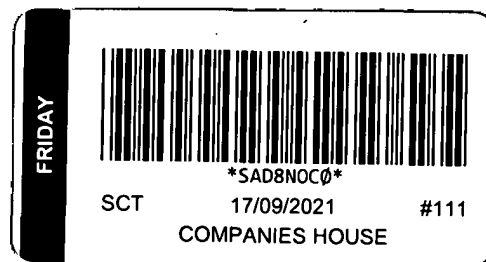


NATIONAL MINING MUSEUM SCOTLAND TRUST

**Trustees' Annual Report and Financial Statements
For the Year Ended 31 March 2021**

Registered Company Number SC088361

Registered Charity Number SC003227



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NATIONAL MINING MUSEUM SCOTLAND TRUST
Trustees' Annual Report and Financial Statements
For the year ended 31 March 2021

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NATIONAL MINING MUSEUM SCOTLAND TRUST

Trustees' Annual Report

For the year ended 31 March 2021

Objectives and activities

The mission of the National Mining Museum Scotland Trust (NMMST, "the Trust") 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 generation.
- 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. To fulfil 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.

National Role

As owner and operator of the National Mining Museum Scotland (NMMS or "the museum"), based at the grade "A" listed Lady Victoria Colliery and as one of the three leading independent industrial museums in Scotland, the Trust has continued to take a major part in the governance and ongoing development of Industrial Museums Scotland (IMS).

Both the Chief Executive and the Secretary continued to serve as a member of the board of the Association of Independent Museums (AIM). Museums and Galleries Scotland (MGS) has continued to support the museum sector and provides advice and support to NMMS when requested. As an accredited museum holding a collection recognised by the Scottish Government as having a national significance, NMMS has the opportunity to apply to MGS for ring fenced funding towards the development, care and display of the collections. MGS is one of the vehicles that the Scottish government is using to distribute funds during the Covid-19 pandemic and the Trust has successfully applied for payments from the Recovery and Resilience Fund.

Related Parties

The Trust maintains a good working relationship with a wide range of partner organisations, including the Scottish Mining Museum Collections Trust ("SMMCT") as owner of most of the Museum's collections. The Trust also works with other agencies and organisations in the heritage, tourism, education and economic development sectors on projects that assist the Museum in achieving its objectives, including Historic Environment Scotland, National Museums Scotland and Visit Scotland.

The Scottish Government provides revenue grants for funding the core activities of the Museum and has provided capital grants for the maintenance and improvement of buildings on the colliery site.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Trustees' Annual Report

For the year ended 31 March 2021

Volunteers

Apart from the Chief Executive, none of the Trustees are remunerated. The Trustees contribute their time and individual expertise voluntarily without payment. In addition to the work of the Trustees, the Trust is also dependent on a loyal team of volunteers who support the work of the museum by contributing significant hours of work annually to various aspects of the Museum's activities including the library, collections cataloguing, gardening and technical services and in the course of which they provide considerable expertise and advice. Sadly, due to the pandemic the volunteers were only able to be involved in a very minimal way but nevertheless the Trustees place on record their grateful thanks to all the volunteers for that invaluable contribution to the work and success of the museum.

Achievements and Performance

This has been a most difficult year for the Trust due to the Covid-19 pandemic. The visitor figures for the financial year 2020-21 were 745. This figure is significantly lower than the previous year and this is reflected in reduced admission income and consequential sales of gifts or catering. However, due to the "lockdown" we were only open during the months of August to November 2020 and accordingly it is not appropriate to compare one year with the next. Having said this, the Trust's financial position is better than might have been expected due to the substantial grants that have been applied for and received. First among these is the Furlough Scheme, from which the Trust received £173,111. This money has ensured that the Trust has not required to make staff redundant despite the extreme trading conditions. The Trust also received £144,216 from MGS as part of the Recovery and Resilience Fund. £49,900 was received from the Heritage National lottery being part of the Heritage Covid-19 Emergency Fund 2020. £9,790 was received from MGS, being £3,000 from the Digital Resilience Fund and £6,790 from the Covid-19 Adaptation Fund 2020. Maths Week Scotland awarded a grant of £2,000 towards the Maths Week education programme. £48,000 was awarded by the Scottish Government from their capital fund for 2020-21. Visit Scotland awarded £48,000 from its Visitor Attraction Support Fund 2021 and finally the Scottish Government awarded £27,000 from its Business temporary Closure Fund 2021. The effect of these grants has been that the Trust has been able to carry out substantial maintenance and development even though it has been closed. For the following year additional grants have been sought and obtained and it is hoped by the Board that substantial assistance will continue to be available to the sector.

During the year the Trust has continued to work with the Y2K, a youth charity, with Group for Education in Museums, with the Museums Association, with Volunteer Midlothian, with Make Your mark in Volunteering and with Lothian Museums Forum, all their assistance is appreciated. This work has helped to ensure that when the museum can open the local ties will be in place to allow it to thrive and develop.

