

The Royal Mint Museum
Trustees' Report and Financial Statements
For the year ended 31 March 2012

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Legal and administrative information

Status	Company limited by guarantee
Charity number	1138877
Company registration number	07105875
Trustees and Company Directors	Ms Sarah Tebbutt - Chairman Sir Christopher Frayling Rear Admiral John Lippiett CB, MBE
Trustee representative of the Royal Mint Limited	Mr Adam Lawrence
Royal Mint Museum Director	Dr Kevin Clancy
Registered office	The Royal Mint Museum Llantrisant Pontyclun CF72 8YT
Auditors	PricewaterhouseCoopers LLP One Kingsway Cardiff CF10 3PW
Banker	Barclays Bank plc Windsor Court 3 Windsor Place Cardiff CF10 3ZL
Solicitors	Capital Law LLP 1 Caspian Point Caspian Way Cardiff CF10 4DQ

Trustees' Report

Structure, governance and management

The Royal Mint Museum was established as a company limited by guarantee in December 2009 and was granted charitable status in November 2010. Its sole member is HM Treasury. The Museum wholly owns a subsidiary company, Royal Mint Museum Services Limited, also established in December 2009.

The heritage assets of the Royal Mint Trading Fund were vested into the Royal Mint Museum on 31 December 2009.

The Museum as a charitable company is governed by its Memorandum and Articles of Association, which provide for the appointment and re-appointment of Trustees. The creation of an independent Museum was initiated to give long-term security to the collection, to establish a clear educational and charitable remit, and to enable the Museum to expand the services it offers through external funding.

During the reporting year 2011-12 the Trustees met on three occasions. They have the authority to appoint new Trustees and to direct the use of the Museum's financial and other resources. Trustees are appointed for an initial term of three years, renewable for a maximum of another three-year term. Meetings of the Trustees are attended by members of the Museum's management team, in particular the Director of the Royal Mint Museum, and members of the financial support team, who present papers on their areas of responsibility.

The Trustees exercise oversight and supervision of all the Museum's main functional areas, including: finance, fund-raising, acquisition and disposal, education and publication programmes, exhibitions, collections management, conservation and the activities of the Museum Services' company.

The Trustees decide on the strategy for the Museum. The implementation of the strategy and the operational management is delegated to the Director of the Royal Mint Museum and his colleagues.

Charitable objects

The Museum was granted charitable status in November 2010.

The objectives of the Museum, as defined in the Memorandum and Articles of Association, are set out below.

a) The advancement of education of the public in the history of coinage and related artefacts and of the activities of the Royal Mint, and in particular, but without limitation to the foregoing by:

i) Establishing and maintaining museum(s) and/or archives for the benefit of the public and in the pursuit of that object:

- Collecting coinage artefacts and related coin material to a published policy agreed by the Trustees.

- Managing, documenting, conserving and safeguarding the coin collection and other holdings to the highest appropriate professional standards.

- Exhibiting, interpreting and providing access to the collection.

ii) Restoring, exhibiting and preserving objects associated with the history of coinage and related artefacts and the activities of the Royal Mint.

iii) Protecting and enhancing the numismatic heritage of the United Kingdom including in particular that of the Royal Mint.

b) To carry out any other activities which may in the opinion of the Trustees be advantageously carried on by the Museum.

Public benefit

The Trustees have recognised the two principles of public benefit below and consider that as a charity the Museum meets them.

a) That there must be an identifiable benefit or benefits and they must be clear, related to the aims of the Museum and must be balanced against any detriment or harm.

The objects of the Museum are, as stated above, to exhibit, interpret and provide access to the collection. The Museum's collection offers a unique insight into the history of how coins have been made during the last 1000 years and is of benefit to academic study and to those who can access the collection through temporary and permanent exhibitions.

b) That the benefit must be to the public or to a section of the public. That the beneficiaries must be appropriate to the aims and, if to a section of the public, must not be unreasonably restricted and that those in poverty must not be excluded from the opportunity to benefit.

