

THE SCOTTISH MINING MUSEUM TRUST

**Trustees' Annual Report and Financial Statements
For the Year Ended 31 March 2011**

Registered Company Number SC088361

Registered Charity Number SC003227



THE SCOTTISH MINING MUSEUM TRUST
Trustees' Annual Report and Financial Statements
For the year ended 31 March 2011

Contents	Pages
Members of the Board and Professional Advisers	2
Museum Staff	3
Acknowledgements	4
Trustees' Annual Report	5 - 11
Independent Auditors' Report	12 - 13
Statement of Financial Activities	14
Balance Sheet	15
Notes to the Financial Statements	16 - 28

The following pages do not form part of the financial statements

Detailed Statement of Financial Activities	30 - 32
--------------------------------------------	---------

THE SCOTTISH MINING MUSEUM TRUST

Members of the Board and Professional Advisers

For the year ended 31 March 2011

Directors/Trustees

Rt Hon H B McLeish
E L Clarke
J W Allan
Dr L S D Glasser
K G Aitken
W Chalmers
R Dodds
N Wilson
D Seath
C Beattie
P L Wilson
D A Canavan
D Hamilton M.P.
R Y Anderson
A W Bennett
J I Hume
R J Brown

Company Secretary

A A Boyd

Registered Office

55 Queen Street
Edinburgh
EH2 3PA

Principal Office

Lady Victoria Colliery
Newtongrange
Midlothian
EH22 4QN

Auditors

Scott-Moncrieff
Exchange Place 3
Sempie Street
Edinburgh
EH3 8BL

Bankers

The Royal Bank of Scotland plc
36 St Andrew Square
Edinburgh
EH2 2YE

Solicitors

Pagan Osborne
55-56 Queen Street
Edinburgh
EH2 3PA

THE SCOTTISH MINING MUSEUM TRUST

Museum Staff

For the year ended 31 March 2011

Director:	Fergus Waters (left 31 May 2010) Rowan Brown (started 14 June 2010)
Marketing	
Marketing Manager:	Gillian Rankin
Education	
P/T Education Officer:	Alison Shepherd
Curatorial	
P/T Keeper:	Julia Stephen (left 14 May 2010)
Keeper:	Ellie Swinbank (previously Assistant Curator appointed Keeper 1 October 2010)
Assistant Curator:	Lyndsey Haworth (left 30 April 2010)
Curatorial Assistant:	Eve Haddow (appointed 28 February 2011)
Digitisation Assistant:	Edward Johnson (left 31 August 2010)
Administration	
Office Manager:	Maureen Hardiker
P/T Finance Officer:	Eleanor Park
P/T Admin Assistant:	Audrey Salton
Visitor Services	
P/T Visitor Services Manager:	Robin Robertson
Museum Assistant/Snr Receptionist:	Linda Lawrence
P/T Museum Assistant/Receptionist	Maureen Haughton
P/T Museum Assistant/Receptionist	Irene Russell
W/E Museum Assistant/Rec/Intern:	Natalie Rowan
P/T Museum Assistant/Snr. Guide:	Walter Porteous
P/T Museum Assistant/Guide:	John Kane
P/T Museum Assistant/Guide:	John Anderson
P/T Museum Assistant/Guide:	Jim Cornwall
P/T Museum Assistant/Guide:	Tom Gibson
P/T Museum Assistant/Guide:	Jim Kelly
P/T Museum Assistant/Guide:	Tom Young
Seasonal Bouncy Castle Supervisor:	Carol Hunter
Technical Services	
Technical Services Manager:	David Newton
Technical Assistant:	Richard Thomson
Gardener:	Alex Burnett
Labourer:	Alan Clark (Future Job Fund – left 31 May 2010)
Cleaner:	Linda Millar
Cleaner:	Wendy Barnett
Cleaner:	Anne Gerstenberger
W/End Cleaner:	Danni Barnett

ACKNOWLEDGEMENTS

The following organisations supported or assisted the Trust during the year, and we are pleased to acknowledge them here.

Scottish Government

Cairn Energy PLC

Esmee Fairbairn Foundation

Event Scotland

Museums Galleries Scotland

National Union of Mineworkers

Scottish Coal Industry Special Welfare Fund

The Mining Institute of Scotland Trust

The Friends of the Scottish Mining Museum

The Scottish Mining Museum Collection Trust

Coal Industry Social Welfare Organisation

Springfords, CA

The Volunteers of the Scottish Mining Museum

THE SCOTTISH MINING MUSEUM TRUST

Trustees' Annual Report

For the year ended 31 March 2011

The Trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their annual report and the financial statements of the Trust for the year ended 31 March 2011.

Structure, Governance and Management

Governing document

The Trust is a charitable private limited company, limited by guarantee, formed in 1984 for the purposes of advancing the public awareness of the history and heritage of the Scottish coal industry. The Trust was established under a Memorandum of Association stating the objects and powers of the charitable company and is governed under the Articles of Association. In the event of the company being wound up the Trustees liabilities are restricted to £1 each.

Recruitment and appointment of Trustees

The Trustees are Directors of the company deciding the policy and objectives of the company as a Board of Directors ("the Board"). Trustees are elected to serve for a period of three years after which they may be re-elected for a further term at the next Annual General Meeting.

The Board endeavours to recruit Trustees with a wide range of skills and interests to provide a broad mix of skills appropriate to the Trust's needs. The present Board has representatives of senior professional people from business, financial, marketing, media, engineering and scientific sectors; it also includes local and national politicians.

Trustee induction and training

New Trustees are given a briefing on the Trust's objectives, funding and business activities by the Chairman and the Chief Executive. A tour of the museum with the Chief Executive is also offered. The new Trustee is encouraged to undertake specific functions and to make informal visits to the museum.