The Trust responded to the Scottish Government's Consultation on the Scott Review into the Miners Strike 1984/85 and in particular the recommendation that certain miners should be pardoned. One of the Board, Dennis Canavan had been a member of the Review Group and a number of other Board members had given evidence. The response was substantially in support of the Review's recommendations.

Master Plan

The master plan project began in January 2020 with a host of consultation events and meetings with staff and stakeholders. The project was moving at pace before the commencement of the financial year under review but as a result of the Covid-19 pandemic the work was materially stopped. Limited work was carried out during the period but towards the end of it further work was carried out which means that the Board is confident that the Master Plan will be published during the next accounting period. Following the publication, the Board will be able to proceed with its implementation.

Although only limited progress has been made in respect of the master plan costs have continue to be incurred and as can be seen from Note 18 to the Accounts this project stands with a negative £29,798 figure. This figure results from the fact that sums included within the award have not yet been drawn down. The expenditure itself was appropriate and approved. In addition the Covid-19 pandemic has meant a delay in the timing of the project which should have been completed by now. Following discussions with Heritage Lottery Fund the Trust will apply to extend the project end date and then draw down the funds to extinguish the deficit.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Trustees' Annual Report

For the year ended 31 March 2021

Collections

Limited work was carried out to continue the earlier work in improving the museum's documentation process. This work will be invaluable in ensuring that they were up to date and in keeping with latest professional standards. The museum's accreditation standards require specific documents to be in place and the Curator continues to work through each of these and where changes or updates have been required, has had them ratified by the Board. The curatorial team have been working on developing a new digital tour that highlights key objects in the collection. This work, funded by MGS, will utilise aspects of the Trust's oral history archives and recordings from volunteers and tour guides.

Education

The NMMST education programme not only supports curriculum for excellence but also reaches out to communities across Scotland that have a mining heritage. This work was stopped during the lock down although work was carried out to ensure that once the Museum can receive visitors and once the Trust can operate its outreach programme the Trust will be in a position to develop these areas. The Maths for Miners outdoor trail, funded by Maths Week Scotland 2020 was a significant success.

The Education Manager's video calls with primary schools across Scotland were very successful in engaging with communities notwithstanding the lock down situation. Good feedback was received from schools with one teacher stating, "best digital workshop we have taken part in" and another noted that from one topic we enabled them to explore not only social studies but also STEM, Technology and Health and Wellbeing areas of the Curriculum for Excellence.

NMMST engaged with a range of education networks to help develop best practice, share ideas and keep abreast with developments within the curriculum or community engagement priorities.

Professional Development and Network

The Chief Executive and Secretary continued to support the Association of Independent Museums (AIM) as a Council member and attend quarterly Board meetings.

The Chief Executive and Secretary sat on the Museums and Galleries Scotland (MGS) stakeholders group as the two Scottish AIM representatives. This group includes members from across the UK and focuses on the development of MGS's new delivery plan and during this year the response to the Covid-19 pandemic and the delivery of Scottish Government support for the sector.

The Chief Executive attended the Industrial Museums Scotland (IMS) regular meetings and discussed shared practice and opportunities for funding and joint projects.

The Curatorial Team continued to be involved a number of networks including: STICK (Scottish Transport and Industrial Collections Knowledge Network), SMF (Scottish Museums Federation), IMS (Industrial Museums Scotland), MA (Museums Association), HVOS (Heritage Volunteer Organisers Scotland) and Volunteer Midlothian on a regular basis.

Partnerships continued with universities on a variety of projects including: Strathclyde University in developing their MOOC, Stirling University on the development of an App and Edinburgh University to develop a potential exhibition with their art students in response to the Lady Victoria.

The education department continued to be active in the IMS Learning Forum, Heritage Education Forum, MGS Learning Strategy meetings, Scottish Learning Group, Generations Working Together and we are focusing on links with Children in Scotland, ScotPen, STEM for Scottish Primary Schools Network and using Facebook Scottish Primary Teachers for promotion and to support teachers across Scotland.

The Marketing & Events Manager continued to participate in Midlothian Tourism Forum and Midlothian & Borders Tourism Action Group.

The Visitor Services department engaged with groups such as Visit Scotland and the Museums Association.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Trustees' Annual Report

For the year ended 31 March 2021

Staff

The Commercial and Audience Development Manager returned from maternity leave but not long thereafter handed in her resignation. That loss is presently being met by other members of the management team taking on additional responsibilities.

The Trust made use of the Scottish Government Furlough Scheme, to the tune of £182,896.21, and the Board ensured that staff received no diminution in their salary.

Financial Review

The audited financial statements for the year to 31 March 2021 show total incoming resources of £1,062,850. The equivalent figure in 2020 was £752,019, although it must be acknowledged that this substantial increase is due to the substantial grants that the Trust was able to obtain and not increased activity.