The potential beneficiaries of the Museum are very wide and include not only those who can access the collection on temporary and permanent loan at several locations in the United Kingdom, but also through publications, the Museum's website and through lessons and lectures that are delivered by members of the Museum curatorial staff to schools and other groups over a wide geographic area.

There are other areas in which the Museum provides public benefit, the principal of which are detailed below.

- Playing an active part in the numismatic community of the United Kingdom through support given to national and local societies.
- Advancing learning through help given to researchers studying the history of the coinage and/or the Royal Mint.
- Actively engaging with the public through a dialogue generated by enquiries.

Objectives achieved, 2011-12

Education and learning

- Lectures and lessons were delivered, nationally and locally, at schools and to specific interest groups and general audiences.
- An Education Manager was recruited to develop and deliver the Museum's education strategy.
- Work has started on revising existing education resources and lesson plans.
- Closer links and on-going working relationships have been established with the museum education sector in South Wales.

Enable access to the collection

- The Mint Street project at the Tower of London, a partnership with Historic Royal Palaces, was initiated.
- A programme of partnerships with other museums was maintained and expanded, involving loans to temporary exhibitions in Britain and overseas.
- The status and content of longer-term loans was reviewed.

- A website for the Museum, containing information about the history of the British coinage, the Royal Mint, the collection, education and exhibition programmes was created and launched.

Collections management

- Work has started on securing accredited status for the Museum.
- Good progress was made on creating an up-to-date catalogue of the collection and on reconciling the backlog of accessions.
- The Museum store has been completely refurbished and thousands of items in the collection re-housed.
- An efficient system has now been developed to photograph the collection for use as part of the on-line catalogue and to enhance the existing image library.
- A charter has been agreed which will underpin the recruitment of volunteers to work on conservation and cataloguing projects.

Research and publications

- Academic support has been provided to researchers carrying out studies into the history of British coins and medals, and the Royal Mint.

Future objectives, 2012-13

Education and learning

- Reach agreement on the Museum's education strategy and begin implementation.
- Continue to deliver lectures and lessons as part of the education strategy.
- Establish a meaningful presence in the education museum sector in South Wales and with national museums.
- Complete the revision of existing education resources and lesson plans ready for circulation to schools and for publication on the Museum website.
- Develop education resources to complement key themes and national events commemorated on new United Kingdom coins.
- Develop a handling collection for use in schools and during visits to the Museum.
- Enhance educational content of the Museum website and contribute to education aspects of the Mint Street project.

Enable access to the collection

- Continue to work on the Mint Street project in line with an opening date of May 2013.
- Work with the Royal Mint on the development of the proposed Visitor Centre and plans to open up the site to public tours.
- Continue to work with other museums in South Wales and nationally through partnership arrangements and the loan of items for temporary exhibition.
- Deliver enhanced content for the Museum website, in particular collections on-line features, education, social media and more regular updates.

Collections management

- Apply for and secure accredited museum status.

- Continue work on an up-to-date catalogue of the collection.
- Initiate a comprehensive programme for photographing the collection.
- Recruit volunteers to work on conservation and cataloguing projects.
- Continue regular monitoring of the environmental conditions in which the collection is housed and implement conservation programmes as required.

Research and publications

- Initiate the Museum's publication programme with a new edition of *The Royal Mint: An Illustrated History*.
- Commission external authors to contribute to a multi-volume series on the history of the British coinage.
- Maintain contributions to numismatic literature through regular articles in magazines and newsletters.
- Continue to support the work of scholars seeking access to the Museum's collection and archive.

Royal Mint Museum Services

The Museum continued to fulfil its responsibilities under its service agreement with the Royal Mint and HM Treasury. As well as the regular round of enquiries answered and advice offered of an historical and numismatic nature, commitments were also discharged with respect to managing the work of the Royal Mint Advisory Committee, the central government committee on the design of United Kingdom coins and official medals.

The feasibility of developing the commercial potential of the Services company through a range of Museum-related products will be explored. The potential for utilising the intellectual property of the Museum for generating alternative sources of income will also be examined.