Training sessions dealing with governance matters have been held at intervals. Trustees are also encouraged to take advantage of external courses on governance and Trustee responsibilities.

Risk statement

The Board manage the risks identified through a number of processes and policies. The Trustees hold an Annual General Meeting to consider the audited accounts and approve the annual report, to elect members and appoint Trustees, to elect the company's Auditors, to review the business of the company, approve policies and any other competent business.

The Trust meets no less than four times a year to set budgets and targets, agree a forward plan and priorities, review financial performance and oversee the management of the company, receive reports and agree actions to progress the business of the company and consider any other relevant business.

Policies are reviewed and updated on a bi-annual basis and as required.

The Trust has prepared a long term strategic plan for the development of the museum, assessed the level of funding required and the feasibility of the Trust implementing the plan.

Organisational structure

Under the terms of the Articles of Association the Board may have up to twenty members, there are currently seventeen Trustees. The Chief Executive is a Trustee. The Company Secretary attends all Board meetings but has no voting rights. The Board meets at quarterly intervals.

THE SCOTTISH MINING MUSEUM TRUST

Trustees' Annual Report - continued

For the year ended 31 March 2011

Organisational structure – continued

The Board is responsible for the policy and funding of the company. The Chief Executive is responsible for the management and performance of the company.

Related parties

The Trust continues to have a working relationship with a wide range of partner organisations including the Scottish Mining Museum Collection Trust who own the national coal mining collections. The Trust works with agencies and organisations in the heritage, tourism, education and economic development sectors on projects that assist the museum in achieving its objectives. The organisations include Historic Scotland, National Museums of Scotland, Museums Galleries Scotland, The Royal Commission on the Ancient and Historical Monuments of Scotland, the Education and Strategic Services Department (developments) of Midlothian Council, Midlothian Tourism Forum and many others. The Trust has been awarded grants from a number of sources towards the museum's work and these are listed elsewhere in the report.

The Scottish Government provide revenue grants for funding the core activities of the museum.

Volunteers

Volunteers continue to support the work of the museum contributing 3192 hours of work. This does not include the work of the Board, who are the Directors of the company, and are all volunteers apart from the Chief Executive. Volunteers support the day to day work of the museum through work in the library, collections cataloguing, gardening, technical services, expertise and advice. A total of 25 volunteers (excluding Trustees) have worked in the museum during the current year and the Trustees would like to thank them for their invaluable contribution.

Objectives and activities

The Trust's mission is to: ***preserve and promote Scotland's Mining Heritage for current and future generations through, events, exhibitions, collections management, research and outreach activity.***

The Trust's Strategic Aims are:

- i. To preserve and effectively manage our national collection to ensure benefit to current and future generations.
- ii. To focus on a large and diverse audience.
- iii. To provide enjoyment and inspiration through the highest-quality formal and informal learning opportunities.
- iv. To develop and promote access to an excellent customer experience for all, both actual and virtual.
- v. Fulfill our national and international roles.
- vi. To maximise financial resilience and organisational efficiencies.
- vii. To encourage and develop our staff and volunteers.

The Annual Forward Plan is agreed in April and submitted to the Scottish Government in accordance with the Trust's grant obligations.

THE SCOTTISH MINING MUSEUM TRUST

Trustees' Annual Report - continued

For the year ended 31 March 2011

Achievements and Performance

Review of developments, activities and achievements

Over the last financial year, the National Mining Museum Scotland has undertaken a considerable volume of activity to improve the public offer, develop strategic relations across the sector, improve the care of our collections and increase the volume of grants received.

The Phase V Project

In 2009, the Museum embarked on an ambitious Scottish Government-funded conservation project to preserve the Tippler Floor, Picking Tables, Elevator Shed and brick-vaulted Undercroft, which form an integral part of our Grade 'A' listed site. Each space had a vital role in the processing of coal and its preparation for delivery and use and, prior to the work, most were in a derelict state.

The conservation project was carried out by a dedicated team of architects, structural engineers, project managers and builders which included LDN Architects; Elliott & Company Consulting Engineers; Doig and Smith Ltd; and John Dennis and Company. Their primary objective was to stabilise the structures, rendering them safe for future access, and to make them windproof and watertight. The project was initially granted a budget of £1.32m; however, an additional sum of £130k was secured in October 2010 to facilitate the stabilisation of the Dredger, the only extant timber Dredger in Europe.

The project was completed in April 2011, on time and within the extended budget. Visitors may now access a greater portion of the site, the guided tour has been adjusted accordingly and the stabilised structures have attracted both local and national press.

Public Services

The Museum has dedicated a significant proportion of resources towards improving our national and international identity and expanding our physical and virtual offer. One of the most significant changes in recent months has been the Museum's approach to communicating with existing and potential audiences. Public consultation has informed a comprehensive rebranding exercise which resulted in a change of identity on the 1st April 2011. Evaluation proved that few people recognised that the 'Scottish Mining Museum' held the national mining collections and this was reflected in the poor visitor figures from former coal mining communities outwith the Midlothian area. As part of the rebrand, the Museum became known as 'The National Mining Museum Scotland' (NMMS) and adopted two new logos; a standard iconography with a silhouette of the Lady Victoria Colliery and a child-friendly version, featuring miners in front of the Colliery. These logos replaced the outmoded Black Diamond emblem (which was regarded as misleading to contemporary visitors).

A Museums Galleries Scotland grant of £4.5k has enabled the Museum to develop an entirely new website to support this change of image. This site is targeted at a family audience, with additional pages dedicated to historians, enthusiasts, ancestral tourists and the under-twelves. The new site is designed to provide unique online experiences - in the form of children's resources and online exhibitions (representing an entirely new direction for the museum) - whilst also encouraging larger numbers of visitors to physically visit the museum itself.