The core operating surplus on unrestricted funds for the year to 31 March 2021, before applying a charge of £7,432 in relation to the unwinding of the Lothian Pension Fund (LPF) discount, is £206,335 (2020: deficit £37,935). Total core unrestricted funds carried forward are £1,030,699 (2020: £834,169).

Reserves policy

Free reserves represent that part of the Trust's income funds that are 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.

The unrestricted funds held as net current assets at 31 March 2021 were £375,247 (2020: £203,658) as shown at note 19 to the financial statements.

As explained at note 17, the Trust has ceased to be an employing authority in the Lothian pension Fund (LPF). The Trust's pension deficit liability is £165,676 (2020: £171,003).

Risk management

The key risks facing the Trust include financial stability, given the museum's dependence on public sector funding and the maintenance and upkeep of its estate, including the grade "A" listed Colliery and its other buildings. The commissioning of the Asset Strategy and Maintenance Plan already mentioned should assist the Trust in addressing issues regarding its estate. The Board has prepared cash flow forecasts to 31 March 2023 and has continued to make instalment payments to Lothian Pension Fund in terms of the repayment agreement previously negotiated with respect to the pension deficit liability. The Trust plans to seek external funding towards the repair and maintenance of the buildings comprised in the Colliery estate. The trust continues to pursue initiatives to raise the profile of the museum, promote its facilities and exploit opportunities. During the year under report, the museum has been struck by the effect of the Covid 19 pandemic. Its economic effects have been and will be significant but the Board have acted prudently to seek to ensure that the financial viability of the museum during periods when the usual source of visitor income has been reduced.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Trustees' Annual Report

For the year ended 31 March 2021

Plans for future periods

Strategic development for the Museum

The Chief Executive and the Secretary keep abreast of developments in the museum sector through their contacts with Museum Galleries Scotland and their participation in the affairs of the Association of Independent Museums and of Industrial Museums Scotland. The Chief Executive also continues to keep the Scottish Government informed of development at the museum and its future plans.

Structure, governance and management

Organisational structure

National Mining Museum Scotland Trust ("the Trust") is constituted as a charitable company limited by guarantee registered in Scotland and is subject to the provisions of the Companies Act 2006 and of the Charities and Trustee Investment (Scotland) Act 2006.

Its charitable purposes as set out in its Memorandum of Association are to establish and promote the museum and to preserve, conserve and maintain the buildings of historical or architectural importance comprised in the Lady Victoria Colliery, Newtongrange, Midlothian, as part of the museum. The direction of the Trust's affairs is vested in a Board of Trustees who act both as charity trustees and as company directors. In terms of its Articles of Association the Board consists of not more than sixteen elected or appointed trustees and in addition the Chief Executive, who is a paid employee, is a trustee *ex officio*. As at 31 March 2021 ten trustees, in addition to the Chief Executive, had been elected or appointed and remained in office at that date.

During the year ended 31 March 2020, two Trustees resigned, namely Eric Clarke and John Allan both on 14 December 2020. The Board are actively considering the recruitment of suitably qualified new Trustees. The Board of Trustees defines the trust's Mission, Vision Statement and Strategic Aims; determines and directs the strategy and policy of the Trust; seeks to ensure the fulfilment of the Trust's Mission, stated Vision and aims; promotes and develops the Trust's relationship with the Scottish Government, Midlothian Council and other government bodies; reviews the Trust's funding and financial performance; and seeks to ensure compliance with the Trust's statutory and other obligations. The Board meets at quarterly intervals but during the Covid 19 pandemic has met more frequently.

The Chief Executive heads the museum's management team and is responsible to the Board for the management and performance of the museum and its staff.

Governance

Subject to the terms of the Articles of Association, the Board has power to delegate certain matters to committees of the Board.

As at 31 March 2021 the Board had one standing committee in place, namely the Audit and Assurance Committee. This is charged with particular responsibility for overseeing the annual process of preparation of the Trust's Annual Report and Accounts, overseeing the preparation of annual budgets, overseeing the Risk Management process, reviewing on a regular basis the Trust's financial performance against budgets, and undertaking such other tasks as are delegated to it by the Board. This committee consists of a number of trustees, chaired by a senior member of the Board, and meets on a regular basis, generally at intervals of approximately two to three months. The Chief Executive and the Secretary normally attend all its meetings as well as the Board meetings.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Trustees' Annual Report

For the year ended 31 March 2021

Governance (continued)

Ad hoc committees of the Board are set up from time to time, as required, in order to consider specific matters, such as where immediate action may have to be taken or where detailed consideration may be needed out-with the scope of regular Board meetings. The Board takes responsibility for determining the process of assessing potential recruits to the Board before a decision is taken to appoint or co-opt a new trustee. The Secretary is directed to provide any newly recruited trustee with copies of the relevant documentation including the Memorandum and Articles of Association, recent Annual Reports and Accounts, and an explanatory note on the legal and regulatory status of the Trust.

The Board previously took advice from external consultants on the procedure for appraisal of the performance of the Chief Executive and the review of her pay and remuneration. The matter was subsequently delegated by the Board to the Audit and Assurance Committee. The chair of that committee and another senior trustee were appointed to undertake the appraisal, for signing off by the Board Chair on behalf of the Board.