Financial review

The results for the year ended 31 March 2012 are set out on pages 12 to 26. Revenue arises from the supply of services to or donations from the Royal Mint Limited. The comparative financial information is for the period from 15 December 2009 to 31 March 2011.

The major part of the costs in the period have been payable to the Royal Mint Limited for staff seconded and services provided to the Museum.

The Museum's trading subsidiary, Royal Mint Museum Services, made a profit of £54,513 during the period. This has been gift-aided to the Museum.

Transactions were undertaken on an arm's-length basis with the Royal Mint Limited, details can be found in note 17.

Funding

The Trustees are satisfied that the Museum's assets are adequate to fulfil its obligations in relation to its projected commitments.

Reserves policy

The Museum will ensure that restricted funds that have not been spent will be protected for their future use. Details of the restricted reserves purposes are set out in note 15.

The Museum also aims to continue using any future surplus generated in the furtherance of its objectives, namely the development of educational resources, a Museum website, a publication programme and exhibiting, conserving, storing and cataloguing the collection. Currently the Museum has unrestricted undesignated reserves of £82,912.

Statement as to disclosure of information to auditors

In so far as the Trustees are aware:

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

Statement of Trustees' responsibilities

The Trustees (who are also directors of the Royal Mint Museum for purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company (and the group) and of the incoming resources and the application of resources, including income and expenditure, of the charitable group 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 in the Charities Statement of Recommended Practice;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Preparing the financial statements on a going-concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP). They are also responsible for safeguarding the assets of the charitable company (and the group) and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risk assessment

The Trustees have identified the major risks to which the Museum is exposed. Risks have been individually assessed based on likelihood and impact under the headings of assets, operations and finance. Control measures have been identified for each of the risks to mitigate them to what is judged to be an acceptable level.

Auditors

The auditors, PricewaterhouseCoopers, will be proposed for re-appointment in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Trustees on and signed on their behalf by

Sarah Tebbutt

Chairman of the Royal Mint Museum Trustees

30 May 2012

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF ROYAL MINT MUSEUM

We have audited the financial statements of Royal Mint Museum for the year ended 31 March 2012 which comprise Group and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and the 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).

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement on page 8, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 group's and 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' 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 group's and the parent charitable company's affairs as at 31 March 2012 and of the group's incoming resources and application of resources, including its income and expenditure and group's cash flows, 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.

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 require us to report to you if, in our opinion:

adequate accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or

the parent charitable company 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.

Lynn Hine (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP,
Chartered Accountants and Statutory Auditors
Cardiff

**The
Royal
Mint
Museum
Group
Consolidated
Statement
of
financial
activities
For the
year
ended 31
March
2012**

	Notes	Unrestrict ed funds £	Restricted funds £	2012 Total £	Period ended 31 March 2011		Total £
Incoming resources							
Incoming resources from generating funds:							
			Volunt ary incom e	2	221,176	- 2 2 1 , 1 7 6	8 5 7, 2 9 3
			Incom e from tradin g subsidi aries	3	300,000	- 3 0 0 , 0 0 0	3 2 8, 7 5 0
Total incoming resources				521,176	-	521,176	1,186,043

Resources expended

Cost of generating funds:

			Comm ercial tradin g	3	(245,487)	- (2 4 5	(2 9 0,
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		operati ons			,	8
Charitable activities:					4	2
Education	4	(27,581)	-	(27,581)	8	9
Collection preservati on	4	(5,187)	-	(5,187)	7)
Exhibition s	4	(1,432)	-	(1,432)		
Governance costs		5	(3,613)	-	(3,613)	(1,983)
Total resources expended			(283,300)	-	(283,300)	(292,812)
Net incoming resources for the year			237,876	-	237,876	893,231
Transfers			88,933	(88,933)	-	-
Funds brought forward			54,298	838,933	893,231	-
Total funds carried forward			381,107	750,000	1,131,107	893,231

The notes on pages 17 to 26 form part of the Accounts.