The third aspect of the new communication plan is being delivered in partnership with Lothian Buses PLC. The Number 3 Bus has been renamed, 'The Lady Victoria', in recognition of the area's mining heritage and the significance of the museum site. A total of 29 buses with liveries featuring The Lady Victoria Headframe will be on routes from Wester Hailes to Gorebridge by September 2011, dramatically increasing awareness of the Museum and how to access it by public transport. This significant in-kind sponsorship (equivalent to c. £32.4k), has helped us to attain a further MGS grant of £30k, to commission a lighting project to simulate movement on both the gantry and the headframe, and conduct a marketing campaign to raise national awareness of our site and resources.

THE SCOTTISH MINING MUSEUM TRUST

Trustees' Annual Report - continued

For the year ended 31 March 2011

Review of developments, activities and achievements - continued

A Recognition Grant of £39k from Museums Galleries Scotland (MGS) will introduce a new multi-media tour on the premises, utilising the vast collections of oral history and film and designed to operate in conjunction with, or as an alternative to, the standard guided tours. This new resource will replace the existing system which is now in its twelfth year and is proving increasingly difficult to maintain. The Visitor Services Manager is leading the project and has appointed a Community Advisory Panel to strengthen our links with the local community and ensure that best practice is attained. The project will be delivered in time for the Christmas Holidays, 2011.

The more formal elements of the visitor offer have also received grant support and two major projects are currently in the pilot phase. The first, sponsored by the Museums Association's Effective Collections Scheme, is enabling the Museum to embark on its first outreach project. In partnership with Alzheimer Scotland, NMMS has assessed its collections and identified objects suitable for use in palliative care programmes. The Museum Staff involved have undertaken formal and informal training on working with Alzheimer Sufferers, conducting outreach, undertaking collections appraisals, and disposing of museum items ethically, and are currently creating displays and workshops for Care Homes to use with their residents. The project outputs will include cased displays in residential homes, downloadable guidelines for working with Alzheimer sufferers and a better documented and rationalised collection. The second project has been sponsored by Cairn Energy PLC and is designed for a schools' audience. Staff from the Scottish Earth Sciences Forum (SESEF) have been commissioned by NMMS to develop a project that improves the teaching of the Primary Seven Science Curriculum and explores the past, present and future use of fossil fuels. The project includes a full day of CPD for teachers, three days of in-class teaching conducted by SESEF, and a visit to the museum followed by a public debate. The project has been devised by the Museum's Creative Learning Officer and has just been awarded an increased grant to extend it to a further five schools in the next financial year.

Smaller scale changes have also been implemented on site such as the new family-friendly signage (building on the success of last year's new orientation strategy), the introduction of certificates for children who undertake the guided tour and the refurbishment of the outdoor under-five play area which was sponsored by a People's Postcode Lottery grant of £10k. NMMS has also recently received confirmation that its Five Star ASVA status has been awarded for the financial year 2011/12.

Our Collections

The Collections have benefited greatly from the strategic review necessitated by the Effective Collections Project mentioned above. A number of items have already gone through NMMS's disposal procedure and many have been offered to smaller independent museums. A project has been devised to improve the current large object storage provision, strip the collection of hazardous materials (where required) and gather together the remaining collection of items still located at the Museum's original site at Prestongrange. The Museum is currently awaiting the outcome of that funding bid.

NMMS has submitted a joint bid for Scottish Government Capital Funding, as part of Industrial Museums Scotland, for a new collections database and associated computer hardware as the present system presents a serious organisational risk. The current system, a 1990s Access Database, is outmoded and difficult to use. If successful, the new system will render us able to comply with the national Accreditation standards, increase our ability to track and document collections, facilitate more thorough research and more efficient responses to public enquires, and enable us to recruit additional collections volunteers.

The Curatorial Team has also delivered two peer-reviewed research papers at international conferences for the first time in the Museum's history. The Keeper presented '*17th & 18th Century Coal Miners in Scotland: Everything that meets the eye or ear tells of slavish labour*' at *Le Statut Social des Mineurs de Charbon dans le Monde Conference* at Lewarde, and delivered a paper reviewing the past, present and future activity of the Coal Collections Network at *On the Surface: Mines and Mining* which was arranged jointly by the University of Leeds and the Department of History and European Ethnology at the University of Innsbruck.

THE SCOTTISH MINING MUSEUM TRUST

Trustees' Annual Report - continued

For the year ended 31 March 2011

Review of developments, activities and achievements - continued

Our National Role

The Museum is determined to develop its national and international role. Existing relations have been reviewed, enquiries for support and assistance are being recorded, loans are being more closely monitored and new strategic partners adopted.

In March of this year, the Museum became a lead partner in the new Industrial Museums Federation (Industrial Museums Scotland). The Federation was established as a result of the Scottish Government Museums Think Tank and has a remit to develop effective and efficient joint operations with the Recognised Accredited Industrial Independent Museums. A Memorandum of Understanding has been signed by all eight partners and a Terms of Reference is currently in development. The group is participating in the HLF-sponsored MGS Internship Scheme and has submitted two further grant bids.

Staff and Volunteers at NMMS participate in a wide range of sector networks and partnerships. The Director is a Board Member of the Museum Association, the UK's only professional sectoral body, a panel member of the Scottish Archaeology Research Framework (ScARF), a member of the implementation group for the National Strategy for Business Archives Scotland (NSBAS), a member of the International Committee for the Conservation of the Industrial Heritage, and a member of the Association of Independent Museums. The Keeper has recently been appointed to the Scottish Transport & Industry Collections and Knowledge Network Steering Group (STICK) and remains a Board Member for the Social History Curators' Group. The Marketing & Events Officer is a steering group member of the Midlothian Tourism Forum and the Creative Learning Officer is a member of the Group for Education in Museums.