Conclusion

As already referred to elsewhere in this report, the Trust is commissioning the preparation of a new Strategic Plan and other key plans for the museum. These will be expected to inform the Board's determination of the future direction of the museum including the management and development of its estate and of the role of the museum in the context of climate change, fossil fuels and renewable energy. Notwithstanding the delays that have been encountered the Board is confident that the Strategic Plan will be published in the following year and that it will highlight the direction in which the Trust should move. The substantial risks resulting from the Covid-19 pandemic have been faced and with the aid of significant financial assistance the Board see a positive future for the Trust. That future will not be without difficulties, not least in encouraging new and returning visitors, but the Board consider that the Trust is in a good position to move forward with confidence after what has been a particularly difficult year.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Trustees' Annual Report

For the year ended 31 March 2021

Reference and administrative details

Company registration number	SC088381
Charity registration number	SC003227
Directors/Trustees	Rt. Hon. H B McLeish E L Clarke (ceased 14 December 2020) J W Allan (ceased 14 December 2020) R Y Anderson C Beattie D A Canavan R T Dodds D Seath Sir D Hamilton M J Cross (<i>ex officio</i>) T Craggs A A Boyd C T N Brien
Chief Executive	M J Cross
Company Secretary	C T N Brien
Registered and Principal Office	National Mining Museum Scotland Lady Victoria Colliery Newtongrange Midlothian EH22 4QN
Auditor	Azets Exchange Place 3 Semple Street Edinburgh EH22 8BL
Bankers	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YE
Solicitors	Thorntons Law LLP Citypoint, 65 Haymarket Terrace Edinburgh EH12 5HD

NATIONAL MINING MUSEUM SCOTLAND TRUST

Trustees' Annual Report

For the year ended 31 March 2021

Acknowledgements

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

Scottish Government

Museums Galleries Scotland

The Mining Institute of Scotland Trust

The Friends of the National Mining Museum Scotland Trust

The Scottish Mining Museum Collection Trust

The Volunteers of the National Mining Museum Scotland Trust

Events Scotland

National Lottery Heritage Fund

Midlothian Council

Maths Week Scotland (National Museums Scotland)

Association of Scottish Visitor Attractions

STICK

AIM

Visit Scotland

IMS

Scottish Museums Federation

NATIONAL MINING MUSEUM SCOTLAND TRUST

Trustees' Annual Report

For the year ended 31 March 2021

Statement of trustees' responsibilities

The Trustees (who are also directors of the National Mining Museum for the purposes of company law) are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and the 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).

Company law requires the Trustees to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, 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;
- observe the methods and principles of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate 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 to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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

In so far as the Trustees are aware:

- there is no relevant audit information of which the Trust's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of the relevant audit information, and to establish that the Trust's auditor is aware of the information.

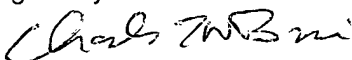
Small company exemptions

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Auditor

In respect of the audit for the year to 31st March 2022, the Trust will be immediately commencing a tendering process, in compliance with section 485 of the Companies Act 2006.

Signed by order of the Trustees on 13 September 2021 by Charles Thomas Norbert Brien.



Charles T N Brien
Company Secretary

Registered Office:
Lady Victoria Colliery
Newtongrange
EH22 4QN

NATIONAL MINING MUSEUM SCOTLAND TRUST

Independent Auditor's Report to the Members and Trustees

For the year ended 31 March 2021

Opinion

We have audited the financial statements of National Mining Museum Scotland Trust for the year ended 31 March 2021 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2021 and of 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 requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions applicable for small entities, in the circumstances set out in note 23 to the financial statements, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

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

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

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

NATIONAL MINING MUSEUM SCOTLAND TRUST

Independent Auditor's Report to the Members and Trustees - continued

For the year ended 31 March 2021

Other information

The other information comprises the information included in the Report of the Governing Board, other than the financial statements and our auditor's report thereon. The members of the Governing Board are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report 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 Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Independent Auditor's Report to the Members and Trustees - continued

For the year ended 31 March 2021

Responsibilities of the trustees

As explained more fully in the Trustees' responsibilities statement set out on page 10, the Trustees (who are the directors for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Independent Auditor's Report to the Members and Trustees - continued

For the year ended 31 March 2021

The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charitable company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the board and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's members and members of the Governing Board, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members and members of the Governing Board, as a body, 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's members and members of the Governing Board, as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Harkness

Michael Harkness, Senior Statutory Auditor

For and on behalf of

Azets Audit Services, Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Chartered Accountants

Exchange Place 3

Semple Street

Edinburgh

EH3 8BL

13 September 2021

NATIONAL MINING MUSEUM SCOTLAND TRUST

Statement of Financial Activities

(incorporating the Income and Expenditure Account)