Company number: 07105875

**The Royal
Mint**

**Museum
Statement
of
financial
activities
For the
year
ended 31
March
2012**

	Notes	Unrestricted funds £	Restricted funds £	2012 Total £	Period ended 31 March 2011 Total £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	221,176	-	221,176	857,293
Income from trading subsidiaries	3	54,513	-	54,513	37,921
Total incoming resources		275,689	-	275,689	895,214
Resources expended					
Cost of generating funds					
		-	-	-	-
Charitable activities:					
Education	4	(27,581)	-	(27,581)	-
Collection preservation	4	(5,187)	-	(5,187)	-
Exhibitions	4	(1,432)	-	(1,432)	-
Governance costs	5	(3,613)	-	(3,613)	(1,983)
Total resources expended		(37,813)	-	(37,813)	(1,983)
Net incoming resources for the year					
		237,876	-	237,876	893,231
Transfers		88,933	(88,933)	-	-

Funds brought forward	54,298	838,933	893,231	-
Total funds carried forward	381,107	750,000	1,131,107	893,231

The notes on pages 17 to 26 form part of the Accounts.

**The Royal Mint Museum Group
Consolidated Balance Sheet
As at 31 March 2012**

	Notes	2012	2011
		£	£
Fixed assets			
Cabinets and equipment	9	4,279	-
Heritage assets	10	210,668	25,906
Total fixed assets		214,947	25,906

Current assets

Debtors	11	769,526	770,000
Cash at bank and in hand		165,188	114,052
Total current assets		934,714	884,052
Creditors: amounts falling due within one year	12	(18,554)	(16,727)
Net current assets		916,160	867,325
Creditors: amounts falling due after more than one year		-	-
Net assets		1,131,107	893,231
Funds			
Restricted income funds	15	750,000	838,933
Unrestricted income funds	14	381,107	54,298
Total funds		1,131,107	893,231

Approved by the Board of Trustees and signed on its behalf by:

Sarah Tebbutt
Chairman of Royal Mint Museum Trustees
30 May 2012

The notes on pages 17 to 26 form part of the Accounts.

**The Royal Mint Museum
Balance Sheet
As at 31 March 2012**

	Notes	2012	2011
		£	£
Fixed assets			
Cabinets and equipment	9	4,279	-
Heritage assets	10	210,668	25,906
Total fixed assets		214,947	25,906
Current assets			
Debtors	11	824,039	807,921
Cash at bank and in hand		96,249	61,354
Total current assets		920,288	869,275
Creditors: amounts falling due within one year	12	(4,128)	(1,950)
Net current assets		916,160	867,325
Creditors: amounts falling due after more than one year		-	-
Net assets		1,131,107	893,231
Funds			
Restricted income funds	15	750,000	838,933
Unrestricted income funds	14	381,107	54,298
Total funds		1,131,107	893,231

Approved by the Board of Trustees and signed on its behalf by:

Sarah Tebbutt

The notes on pages 17 to 26 form part of the Accounts.

**The Royal Mint Museum Group
Consolidated Cashflow Statement
For the year ended 31 March 2012**

	Notes	2012 £	2011 £
Net incoming resources for the year		237,876	893,231
Depreciation		257	-
Non-cash donations		(171,376)	(20,860)
Decrease/(Increase) in debtors		474	(770,000)
(Decrease)/Increase in creditors		1,827	16,727
Net cash inflow from operating activities		69,058	119,098
Returns on investment		-	-
Capital expenditure		(17,922)	(5,046)
Financing		-	-
Increase in cash in the year		51,136	114,052
Reconciliation of net cashflow to movement in net funds	16		
Net funds at start of year		114,052	-
Increase in cash in the year		51,136	114,052
Net funds at end of year		165,188	114,052

The notes on pages 17 to 26 form part of the Accounts.

Notes to the financial accounts

Note 1

Principal accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006. The principal policies are described below. They have been applied consistently throughout the current year.