NMMS has also developed strategic relationships outwith the museums sector. We are working in partnership with the Industrial Injuries Advisory Council, utilising our collections to facilitate a better understanding of industrial injuries incurred by the mining profession. We have also signed new partnership agreements with RUTS (the Rural and Urban Training Scheme Ltd.) which has resulted in a joint exhibition and an additional £30k grant for site repairs and we are working in close collaboration with the Anthony Nolan Trust.

Our People

In the last financial year, all staff contracts, terms and conditions have been reviewed. A new Staff Handbook has been launched with revised contracts and conditions in keeping with current legislation and a new appraisals system has been introduced which is being piloted this month. The intention of the Appraisals Scheme is to focus on what needs to be achieved, identify any support or training required and give feedback and encouragement. This will lead to easier mechanisms for measuring progress against our strategic objectives, a more expedient use of our training budget and a happier, better supported Staff.

Two additional members of staff have been appointed this year. An Assistant Curator joined the team in February 2011 working with a collections and education remit and a new paid Intern was recruited for Front of House Services to support the marketing and events teams. Both posts have had a tremendous impact on our ability to deliver grant funded projects and fulfil core responsibilities.

Future plans

The Trust's intention is to work towards greater financial stability by agreeing a three year funding package with the Scottish Government. Once this ambition has been achieved, the Museum will become eligible to access project funding through agencies such as the Heritage Lottery Fund and will be in a stronger position to court private and commercial sponsorship.

Investment powers and restrictions

The Trust resources are all used for the benefit of the museum. The Trust has no commercial investments. A small cash reserve is held in a bank deposit account.

THE SCOTTISH MINING MUSEUM TRUST

Trustees' Annual Report - continued

For the year ended 31 March 2011

Reserves policy

Reserves represent that part of the Trust's income funds that is freely available for general purposes. Recognising the risks associated with the Trust's income and expenditure, the Trustees are aware of the benefits of establishing free reserves to help cover income shortfalls and meet unplanned expenditure. The level of reserves is reviewed by the Trustees annually in relation to the accounts for the previous financial year and consideration given to the adequacy of free reserves. It is acknowledged that general funds, to the extent supported by fixed assets, do not represent free reserves. The nature of the Trust's income and expenditure has required available reserves to cover known obligations. The position is being kept under review by the Trustees.

Grants policy

The Trust draws revenue income for the general purpose of operating the Museum and capital income for specific Museum capital projects.

The Trust incurs revenue expenditure in operating the Museum and capital expenditure in completing the Museum's capital projects.

The Scottish Mining Museum Trust does not normally award grants other than for purposes relating to its own collections or those collections under its care or management.

Results

The audited financial statements show total incoming resources of £1,996,168 (2010: £943,887). The unrestricted core operating deficit for the year is £314,428 including additional remedial works provisions and, after taking account of the actuarial valuation on the pension fund and transfers between funds, there is an overall unrestricted deficit of £277,716 for the year. Total core unrestricted funds to carry forward are a deficit of £135,134.

The Trustees

The Trustees (who were also directors for the purposes of company law) who served the charity during the year were as follows:

Rt Hon H B McLeish
E L Clarke
J W Allan
D Walker (resigned 5 August 2010)
Dr L S D Glasser
K G Aitken
W Chalmers
R Dodds
F Waters (resigned 28 May 2010)
N Wilson
D Seath
I L Young (resigned 7 June 2010)
C Beattie
P L Wilson
D A Canavan
D Hamilton MP
R Y Anderson
A W Bennett
J I Hume
R J Brown (appointed 14 June 2010)

THE SCOTTISH MINING MUSEUM TRUST

Trustees' Annual Report - continued

For the year ended 31 March 2011

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law). Under company law the Trustees 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 Trust and of the surplus or deficit of the Trust for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

To the knowledge and belief of each Trustee at the time the report is approved:

- so far as each Trustee is aware, there is no relevant information of which the Trust's auditor is unaware, and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information, and to establish that the Trust's auditor is aware of the information.

Auditors

A resolution to re-appoint Scott-Moncrieff as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Signed by order of the Trustees on 9th December 2011.



A A Boyd
Company Secretary

Registered Office:
55 Queen Street
Edinburgh
EH2 3PA

THE SCOTTISH MINING MUSEUM TRUST

Independent Auditors' Report to the Members and Trustees

For the year ended 31 March 2011

We have audited the financial statements of Scottish Mining Museum Trust for the year ended 31 March 2011 which comprise the Statement of Financial Activities, Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made exclusively to the members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's 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 anyone other than the charitable company and its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' responsibilities set out on page 11 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Smaller Entities (Revised)", in the circumstances set out in note 20 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

THE SCOTTISH MINING MUSEUM TRUST

Independent Auditors' Report to the Members and Trustees - continued

For the year ended 31 March 2011


Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Michael Harkness, Senior Statutory Auditor
For and on behalf of Scott-Moncrieff, Statutory Auditor
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

9th December 2011

THE SCOTTISH MINING MUSEUM TRUST

Statement of Financial Activities

(incorporating the Income and Expenditure Account)

For the year ended 31 March 2011

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 Reclassified £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income:					
Donations		24,782	-	24,782	17,945
Grants receivable	2	408,026	1,382,830	1,790,856	709,014
Investment income	3	2,084	-	2,084	88
Activities for generating funds:					
Shop sales		26,009	-	26,009	29,244
Incoming resources from charitable activities			-		
Admissions		36,525	-	36,525	44,889
Rental and hospitality income		115,643	-	115,643	138,344
Other incoming resources		269	-	269	4,363
Total incoming resources		613,338	1,382,830	1,996,168	943,887
Resources expended					
Costs of generating funds:	4	42,444	-	42,444	44,073
Charitable activities	5	866,081	1,302,967	2,169,048	689,165
Governance costs	6	19,241	-	19,241	17,146
Total resources expended		927,766	1,302,967	2,230,733	750,384
(Deficit)/surplus for the year (net incoming resources before transfers)		(314,428)	79,863	(234,565)	193,503
Gross transfers between funds	16	(12,288)	12,288	-	-
Actuarial gain/(loss) on defined benefit pension schemes	15	49,000	-	49,000	(119,000)
Net movement in funds		(277,716)	92,151	(185,565)	74,503
Total funds brought forward		142,582	42,610	185,192	110,689
Total funds carried forward		(135,134)	134,761	(373)	185,192