For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies	4	456,985	334,107	791,092	519,673
Charitable activities	5	9,676	-	9,676	60,052
Income from other trading activities	6	88,905	-	88,905	172,194
CJRS furlough income		173,111	-	173,111	-
Investments		66	-	66	100
Total		728,743	334,107	1,062,850	752,019
Expenditure on:					
Raising funds	7	169,126	-	169,126	159,944
Charitable activities:	8	353,282	262,410	615,692	676,082
		522,408	262,410	784,818	836,026
Other expenditure					
- Unwinding of LPF deficit	19	7,432	-	7,432	3,958
Total		529,840	262,410	792,250	839,984
Net income/(expenditure)	12	198,903	71,697	270,600	(87,965)
Transfers		(2,373)	2,373	-	-
Net movement of funds		196,530	74,070	270,600	(87,965)
Reconciliation of funds:					
Total funds brought forward		834,169	99,393	933,562	1,021,527
Total funds carried forward	18	1,030,699	173,463	1,204,162	933,562

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 18 to 32 form part of these financial statements

NATIONAL MINING MUSEUM SCOTLAND TRUST

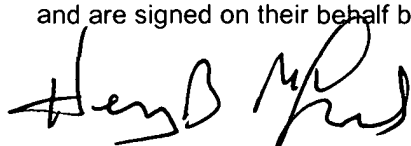
Balance Sheet

As at 31 March 2021

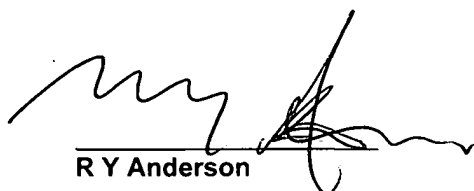
	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	13		808,573		788,994
Current assets					
Stocks	14	13,592		16,009	
Debtors	15	113,132		96,826	
Cash at bank and in hand		504,385		274,949	
			<u>631,109</u>	<u>387,784</u>	
Creditors: amounts falling due within one year	16	(82,400)		(84,733)	
Net current assets			<u>548,709</u>	<u>303,051</u>	
Net assets less current liabilities			<u>1,357,282</u>	<u>1,092,045</u>	
Pension scheme liability: falling due in more than one year	17		(153,120)	(158,483)	
Total net assets	19		<u><u>1,204,162</u></u>	<u><u>933,562</u></u>	
The funds of the charity:					
Restricted	18		173,463	99,393	
Unrestricted			1,030,699	834,169	
Total charity funds			<u><u>1,204,162</u></u>	<u><u>933,562</u></u>	

These accounts have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Trustees on 13 September 2021 and are signed on their behalf by:



Rt. Hon H B McLeish



R Y Anderson

Registered Company Number: SC088361

The notes on pages 18 to 32 form part of these financial statements

NATIONAL MINING MUSEUM SCOTLAND TRUST

Statement of Cash Flows

For the year ended 31 March 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	25	272,851	(122,756)
Cash flows from investing activities			
Interest received		66	100
Purchase of tangible fixed assets		(43,481)	(3,078)
Net cash provided by investing activities		<u>(43,415)</u>	<u>(2,978)</u>
Change in cash and cash equivalents in the year		229,436	(125,734)
Cash and cash equivalents at beginning of the year		274,949	400,683
Cash and cash equivalents at end of the year		<u>504,385</u>	<u>274,949</u>
Analysis of cash and cash equivalents			
Cash at bank		<u>504,385</u>	<u>274,949</u>
Being:			
Unrestricted		371,980	217,614
Restricted		132,405	57,335
		<u>504,385</u>	<u>274,949</u>

The notes on pages 18 to 32 form part of these financial statements

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements

For the year ended 31 March 2021

1. Accounting Policies

General Information

National Mining Museum Scotland Trust (SC088361) is a company limited by guarantee and not having share capital. The registered address is Lady Victoria Colliery, Newtongrange, EH22 4QN. The principal activity of the Trust is the preservation and promotion of Scotland's Mining Heritage for current and future generations.

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard 102, as issued by the Financial Reporting Council, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)", the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

National Mining Museum Scotland Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transition value unless otherwise stated in the relevant accounting policy.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the Trust's transactions are denominated.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Going concern

The Trustees are of the opinion that the charitable company can meet its obligations as they fall due for the foreseeable future. The Trustees are aware of the Trust's cash flow position and forecasts and are satisfied that these are reasonable. On this basis the Trustees consider it appropriate to prepare the financial statements on the going concern basis. This assessment of going concern includes the expected impact of COVID-19 to the Trust in the 12 months following the signing of these financial statements..

Recognition and allocation of income

Income is recognised when the Trust has legal entitlement to the funds, the receipt is probable and the amount can be measured reliably. Where practicable, income is related to the operating activities of the Trust.

