have been prepared in accordance with applicable legal requirements.

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

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

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

#### **Responsibilities of Directors**

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

In preparing the financial statements, the Directors are responsible for assessing the 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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



## MUSEUM OF LONDON (TRADING) LIMITED

### Annual Report and Financial Statements for the year ended 31 March 2021

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

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

- Challenging assumptions made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management, journals posted and journals posted after the year end;
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports, reviewing correspondence with HMRC and the Regulator of Charities.

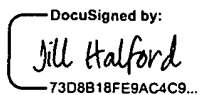
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by,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

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

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

#### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
73D8B18FE9AC4C9...

Jill Halford (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
London

02 November 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## MUSEUM OF LONDON (TRADING) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2021

### STATEMENT OF COMPREHENSIVE INCOME

	Notes	2021 Total £'000	2020 Total £'000
Turnover	2	454	3,004
Cost of sales	3	<u>(220)</u>	<u>(1,979)</u>
<b>Gross profit</b>		<b>234</b>	<b>1,025</b>
Administrative expenses	4	<u>(149)</u>	<u>(574)</u>
<b>Operating profit</b>		<b>85</b>	<b>451</b>
Other interest receivable and similar income	6	<u>1</u>	<u>12</u>
<b>Profit on ordinary activities after interest</b>		<b>86</b>	<b>463</b>
Tax on profit on ordinary activities	10	<u>-</u>	<u>(2)</u>
<b>Profit for the financial year</b>		<b><u>86</u></b>	<b><u>461</u></b>

There are no other gains or losses other than those recognised above and therefore no separate statement of total recognised gains and losses has been prepared. All activities derive from continuing operations.

The notes on pages 12 to 16 form part of these Financial Statements.

## MUSEUM OF LONDON (TRADING) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2021

### STATEMENT OF CHANGES IN EQUITY

	2021 £'000	2020 £'000
Balance as at 1 April 2020	-	-
Profit for the financial year	86	461
Donation payable to parent under Deed of Covenant	<u>(86)</u>	<u>(461)</u>
Balance at 31 March 2021	<u>-</u>	<u>-</u>

# MUSEUM OF LONDON (TRADING) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2021


## BALANCE SHEET

	Notes	2021 £'000	2020 £'000
<b>Current assets</b>			
Stock		179	222
Debtors	7	248	520
Cash at bank and in hand		<u>2,067</u>	<u>2,359</u>
<b>Total current assets</b>		<b>2,494</b>	<b>3,101</b>
<b>Creditors: Amounts falling due within one year</b>	8	<b>(2,494)</b>	<b>(3,101)</b>
<b>Net current assets</b>		<u>-</u>	<u>-</u>
<b>Total assets less current liabilities</b>		<u>-</u>	<u>-</u>
<b>Net assets</b>		<u>-</u>	<u>-</u>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account	10	<u>-</u>	<u>-</u>
<b>Total Shareholders' funds</b>		<u>-</u>	<u>-</u>

The notes on pages 12 to 16 form part of these Financial Statements.

The Financial Statements on pages 9 to 16 were approved by the Board of Directors on 7 September 2021.

Signed on behalf of the Board by:

  
.....  
Director signature

SEAN O'SULLIVAN

.....  
Director name

13 / 10 / 21  
.....  
Date

# MUSEUM OF LONDON (TRADING) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2021

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting policies

#### a) Basis of accounting

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'). The functional currency is GBP Sterling.

The going concern basis assumes that the company will continue to meet its liabilities as they fall due for the foreseeable future. The Directors make this assessment in response of a period of one year from the date of approval of these financial statements. Due to COVID-19, the museums were closed for the majority of 2020/21 and the company's activities were significantly impacted by the measures taken in response to the COVID-19 pandemic. The Museum of London museum sites reopened on 19 May 2021 with COVID secure measures and reduced hours in place. Visitor numbers have been lower than target and there is uncertainty about the forthcoming year, especially with regard to overseas tourists given the current travel restrictions.

In making their going concern assessment the Directors have considered the impacts of COVID-19. The company's revised forecasts and projections as well as the long term cashflow. These continue to be regularly monitored by the directors and appropriate action will be taken to respond to changing circumstances.