The Trust has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the Trust are classed as continuing

The notes on pages 16 to 28 form part of these financial statements

THE SCOTTISH MINING MUSEUM TRUST

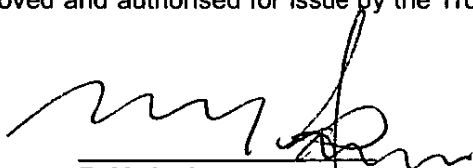
Balance Sheet

As at 31 March 2011

	Notes	2011 £	2010 £
Fixed assets			
Tangible assets	9	945,000	2,116,000
Current assets			
Stocks	10	16,753	15,700
Debtors	11	226,071	135,988
Cash at bank and in hand		300,022	131,147
		<u>542,846</u>	<u>282,835</u>
Creditors: amounts falling due within one year	12	<u>(130,681)</u>	<u>(1,113,527)</u>
Net current assets/(liabilities) excluding pension liability		412,165	(830,692)
Net current assets		1,357,165	1,285,308
Creditors: amounts falling due after more than one year	13	-	(32,111)
Provisions for liabilities	14	<u>(1,338,538)</u>	<u>(953,005)</u>
Net assets excluding pension liability		18,627	300,192
Defined benefit pension scheme liability	15	<u>(19,000)</u>	<u>(115,000)</u>
Net (liabilities)/assets including pension liability		<u>(373)</u>	<u>185,192</u>
Funds			
Restricted	16	134,761	42,610
Unrestricted	17	<u>(135,134)</u>	<u>142,582</u>
Total Funds		<u>(373)</u>	<u>185,192</u>

These financial statements were approved and authorised for issue by the Trustees on 9 December 2011 and are signed on their behalf by:


E. L. Clarke


R. Y. Anderson

Registered Company Number: SC088361

The notes on pages 16 to 28 form part of these financial statements

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements

For the year ended 31 March 2011

1. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with applicable Accounting Standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006.

Certain costs have been reallocated within cost headings in 2011. The 2010 results have been reclassified to aid comparability but there is no overall impact on the previously reported results.

The trustees have prepared the financial statements on the going concern basis and have prepared budgets and forecasts which demonstrate that the company can meet its obligations as they fall due.

Cash flow statement

The Trustees have taken advantage of the exemption in FRS 1: 'Cash Flow Statements' from including a cash flow statement in the financial statements on the grounds that the Trust qualifies as a small company.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Pension costs

Employees of the Trust were entitled to join the Lothian Pension Fund, which is funded by contributions from employees and the Trust as an employer. The Trust has closed the scheme to new members. The assets of this scheme are held separately in a fund administered for the benefit of Local Authority employees and those other scheduled bodies and is managed in accordance with the Local Government Pension Scheme Regulations (Scotland) 1998.

Alternatively, employees may opt to join the Trust stakeholder pension scheme operated by AVIVA by employee only contributions. Employees join the stakeholder pension contract directly with AVIVA. The Trust makes no contribution to this pension scheme and only acts as an agent in collecting and paying over employee contributions.

Incoming resources

Incoming resources are recognised in the Statement of Financial Activities (SoFA) in the period in which the Trust is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the Trust has to fulfill conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

1. Accounting Policies – continued

Resources expended

Resources expended are recognised when a legal or constructive obligation arises. Where possible, expenditure has been charged direct to cost of generating funds, charitable expenditure or governance costs. Where this is not possible, the expenditure has been allocated on the basis of time spent by staff on each activity;

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs for trading purposes in the charity shop.
- Charitable expenditure comprises costs incurred by the Trust in the delivery of its activities and services.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Trust and include costs linked to the strategic management of the Trust.

Volunteers' services

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' Annual Report.

Lease income

Income derived from leasing property is credited to the financial statements in the period receivable.

Fixed assets and depreciation

Fixed assets are stated at cost, other than land and buildings, which are at Trustees' valuation.

Depreciation is provided on fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows;

Land	Nil
Buildings	50 years
Computer equipment	4 years

Heritage assets

The Trust owns a number of heritage assets and these are held for their contribution to knowledge and culture.

Where the assets have a cost price, they are capitalised in the balance sheet. Where no cost price is available and the Trustees are unable to provide a valuation due to the nature of the asset, and therefore the Trust is unable to satisfy the measurement criteria as detailed in FRS 30: 'Heritage Assets', such assets are not capitalised but full disclosure is provided in the notes to the financial statements.

In the opinion of the Trustees, heritage assets not capitalised are of an insignificant monetary value and relate primarily to museum pieces, as discussed in note 9 to these financial statements.

Funds

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds – these funds are set aside by the Trustees out of unrestricted general funds for specific purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Trust. Restrictions arise when specified by the donor or when the funds are raised for particular purposes.