Voluntary income

Donations are included in the Statement of Financial Activities in the year in which the Trust has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

Grants received

Income from grants, including capital grants, is included in incoming resources when the Trust has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. The exception to this is where the Trust has to fulfil conditions before becoming entitled to the grant or where the donor has specified that income is to be expended in a future period. In these circumstances income is deferred until those periods.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

1. Accounting Policies (continued)

Recognition and allocation of income (continued)

Interest received

Interest is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the Bank.

Income from Trading Activities

Retail income is recognised from the point of sale. Hospitality income is recognised at the date of the event. Rental income is recognised in line with the rental agreement.

Resources expended

Resources expended are recognised when a legal or constructive obligation arises. Where possible, expenditure has been charged directly 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:

- Raising 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.

Fixed assets and depreciation

Fixed assets are stated at cost, less any provision for impairment.

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 the assets are not held on the balance sheet as cost information is not readily available and the Trustees believe the benefits of obtaining valuations for these items would not justify the cost and would not be sufficiently reliable to provide a meaningful indication of value.

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 13 to these financial statements.

Stocks

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

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

1. Accounting Policies (continued)

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. The final member of this scheme has now retired, and the cessation deficit is being repaid over the next 17 years.

Employees may now opt to join the Trust stakeholder pension scheme operated by AVIVA. Employees join the stakeholder pension contract directly with AVIVA; contracts are funded by contributions from employees and the Trust as an employer.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally invoice price, less any allowances for doubtful debts.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balance with banks.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Funds

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

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.

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.

Financial assets and financial liabilities

Financial instruments are recognised in the balance sheet when the Trust becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. Subsequent to initial recognition, they are accounted for as set out below.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

1. Accounting Policies – continued

Financial assets and financial liabilities (continued)

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102. The Trust only enters into basic financial instruments.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest rate method.

Financial assets are derecognised when the contractual rights to the cash flows from the asset to expire, or when the Trust has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

2. Critical judgements and estimates

In preparing the financial statements trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

3. Comparative statement of financial activities for the year ended 31 March 2020

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income and endowments from:			
Donations and legacies	421,144	98,529	519,673
Charitable activities	60,052	-	60,052
Income from other trading activities	172,194	-	172,194
Investments	100	-	100
Total	653,490	98,529	752,019
Expenditure on:			
Raising funds	159,944	-	159,944
Charitable activities:	531,481	144,601	676,082
	691,425	144,601	836,026
Other expenditure			
- - Unwinding of LPF deficit	3,958	-	3,958
Total	695,383	144,601	839,984
Net expenditure	(41,893)	(46,072)	(87,965)
Transfers	8,439	(8,439)	-
Net movement in funds	(33,454)	(54,511)	(87,965)

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

4. Donations and legacies

2021	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Donations and legacies	(15)	463	448
Grants:			
Scottish Government	430,000	48,000	478,000
Scottish Government – Business Temporary Closure Fund	27,000	-	27,000
Museums Galleries Scotland	-	157,944	157,944
Mining Institute of Scotland Trust	-	27,800	27,800
Heritage Lottery Fund	-	49,900	49,900
Visit Scotland	-	48,000	48,000
Other grants	-	2,000	2,000
	<u>456,985</u>	<u>334,107</u>	<u>791,092</u>
 2020	 Unrestricted Funds £	 Restricted Funds £	 Total 2020 £
Donations and legacies	11,094	-	11,094
Grants:			
Scottish Government	410,000	33,000	443,000
Museums Galleries Scotland	-	19,108	19,108
Mining Institute of Scotland Trust	-	27,800	27,800
Midlothian Council	-	16,000	16,000
Other grants	50	2,621	2,671
	<u>421,144</u>	<u>98,529</u>	<u>519,673</u>

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

5. Income from charitable activities

**Visitor services
2021**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Admissions	4,808	-	4,808
Other income	4,868	-	4,868
	<u>9,676</u>	<u>-</u>	<u>9,676</u>

2020

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Admissions	48,876	-	48,876
Other income	11,176	-	11,176
	<u>60,052</u>	<u>-</u>	<u>60,052</u>

6. Income from other trading activities

2021

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Shop sales	3,303	-	3,303
Rental and hospitality income	85,602	-	85,602
	<u>88,905</u>	<u>-</u>	<u>88,905</u>

2020

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Shop sales	23,641	-	23,641
Rental and hospitality income	148,553	-	148,553
	<u>172,194</u>	<u>-</u>	<u>172,194</u>

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

7. Raising funds

2021	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Wages and salaries	166,323	-	166,323
Stock movements and purchases	2,803	-	2,803
	<u>169,126</u>	<u>-</u>	<u>169,126</u>
2020	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Wages and salaries	149,186	-	149,186
Stock movements and purchases	10,758	-	10,758
	<u>159,944</u>	<u>-</u>	<u>159,944</u>