The Museum's Board of Governors agreed to reduce the charges to the company for use of resources during museum closure and for the remainder of the financial year to 31 March 2021 and 31 March 2022 in line with the anticipated reduction in visitors. The Board of Governors of the Museum of London has also provided a Letter of Support that confirms extended payment terms for recharges due from the company to the charity and that the charity will not require this to be paid before December 2022.

The funding and support for trading is reliant on the continued financial performance of the Museum of London Charity. As a consequence the ability to provide the necessary support for the trading entity, as set out above, is on the basis that the parent charity can continue to operate as a going concern.

The directors have concluded that the company will continue to operate for the foreseeable future, and consequently, the accounts have been prepared on the basis of going concern.

The principal accounting policies, which have been applied consistently throughout the year are set out below.

#### b) Income

All income is accounted for on a receivable basis and arises from venue hire, catering activities and the retail activities of the museum gift shops. The company contracts out its catering to reputable established catering and hospitality organisations which pay rents and/or commissions to the company. Retail income is recognised when the sale takes place. Event and commercial hire income is recognised when the event takes place. The entire turnover is attributable to related undertakings inside the United Kingdom.

## **MUSEUM OF LONDON (TRADING) LIMITED**

### **Annual Report and Financial Statements for the year ended 31 March 2021**

**c) Expenditure**

Resources expended are accounted for on an accruals basis as incurred. Cost of sales include all costs related to the delivery of products and services to the customer. Administration costs include all indirect and back office costs associated with administering and managing the business.

**d) Cash flow statement**

No cash flow statement is required because the company has taken advantage of the exemption available to qualifying entities under FRS 102.

**e) Recognition of liabilities**

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

**f) Stock**

Stocks are valued using the lower of a weighted average cost and net realisable value.

**g) Payment to parent under a Deed of Covenant**

The company has an obligation to donate all of its taxable profits to its parent, Museum of London, under the terms of a deed of covenant. These donations are recognised through equity, rather than as an expense through the Statement of Comprehensive Income. Therefore, an operating profit exists at the balance sheet date.

**h) Taxation**

A deed of covenant is in place that states that each year, the directors must require the subsidiary to pay the total value of profits to the parent charity as a charitable donation. The donation due in respect of the taxable profits arising in the year ended 31 March 2021 is recognised in the year in which the taxable profits arose. To the extent that distributable reserves are available, the Company's liability to corporation tax on the profit arising from its trading activities in 2020/21 is subsequently extinguished as a result of paying the charitable donation to the parent within nine months of the year end.

**i) Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Group's accounting policies, described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future periods if the revision affects both current and future periods.

There were no critical judgements or key sources of estimation uncertainty that could lead to material change in the preparation of the financial statements applicable for the 2021 financial year.

**j) Financial Instruments**

Museum of London (Trading) Limited has adopted Section 11 FRS 102 in respect of financial instruments.

## MUSEUM OF LONDON (TRADING) LIMITED

### Annual Report and Financial Statements for the year ended 31 March 2021

(i) Basic financial assets, including trade and other receivables and cash and bank balances are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost, less any impairment.

(ii) Basic financial liabilities, including trade and other payables, are initially recognised at transaction price (after deducting transaction costs) and subsequently held at amortised cost.

Museum of London (Trading) Limited has no financial instruments that fall within the scope of Section 12 of FRS 102.

## 2. Turnover

	2021	2020
	£'000	£'000
Shop sales	126	1,052
Venue hire	41	1,186
Commission on catering services	-	223
Commercial Events	5	125
Income from other sources	282	418
	<u>454</u>	<u>3,004</u>

## 3. Cost of sales

	2021	2020
	£'000	£'000
Shops purchases	70	586
Staff costs (including recharges by parent undertaking)	101	926
Licence fees and other recharges	49	467
	<u>220</u>	<u>1,979</u>

## 4. Administrative expenses

Administrative costs have decreased by £433k (77%) from the prior year. The decrease is largely due to an agreed reduction in staff recharges, whereby partial charges only applied for periods the Museum sites were open. There was also temporary cessation of many operating activities during Museum closure which led to reduced spend across many areas, particularly marketing, consultancy and travel. There was an increase in audit fees due to additional costs for going concern analysis.