1.2 Basis of consolidation

Subsidiaries are all entities over which the Group has the power to govern the financial and operating financial policies generally accompanying a shareholding of more than one half of the voting rights. Consolidated financial statements have been prepared in respect of the charitable trust, and its wholly owned subsidiary the Royal Mint Museum Services Limited.

1.3 Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are donations and other incoming resources set aside by Trustees out of unrestricted funds.

Restricted funds can only be used for particular purposes within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

1.4 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Turnover of the subsidiary undertakings is the total amount received by the Group in the ordinary course of business for goods supplied and for services provided, excluding VAT and trade discounts.
- Donations, legacies and voluntary income are accounted for when receivable.
- Gifts in kind to the Museum collection are accounted for immediately on receipt at the estimated value at that date.

1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs are central running costs of the charity.

1.6 **Heritage Assets**

Heritage assets are tangible assets with an historical, artistic, scientific, technological, geophysical or environmental quality that are held and maintained principally for its contribution to knowledge and culture. Heritage assets are those assets that are intended to be preserved in trust for future generations because of their cultural, environmental and historic associations.

Heritage assets acquired at vesting are shown at nil (the effective equivalent carrying value at transfer date). Heritage assets acquired since Museum formation have been capitalised to the balance sheet at initial cost. Donated heritage assets are recorded at estimated valuation at the date of donation unless this is not practicable in which case the appropriate disclosures are made of the nature and the extent of these donations.

Information on the valuation of Heritage Assets is set out in note 10.

1.7 **Depreciation policy**

Cabinets and equipment

Cabinets and equipment are capitalised and written off on a straight line basis over their useful life, as follows:

Office equipment	3 years
Coin Storage Cabinets	20 years

Heritage assets

No depreciation is provided in respect of the collection as items are of an irreplaceable nature and their value may increase over time even if their physical condition deteriorates.

1.8 **Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the payment is due within one year or less.

1.9 **Tax**

The activities of the charity are exempt from corporation taxation under section 505 of the Income and Corporation Taxes Act 1988 to the extent that they are applied to the organisation's charitable objectives. The trading subsidiary pays United Kingdom corporation tax on taxable profits which have not been Gift Aided to the charity.

Note 2
Voluntary Income

	Unrestricted funds £	Restricted funds £	2012 Total £	2011 Total £
Donations				
The Royal Mint Limited	49,800	-	49,800	836,433
	49,800	-	49,800	836,433
Gifts in kind				
The Royal Mint Limited	171,376	-	171,376	19,360
Robert Yates	-	-	-	500
A. R. Butler	-	-	-	1,000
	171,376	-	171,376	20,860
Total voluntary income	221,176	-	221,176	857,293

Gifts in kind have been valued on the basis of an estimate by the Trustees.

Note 3
Trading subsidiaries

The charity owns 100% of the equity share capital of the Royal Mint Museum Services Limited (a company incorporated in the United Kingdom). The subsidiary provides advisory services to the Royal Mint Limited.

The Royal Mint Museum Services Limited
Summary of trading results

	2011-12 £	2010-11 £
Revenue	300,000	328,750
Administrative expenses	(245,487)	(290,829)
Net profit for the year	54,513	37,921
Amount gifted to the charity	(54,513)	(37,921)
Retained profit	-	-

Balance sheet

	2012	2011
	£	£
Current assets		
Debtors	-	-
Cash in hand and at bank	68,938	52,698
	<u>68,938</u>	<u>52,698</u>
Creditors: amounts falling due within one year	(68,938)	(52,698)
Net assets	<u>-</u>	<u>-</u>
Equity		
Retained earnings	-	-
Total equity	<u>-</u>	<u>-</u>

The Royal Mint Museum is the owner of all issued share capital of The Royal Mint Museum Services Limited. Gift-Aid arrangements have been entered into between the charity and trading company whereby they are able to distribute any taxable profit to the charity each year.