8. Charitable activities

2021	Education £	Collections £	Visitor services £	Total 2021 £
Property	11,782	39,307	50,481	101,570
Technical services	51	172	221	444
Marketing	526	1,755	2,255	4,536
Support costs	4,334	14,458	18,567	37,359
Governance costs (Note 9)	3,727	12,436	15,970	32,133
Project costs	-	80,736	4,602	85,338
Staff costs	46,936	95,931	211,445	354,312
	<u>67,356</u>	<u>244,795</u>	<u>303,541</u>	<u>615,692</u>
2020	Education £	Collections £	Visitor services £	Total 2020 £
Property	18,854	62,900	80,778	162,532
Technical services	196	656	843	1,695
Marketing	2,842	9,481	12,176	24,499
Support costs	4,965	16,566	21,275	42,806
Governance costs (Note 9)	3,413	11,386	14,622	29,421
Project costs	-	81,266	33,815	115,081
Staff costs	44,567	86,930	168,551	300,048
	<u>74,837</u>	<u>269,185</u>	<u>332,060</u>	<u>676,082</u>

Support costs relate to management and administration costs.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

9. Governance costs

	2021 £	2020 £
Audit and accountancy	10,670	5,425
Legal and professional fees	13,889	16,417
Staff costs	7,574	7,579
	<u>32,133</u>	<u>29,421</u>

Governance costs include external audit fees of £7,250 (2020: £3,900).

10. Staff costs

The aggregate payroll costs were:

	2021 £	2020 £
Wages and salaries	482,379	419,949
Social security costs	26,432	19,609
Pension costs	19,398	17,255
	<u>528,209</u>	<u>456,813</u>

Defined contribution pension costs of £226 (2020: £1,902) were payable at the year-end.

During the year, the number of employees whose total remuneration exceeded £60,000 were as follows:

Band (£)	2021 £	2020 £
60,000 – 70,000	1	1

Particulars of employees:

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

	2021 No	2020 No
Number of:		
Education staff	1	1
Collections staff	2	2
Visitor services staff	18	17
Marketing staff	1	1
Property, technical and maintenance staff	5	5
Administration staff	3	2
	<u>31</u>	<u>28</u>

The trustees consider the Chief Executive of the Museum to be ‘key management personnel.’ The Chief Executive remuneration is disclosed within Note 11.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

11. 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 resolves that such appointment is in the best interests of the Trust.

During the years ended 31 March 2021 and 31 March 2020, 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 and social security contributions were:

	2021 £	2020 £
Remuneration	62,889	61,776
Pension contributions	6,289	6,389
Social Security contributions	6,562	7,625
	<u>75,740</u>	<u>75,790</u>

During the year a total of £234 (2020: £2,924) of expenses was reimbursed to the trustees for travel and meeting attendance.

12. Operating surplus

	2021 £	2020 £
Net income is stated after charging:		
Auditor's remuneration (including expenses) - audit	7,250	3,900
- non-audit	3,055	4,100
Depreciation of tangible fixed assets	23,902	20,125

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

13. Fixed assets

	Land and Buildings £	Computer Equipment £	Total £
Cost			
At 1 April 2020	955,806	42,658	998,464
Additions in year	-	43,481	43,481
	<hr/>	<hr/>	<hr/>
At 31 March 2021	955,806	86,139	1,041,945
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2020	170,100	39,370	209,470
Charge for year	18,900	5,002	23,902
	<hr/>	<hr/>	<hr/>
At 31 March 2021	189,000	44,372	233,372
	<hr/>	<hr/>	<hr/>
Net Book Value			
As at 31 March 2021	766,806	41,767	808,573
	<hr/>	<hr/>	<hr/>
As at 31 March 2020	785,706	3,288	788,994
	<hr/>	<hr/>	<hr/>

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 relative 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 relative 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.

A full review of the carrying value of the land and buildings was carried out in the financial year to 31 March 2011. As part of that process, the Trustees 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 (excluding the heritage assets) were to be brought to the market for sale. Having considered that report the Trustees made their own assessment of the current market value of the land and buildings (excluding the heritage assets) and in so doing they considered the indicative range of figures contained in the report. They also paid regard to the terms of purchase of one of the properties as proposed by a prospective developer. The result of this process was a significant write down in asset valuations. On transition to FRS 102, these valuations have been taken as deemed cost.

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.

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2020

14. Stocks

	2021 £	2020 £
Goods for resale	13,592	16,009

15. Debtors

	2021 £	2020 £
Trade debtors	16,679	25,671
Other debtors	21,471	4,279
Prepayments and accrued income	74,982	66,876
	113,132	96,826

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	37,493	44,425
Other taxes and social security costs	3,970	12,043
Accruals and deferred income	30,181	15,745
Defined benefit pension scheme liability (Note 17)	12,556	12,520
	82,400	84,733

17. Pensions

The National Mining Museum ("the Employer") ceased to be an employing authority in the Lothian Pension Fund ("the Fund") on 31 March 2016.

An agreement is in place with Lothian Pension Fund to repay the cessation deficit in equal instalments over the next 18 years. Discounting the cash flows at 1.9% to net present value, the amount payable is:

	2021 £	2020 £
Due within one year (note 16)	12,556	12,520
Due within 2-5 years	47,927	47,440
Due in more than 5 years	105,193	111,043
	165,676	171,003

This discount to present value will be unwound over the duration of the repayment term, which led to an interest charge of £7,432 (2020: £3,958).