	2021	2020
	£'000	£'000
Administrative costs	131	564
Audit fees	18	10
	<u>149</u>	<u>574</u>

## MUSEUM OF LONDON (TRADING) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2021

### 5. Staff Costs

With effect from 1 March 2014, the Executive Directors and staff working on the Museum of London Trading business are employed by and remunerated by the parent company. The parent company makes an annual recharge to the trading company of these staff costs as part of the management and support recharge. There are no other employees of Museum of London (Trading) Limited.

Emoluments paid to Executive Directors by the parent company and recharged to the Museum of London Trading business were £98k (2020: £114k). The Non-Executive Directors did not receive any emoluments in respect of their services to the company (2019: £nil).

### 6. Interest receivable

	2021 £'000	2020 £'000
Interest receivable	<u>1</u>	<u>12</u>

### 7. Debtors

	2021 £'000	2020 £'000
Trade debtors	211	462
Prepayments and accrued income	37	45
Other debtors	<u>-</u>	<u>13</u>
	<u>248</u>	<u>520</u>

Trade debtors includes £149k relating to events scheduled to take place after 31 May 2021 (2020: £122k related to events scheduled to take place after 31 May 2020) which, under the company's terms and conditions, only become payable in full within two months of the event. The corresponding income is included in deferred income; see Note 8 below.

### 8. Creditors: Amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	17	105
Amounts owed to parent	2,130	2,698
Other creditors	5	2
Accruals and deferred income	<u>342</u>	<u>296</u>
	<u>2,492</u>	<u>3,101</u>

See reference in Note 7 above to events scheduled to take place after 31 May. Other creditors relate to VAT owed by the Museum to HMRC, whereas in 2020, HMRC owed VAT to the Museum and this was recorded in Debtors. Other Creditors in the prior year represents Corporation Tax liability on 2020 profits.



## MUSEUM OF LONDON (TRADING) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2021

### 9. Called up share capital and liability of members

At 31 March 2021, called up share capital (authorised, allotted and fully paid) was 2 ordinary shares of £1 each (2020: same). The liability of the holding company, Museum of London, is limited to the value of the issued share capital. At 31 March 2021 its total potential liability amounted to £2 (2020: £2).

### 10. Tax status

The company transfers its profits each year to its parent undertaking, the Museum of London, under a deed of covenant, subject distributable reserves being available. Corporation tax due has been offset by tax reliefs due on charitable distributions.

	2021	2020
	£'000	£'000
Tax charge on profit	16	88
Tax relief in respect of gift aid	(16)	(86)
Tax charge	<u>-</u>	<u>2</u>

### 11. Related parties

#### Museum of London

The Museum of London (Trading) Limited recognises the Museum of London, registered charity number 1139250, as its ultimate parent undertaking and controlling party.

The Museum of London is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of the Museum of London can be obtained from 150 London Wall, London EC2Y 5HN or from our website at: <http://www.museumoflondon.org.uk/about-us/corporate-information/annual-reports-and-accounts>

The Museum of London made licensing and rental charges of £52k (2020: £459k) in the year for use of its premises for the purposes of commercial hire, retail and catering activities. It also made charges of £31k (2020: £938k) in respect of direct and indirect staff costs and other support and administration. Interest charges of £nil (2020: £nil) were made on intragroup balances during the year.

### 12. Post Balance Sheet Event

Since the 31 March 2021 to the date of signing these financial statements the COVID-19 pandemic has continued to have an economic effect across all sectors and the Museum of London has considered the effect on the company as a going concern, its resilience through this period and the effect on the assets and funds of the trading entity.

The Directors have reviewed the revised financial plans and agreed a series of activities that should ensure financial stability in these difficult times. On review of the financial plans to the end of March 2023 the Directors have concluded that this will not affect the ability of the company to continue as a going concern. We remain resilient through cost reduction, avoiding undue risk, and sound financial planning and management.