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

2. Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 £
Scottish Government	400,000	60,000	460,000	400,000
Museums Galleries Scotland	-	1,263,396	1,263,396	199,062
Museum Association	-	10,000	10,000	-
Midlothian Council	-	-	-	47,192
Event Scotland	-	7,654	7,654	4,000
Pilgrim Trust	-	-	-	9,625
Coal Trade Benevolent Fund	-	-	-	12,600
Digitisation project	-	380	380	1,720
Scottish Mining Museum Collections Trust	-	15,000	15,000	15,000
Mining Institute of Scotland Trust	-	25,750	25,750	12,360
NUM Scottish Area	-	650	650	500
Midlothian Tourism Forum	-	-	-	250
Other grants	8,026	-	8,026	6,705
	<u>408,026</u>	<u>1,382,830</u>	<u>1,790,856</u>	<u>709,014</u>

3. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 £
Bank interest receivable	84	-	84	88
Net finance income (FRS 17)	2,000	-	2,000	-
	<u>2,084</u>	<u>-</u>	<u>2,084</u>	<u>88</u>

4. Cost of generating funds

	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 Reclassified £
Wages and salaries	25,588	-	25,588	22,537
Visitor manager's expenses	487	-	487	596
Stock movements and purchases	16,369	-	16,369	20,940
	<u>42,444</u>	<u>-</u>	<u>42,444</u>	<u>44,073</u>

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

5. Charitable activities

	Staff costs £	Other costs £	Total 2011 £	Total 2010 Reclassified £
Development	-	-	-	63,668
Education	12,747	-	12,747	8,927
Collections	36,302	26,791	63,093	136,186
Visitor services	81,789	5,106	86,895	85,636
Property	17,443	1,788,654	1,806,097	231,918
Technical services	46,200	727	46,927	39,084
Maintenance	-	-	-	4,794
Marketing	27,072	44,001	71,073	51,329
Support costs	95,484	31,732	127,216	72,623
FRS 17: Defined benefit pension scheme	(45,000)	-	(45,000)	(5,000)
	<u>272,037</u>	<u>1,897,011</u>	<u>2,169,048</u>	<u>689,165</u>

6. Governance costs

	2011 £	2010 £
Audit and accountancy	5,527	3,790
Legal and professional fees	8,522	8,436
Staff costs	5,192	4,918
	<u>19,241</u>	<u>17,146</u>

7. Staff costs

The aggregate payroll costs were:

	2011 £	2010 £
Wages and salaries	318,563	349,649
Social security costs	21,755	22,201
Pension costs	7,497	17,217
FRS 17: Defined benefit pension scheme adjustments	(45,000)	(5,000)
	<u>302,815</u>	<u>384,067</u>

No employee earned more than £60,000 (2010 – none). Pension contributions of £501 (2010: £1,915) were outstanding at the year end.

Included within the FRS 17 adjustments above is a £44,000 adjustment reflecting the change in the assumption for future benefit increases within the defined benefit scheme. These benefits will increase by CPI in future rather than RPI therefore realising an exceptional credit within the current financial statements.

THE SCOTTISH MINING MUSEUM TRUST
Notes to the Financial Statements – continued
For the year ended 31 March 2011

7. Staff costs – continued

Particulars of employees:

The average number of staff employed by the Trust during the financial year amounted to:

	2011 No	2010 No
Number of:		
Education staff	1	1
Collections staff	4	4
Visitor services staff	13	14
Marketing staff	1	1
Property staff	3	3
Technical services staff	2	2
Maintenance staff	3	1
Administration staff	3	3
	<u>30</u>	<u>29</u>

8. Emoluments of the Trustees

The Memorandum and Articles of Association of the Trust prohibit the remuneration of Trustees (other than reimbursement of out of pocket expenses), subject to two provisos –

- (a) the Chief Executive of the Museum, who is a salaried employee of the Trust, is ex officio a Trustee during his or her period of appointment.
- (b) a Trustee may be appointed to a remunerated position within the Trust if the Board of Trustees resolve that such appointment is in the best interests of the Trust.

During the year ended 31 March 2011, no Trustees held appointment to any salaried or remunerated position within the Trust, other than the Chief Executive.

In accordance with these provisions, the emoluments of the Chief Executive including pension contributions were:

	2011 £	2010 £
Remuneration	45,152	49,176
Pension contributions	2,125	10,220
	<u>47,277</u>	<u>59,396</u>

During the year £306 (2010: £3,590) was reimbursed to one trustee (2010: one) for expenses.

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

9. Fixed assets

	Land and Buildings £	Computer Equipment £	Total £
Cost or valuation			
At 1 April 2010 and 31 March 2011	2,230,000	5,241	2,235,241
Revaluation during year	(1,285,000)	-	(1,285,000)
	<u>945,000</u>	<u>5,241</u>	<u>950,241</u>
Depreciation	£	£	£
At 1 April 2010	114,000	5,241	119,241
Charge for year	22,800	-	22,800
Revaluation adjustment	(136,800)	-	(136,800)
	<u>-</u>	<u>5,241</u>	<u>5,241</u>
At 31 March 2011			
Net Book Value	£	£	£
As at 31 March 2011	<u>945,000</u>	<u>-</u>	<u>945,000</u>
As at 31 March 2010	<u>2,116,000</u>	<u>-</u>	<u>2,116,000</u>

The Trust owns a number of heritage assets, which consist of the colliery buildings and relative land and also items of equipment formerly used in the mining industry.

The colliery buildings and land were acquired at a nominal price and no book price is attributed to them. By their nature they are believed to have no market value. No cost price is available for the items of equipment and again it is believed that there is no market for them and that they have no re-sale value. As such neither the colliery buildings and land nor the items of equipment owned by the Trust are capitalised in the Trust's balance sheet but they are historically and culturally relevant to the museum.

The Trustees have reviewed the carrying value of the land and buildings owned by the Trust apart from the colliery buildings and land comprised in the heritage assets. The Trustees have not obtained a formal valuation because the cost would be a considerable burden on the Trust to the potential prejudice of the carrying out of its charitable activities. The Trustees have however obtained a report from a firm of surveyors on the likely disposal terms that the Trust could achieve in the current market if the relevant individual properties were to be brought to the market for sale.