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

18. Restricted funds

2021	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Math week Scotland 2020	-	2,000	(2,000)	-	-
MGS Digital Resilience	-	3,000	(3,091)	91	-
MGS COVID19 Adaptation Fund	-	6,790	(6,817)	27	-
MGS Recovery and Resilience Fund	-	144,216	(115,806)	-	28,410
Heritage COVID19 Emergency Fund	-	49,900	(50,060)	160	-
Scottish Government Capital Fund	-	48,000	(30,250)	-	17,750
Visit Scotland	-	48,000	-	-	48,000
Effective collections	943	-	-	-	943
Education	-	27,800	(29,390)	1,590	-
Boiler House Project	1,164	-	-	-	1,164
Education and exhibition facilities	87,009	3,938	-	-	90,947
Fire safety	1,883	-	-	-	1,883
Under the Croft	3,190	463	-	-	3,653
Event Scotland	1,694	-	-	-	1,694
Heritage Lottery Fund	(2,307)	-	(24,491)	-	(26,798)
Redisplaying Locomotive	-	-	(505)	505	-
Other donations	5,817	-	-	-	5,817
Total restricted funds	99,393	334,107	(262,410)	2,373	173,463

2020	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Effective collections	6,702	-	-	(5,759)	943
Education	13,097	27,800	(29,414)	(11,483)	-
Friends	(799)	-	(158)	957	-
Transformers Project	290	-	(224)	-	66
Boiler House Project	1,164	-	-	-	1,164
Education and exhibition facilities	87,009	-	-	-	87,009
Capital fund	-	33,000	(33,000)	-	-
Fire safety	5,000	-	(3,117)	-	1,883
Under the Croft	3,190	-	-	-	3,190
Event Scotland	1,694	-	-	-	1,694
Heritage Lottery Fund	31,150	16,000	(49,457)	-	(2,307)
Redisplaying Locomotive	(78)	19,108	(26,550)	7,520	-
Other donations	5,485	2,621	(2,681)	326	5,751
Total restricted funds	153,904	98,529	(144,601)	(8,439)	99,393

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

18. Restricted funds (continued)

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.

Math Week Scotland - Addresses Strategic Aims ii and iii

MGS Digital Resilience - Addresses Strategic Aims i, v and vi

MGS Covid 19 Adaptation Fund - Addresses Strategic Aims i, v and vi

MGS recovery and Resilience Fund - Addresses Strategic Aims i, v and vi

Heritage Covid19 Emergency Fund - Addresses Strategic Aims i, v and vi

Visit Scotland -Addresses Strategic Aims ii, iii and iv.

Effective collections – Addresses Strategic Aims i, iv, v,

Education - Addresses Strategic Aims ii, iii

Boiler House – Addresses Strategic Aims i

Education and exhibition facilities – Addresses Strategic Aims i, iv

Under the Croft - Addresses Strategic Aims ii, iii

Transformers Project - Addresses Strategic Aims iii, iv

Friends -Addresses Strategic Aim iii

19. Analysis of net assets by fund

2021	Unrestricted £	Restricted £	Total £
Fixed assets	808,573	-	808,573
Net current assets	375,247	173,463	548,710
Long term liabilities – pension deficit	(153,120)	-	(153,120)
	<u>1,030,699</u>	<u>173,463</u>	<u>1,204,162</u>
 2020	 Unrestricted £	 Restricted £	 Total £
Fixed assets	788,994	-	788,994
Net current assets	203,658	99,393	303,051
Long term liabilities – pension deficit	(158,483)	-	(158,483)
	<u>834,169</u>	<u>99,393</u>	<u>933,562</u>

NATIONAL MINING MUSEUM SCOTLAND TRUST

Notes to the Financial Statements – continued

For the year ended 31 March 2021

20. Commitments

The company has entered into a number of operating leases which commit the company to pay the following rentals:

	2021 Equipment £	2020 Equipment £
Payments falling due:		
Within 1 year:	5,064	2,952
Within 2 to 5 years:	13,091	2,122
	<u>18,155</u>	<u>5,074</u>

21. Controlling interests and related party transactions

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

22. 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.

23. Non-audit services

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

24. Related party transactions

The company received a grant of £27,800 (2020: £26,750) from The Mining Institute of Scotland Trust, of which Mr David Seath is a director.

25. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period	270,600	(87,965)
Adjusted for:		
Depreciation charges	23,902	20,125
Interest income	(66)	(100)
(Decrease) in pension liability	(5,363)	(8,837)
Decrease in stocks	2,417	691
(Increase) in debtors	(16,306)	(35,615)
(Decrease) in creditors	(2,333)	(11,055)
Net cash generated by/ (used in) operating activities	<u>272,851</u>	<u>(122,756)</u>