Note 4 Charitable activities

	Direct costs	Support costs	2012 Total	2011 Total
	£	£	£	£
Education and Learning	24,084	3,497	27,581	-
Collection management	1,772	3,415	5,187	-
Enabling access to the collection	1,025	407	1,432	-
	<u>26,881</u>	<u>7,319</u>	<u>34,200</u>	<u>-</u>

Note 5 Governance costs

	Unrestricted funds	Restricted funds	2012 Total	2011 Total
	£	£	£	£
Audit	2,000	-	2,000	1,950
Irrecoverable VAT	606	-	606	3
Trustees' meetings	772	-	772	-
Sundry expenses	235	-	235	30
	<u>3,613</u>	<u>-</u>	<u>3,613</u>	<u>1,983</u>

Note 6
Analysis of support costs

	Education and Learning £	Collection management £	Enabling access to the collection £	Governance £	2012 Total £
Irrecoverable VAT	2,607	2,546	304	606	6,063
Subscriptions	631	616	73	147	1,467
Stationery	259	253	30	60	602
	<u>3,497</u>	<u>3,415</u>	<u>407</u>	<u>813</u>	<u>8,132</u>

Note 7
Support services

The Royal Mint Museum group itself has no employees. The Royal Mint Limited provides support services to the Royal Mint Museum Group, the costs for which are part of a quarterly service agreement (see note 17).

Note 8
Trustees' emoluments

Trustees received no remuneration during the year (2011: £nil). Trustees were reimbursed for travel expenses of £452 during the year (2011: £nil).

Note 9
Cabinets and equipment

	Coin Storage Cabinets £	Equipment £	Total £
Cost			
At 1 April 2011	-	-	-
Additions	3,071	1,465	4,536
At 31 March 2012	<u>3,071</u>	<u>1,465</u>	<u>4,536</u>
Depreciation			
At 1 April 2011	-	-	-
Charge for year	13	244	257
At 31 March 2012	<u>13</u>	<u>244</u>	<u>257</u>
Net book value			
At 31 March 2012	<u>3,058</u>	<u>1,221</u>	<u>4,279</u>
At 1 April 2011	-	-	-

Note 10
Heritage assets

	Heritage Assets £	Total £
Cost or valuation		
At 1 April 2011	25,906	25,906
Additions		
At valuation	171,376	171,376
At purchase cost	13,386	13,386
At 31 March 2012	210,668	210,668
Net book value		
At 31 March 2012	210,668	210,668
At 1 April 2011	25,906	25,906

Heritage assets are accounted for in accordance with the accounting policy set out on page 18. On vesting the Museum inherited a significant collection of different types of heritage assets including coins, medals, seals, banknotes, minting and scientific equipment, drawings, paintings, sculptures, books, photographs and films. These assets are accounted for at nil value (effectively the carrying value on transfer on vesting).

The Trustees have discussed on several occasions the feasibility and benefit to the Museum of providing a valuation of heritage assets for disclosure purposes. The conclusion of those discussions has been to obtain valuations within the last 12 months of those parts of the collection which are readily accessible and for which there is an established market. The two areas so far covered have, as a result, been the coins and medals. Work in connection with the valuation has been carried out by the auctioneers Morton & Eden, a well respected firm with a great deal of experience and knowledge in the area. A summary statement of their report dated April 2012 is provided below.

	£'000
British coins (Ancient to Elizabeth II)	8,670
European coins	400
Other overseas coins	5,630
Miscellaneous collections	300
Medals and modern coin sets	1,000
	16,000

The Trustees have also discussed the other parts of the collection for which a valuation might be obtained, taking account of the existence of a mature market, the significance of the items, the costs of the initial work and the on-going requirement to update such valuations from time to time. They have agreed a plan extending over five years which covers those parts of the collection for which there is to a great or lesser extent an existing market, combined with a judgement on the significance of the different elements of the collection. For the year 2012-13 valuations will be sought for the Library, the seal counterparts and impressions and the trial plates.

It has been decided by the Trustees that no valuation will be sought for the extensive collection of master tools and dies held by the Museum. For legal and security reasons there has never been a meaningful market for coinage tools and to seek to establish a valuation could therefore be regarded as a specious exercise. With respect to architectural plans,

films, reels, tapes, photographs and glass negatives their significance is not judged sufficiently high to warrant expenditure of obtaining valuations from external consultants.