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

9. Fixed assets - continued

Having considered that report the Trustees have made their own assessment of the current market value of the land and buildings (excluding the heritage assets) and in so doing they have had regard to the indicative range of figures contained in the report. They have also had regard to the terms of purchase of one of the properties as proposed by a prospective developer.

The Trustees' assessment of current market value has resulted in a substantial reduction in the carrying value of the relevant land and buildings. This reduction is attributable to the global banking and financial crisis since 2008 and the economic downturn, which has seen significant drops in land values generally.

A considerable number of heritage assets displayed or cared for by the Trust including museum artefacts and collections are not owned by the Trust. These items are owned by The Scottish Mining Museum Collections Trust. This body is a separately constituted charitable trust, whose collections are managed on its behalf by the Trust and displayed by its agreement. A significant number of items are in store. Access to stored artefacts is limited but the museum does display a number of these during the year. The museum maintains an inventory of the artefacts and collections in its care.

No heritage assets of a monetary value were acquired or disposed of during the year.

10. Stocks

	2011 £	2010 £
Goods for resale	16,753	15,700

11. Debtors

	2011 £	2010 £
Trade debtors	17,807	6,227
Other debtors	33,544	7,394
Accrued income	149,461	97,505
Prepayments	25,259	24,862
	<u>226,071</u>	<u>135,988</u>

12. Creditors: Amounts falling due within one year

	2011 £	2010 £
Trade creditors	118,197	27,443
Other taxes and social security costs	7,560	9,124
Accruals and deferred income	4,924	13,436
Other creditors – repairs to buildings	-	1,063,524
	<u>130,681</u>	<u>1,113,527</u>

13. Creditors: Amounts falling due after more than one year

	2011 £	2010 £
Other creditors – repairs to buildings	-	32,111

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

14. Provisions for liabilities - continued

	2011 £	2010 £
At 1 April 2010	953,005	2,209,543
Revaluation of maintenance provision	1,573,086	-
Repairs undertaken during the year	(1,187,553)	(160,903)
Reclassified as creditors (notes 12 and 13)	-	(1,095,635)
At 31 March 2011	<u>1,338,538</u>	<u>953,005</u>

Scottish Ministers hold a standard security and a constitutive deed over the site of the Lady Victoria Colliery including the colliery buildings (but excluding the former archives building), in terms of which the Trust is required to keep the colliery buildings in good repair and condition to the reasonable satisfaction of Scottish Ministers. The colliery buildings together with the former coal company office on the opposite side of the A7 road are grade A listed.

Following the completion of the Phase V conservation works in April 2011, the Trustees reviewed the continuing provision to be made in the financial statements to reflect the Trust's liabilities to repair and maintain these buildings.

The Jura Report which the Scottish Government commissioned in 2010 during the course of the carrying out of Phase V referred to the cost of the works which were then considered necessary to address these liabilities. This report was informed by detailed costs which were specified at that time by LDN Architects. LDN Architects have a detailed knowledge of the history of the buildings and have actively participated not only in Phase V but also in earlier phases of conservation work on the colliery buildings. The Trustees therefore place reliance on their figures.

Following the completion of Phase V, the figures provided by LDN Architects have been re-evaluated by the Trustees to exclude the works carried out in Phase V. At the date of signing of the financial statements, the Trustees consider that the figure of £1,338,538 which they have derived from that re-evaluation exercise is the best estimate of the Trust's maintenance liability in respect of these buildings for the purpose of FRS12: "Provisions, Contingent Liabilities and Contingent Assets."

Repairs totalling £1,187,553 were undertaken during the year as part of Phase V. The previous provision has been adjusted to reflect the cost of these repairs and the new estimate which has been made.

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

15. Pensions

Composition of the defined benefit scheme

Assumptions as at	31 Mar 2011 % pa		31 Mar 2010 %pa		31 Mar 2009 % pa	
Price increases	2.8%		3.8%		3.1%	
Salary increases	5.1%		5.3%		4.6%	
Pension increases	7.0%		7.3%		3.1%	
Discount rate	5.5%		5.5%		6.9%	
Assets - Expected long term returns	Long term returns	Assets £(000)	Long term returns	Assets £(000)	Long term returns	Assets £(000)
Equities	7.5%	314	7.8%	290	7.0%	202
Bonds	4.9%	32	5.0%	29	5.4%	28
Property	5.5%	40	5.8%	33	4.9%	26
Cash	4.6%	11	4.8%	15	4.0%	-
Total		397		367		256
Net pension asset as at	31 Mar 2011 £(000)		31 Mar 2010 £(000)		31 Mar 2009 £(000)	
Estimated employer assets (A)	397		367		256	
Present value of scheme liabilities	(416)		(482)		(257)	
Present value of unfunded liabilities	-		-		-	
Total value of liabilities (B)	(416)		(482)		(257)	
Net Pension (Liability)/Asset (A-B)	(19)		(115)		(1)	

Mortality

Life expectancy is based on PFA92 and PMA92 'year of birth' tables. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	20.8 years	24.1 years
Future Pensioners	22.3 years	25.7 years

Historic Mortality

Life expectancy for all of the below year ends is based on the PFA92 and PMA92 tables. Age ratings are applied to the above tables based on membership profile. The allowances for future life expectancy are shown in the following table:

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

15. Pensions – continued

Year Ended	Prospective Pensioners	Pensioners
31 March 2010 and 2011	Year of birth, medium cohort and 1% p.a. minimum improvements from 2007	Year of birth, medium cohort and 1% p.a. minimum improvements from 2007
31 March 2009	Year of birth	Year of birth
31 March 2008	Calendar year 2030	Calendar year 2015
31 March 2007	Calendar year 2030	Calendar year 2015
31 March 2006	Calendar year 2030	Calendar year 2015

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits. For pre-April 2009 service and 75% of the maximum tax-free cash for post-April 2009 service.

Analysis of amount charged to net incoming resources

Amount charged to net incoming resources	Year to 31 Mar 2011		Year to 31 Mar 2010	
	£(000)	% of pay	£(000)	% of pay
Service cost	8	21.1%	9	10.6%
Past service cost	(44)	(115.8%)	3	3.5%
Total operating charge (A)	(36)	(94.7%)	12	14.1%
Amount credited to incoming resources	Year to 31 Mar 2011		Year to 31 Mar 2010	
	£(000)	% of pay	£(000)	% of pay
Expected return on employer assets	(27)	(71.1%)	18	21.2%
Interest on pension scheme liabilities	25	65.8%	(18)	(21.2%)
Net return (B)	(2)	(5.3%)	-	-
Net revenue account cost (A) – (B)	(38)	(100.0%)	12	14.1%
Actual return on plan assets	21	-	92	-

Movements in surplus/(deficit) during the year

	Year to 31 Mar 2011 £(000)	Year to 31 Mar 2010 £(000)
Opening defined benefit obligation	482	257
Current service cost	8	9
Interest cost	25	18
Contributions by members	3	6
Actuarial losses/(gains)	(55)	192
Past service costs/(gains)	(44)	3
Estimated benefits paid	(3)	(3)
Closing defined benefit obligation	416	482

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

15. Pensions – continued

Reconciliation of fair value of employer assets

	Year to 31 Mar 2011 £(000)	Year to 31 Mar 2010 £(000)
Opening fair value of employer assets	367	256
Expected return on assets	27	18
Contributions by members	3	6
Contributions by the employer	9	17
Actuarial gains/(losses)	(6)	73
Benefits paid	(3)	(3)
Closing fair value of employer assets	397	367

Amounts for the current and previous accounting periods

	Year to 31 Mar 2011 £(000)	Year to 31 Mar 2010 £(000)	Year to 31 Mar 2009 £(000)	Year to 31 Mar 2008 £(000)
Fair Value of Employer Assets	397	367	256	306
Present Value of Defined Benefit Obligation	(416)	(482)	(257)	(267)
Surplus/(Deficit)	(19)	(115)	(1)	39
Experience gains/(losses) on assets	(6)	73	(88)	(30)
Experience gains/(losses) on liabilities	-	-	7	-

	Year to 31 Mar 2007 £(000)
Fair Value of Employer Assets	298
Present Value of Defined Benefit Obligation	(306)
Surplus/(Deficit)	8
Experience gains/(losses) on assets	2
Experience gains/(losses) on liabilities	-

Analysis of amount recognised in statement of financial activities

	Year to 31 Mar 2011 £(000)	Year to 31 Mar 2010 £(000)
Actuarial gains/(losses)	49	(119)
Increase/(decrease) in irrecoverable surplus from membership fall and other factors	-	-
Actuarial gain/(loss) recognised in SOFA	49	(119)
Cumulative actuarial gain/(loss) recognised in SOFA	(46)	(95)

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

15. Pensions – continued

	Year to 31 Mar 2009 £(000)	Year to 31 Mar 2008 £(000)
Actuarial gains/(losses)	(49)	43
Increase/(decrease) in irrecoverable surplus from membership fall and other factors	-	-
Actuarial gain/(loss) recognised in SOFA	(49)	43
Cumulative actuarial gain/(loss) recognised in SOFA	24	73

	Year to 31 Mar 2007 £(000)
Actuarial gains/(losses)	30
Increase/(decrease) in irrecoverable surplus from membership fall and other factors	-
Actuarial gain/(loss) recognised in SOFA	30
Cumulative actuarial gain/(loss) recognised in SOFA	30

Analysis of projected amount to be charged to net incoming resources for the year to 31 March 2012

	Year to 31 Mar 2012	
	£(000)	% of pay
Projected current service cost	3	18.3%
Interest on obligation	23	121.1%
Expected return on plan assets	(28)	(147.4%)
Past service cost	-	-
Losses/(gains) on curtailments and settlements	-	-
Closing defined benefit obligation	(2)	8.0%

The Trust expects to contribute £5,000 to the pension scheme in the year to 31 March 2012.

16. Restricted funds

	Balance at 31 March 2010 £	Incoming resources £	Movement in resources: Outgoing & Transfers £	Balance at 31 March 2011 £
Restricted funds	42,610	1,382,830	(1,290,679)	134,761
	<u>42,610</u>	<u>1,382,830</u>	<u>(1,290,679)</u>	<u>134,761</u>

A small number of transfers were made in the year to clear deficits in restricted funds.

THE SCOTTISH MINING MUSEUM TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2011

17. Analysis of net assets (between restricted and unrestricted funds)

	Unrestricted Funds £	Restricted Funds £	Total £
Fixed assets	945,000	-	945,000
Net current assets	277,404	134,761	412,165
Long term liabilities – provisions	(1,338,538)	-	(1,338,538)
Long term liabilities - pensions	(19,000)	-	(19,000)
	<u>(135,134)</u>	<u>134,761</u>	<u>(373)</u>

18. Controlling interests and related party transactions

The company was under the control of the Board of Trustees throughout the current and previous year.

There are no transactions in the year which fall to be disclosed under the requirements of FRS 8: 'Related Party Disclosures'.

19. Company limited by guarantee

The Trust was incorporated as a company limited by guarantee and is therefore governed by the Memorandum and Articles of Association. The liability of the Members is restricted to a maximum of £1 each.

20. Non-audit services

In common with many other organisations of its size and nature, the Trust uses its auditors to assist with the preparation of the statutory financial statements.