The collection forms a remarkable record of one of the oldest continuously operating organisations in the world. Many of the items are unique, standing as an insight into the evolution and ongoing activities of the Royal Mint. The collection can be seen as forming two broad categories.

- Material relating to the working of the Royal Mint as an institution and a manufacturer. The equipment, including coinage tools dating back to the medieval period, is not represented in any other collection in Britain to the same scale and diversity.

- Material relating to coins, medals and seals produced by the Royal Mint. The collection of coins and medals reflects the practice of items coming into the collection direct from the factory and consequently contains large numbers of trial and experimental pieces that are not represented in any other museum either in Britain or elsewhere.

The Museum aims to maintain the condition of the collection by housing it within air-conditioned premises and specially designed cabinets. Items from the collection are on public display in various temporary and permanent exhibitions (as detailed within the Trustees' Report), whilst the remaining collection is held at the Museum premises on the Royal Mint site. The collection is managed by the Museum's Director in accordance with policies approved by the Trustees. With respect to acquisition, authorisation levels have been set for the Director and the Trustees, and the circumstances in which the acquisition of an item will be referred to HM Treasury are noted. Provisions dealing with proof of ownership of acquired items also form part of the policy. The authorisation levels at which items might be disposed of mirrors that specified for acquisition. The policy, moreover, details the precise criteria that would need to be met if an item were to be disposed. The Museum is currently in the process of cataloguing the collection (details are within the Trustees' Report on pages 6 to 7).

Note 11 **Debtors**

	Group 2012 £	Group 2011	Charity 2012 £	Charity 2011 £
The Royal Mint Limited	769,526	770,000	769,526	770,000
Group undertakings	-	-	54,513	37,921
	<u>769,526</u>	<u>770,000</u>	<u>824,039</u>	<u>807,921</u>

Note 12 **Creditors: amounts falling due within one year**

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Taxation and social security	9,363	14,777	-	-
Trade Creditors	-	-	-	-
Accruals	9,191	1,950	4,128	1,950
	<u>18,554</u>	<u>16,727</u>	<u>4,128</u>	<u>1,950</u>

Note 13
Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2012 Total £
Fixed assets	214,947	-	214,947
Current assets	184,714	750,000	934,714
Current Liabilities	(18,554)	-	(18,554)
	<u>381,107</u>	<u>750,000</u>	<u>1,131,107</u>

Note 14
Unrestricted funds

	At 31 March 2011 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2012 £
Group					
Revenue reserve	54,298	349,800	(283,300)	(18,360)	102,438
Designated funds:					
Heritage assets	-	171,376	-	87,293	258,669
Liquidity	-	-	-	20,000	20,000
	<u>54,298</u>	<u>521,176</u>	<u>(283,300)</u>	<u>88,933</u>	<u>381,107</u>
Charity					
Revenue reserve	54,298	104,313	(37,813)	(18,360)	102,438
Designated funds:					
Heritage assets	-	171,376	-	87,293	258,669
Liquidity	-	-	-	20,000	20,000
	<u>54,298</u>	<u>275,689</u>	<u>(37,813)</u>	<u>88,933</u>	<u>381,107</u>

Purpose of designated funds:

- The Heritage assets reserve relates to additions donated to the Museum collection from the Royal Mint Limited in accordance with the Trustees collection policy.
- The liquidity reserve is to be retained in line with the agreement with the Royal Mint Limited.

Note 15
Restricted funds

	At 31 March 2011 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2012 £
Liquidity reserve	20,000	-	-	(20,000)	-
Tower of London	750,000	-	-	-	750,000
Additions to collection	68,933	-	-	(68,933)	-
	<u>838,933</u>	<u>-</u>	<u>-</u>	<u>(88,933)</u>	<u>750,000</u>

Purposes of restricted funds:

- The Tower of London fund is a donation from the Royal Mint Limited to part fund a project between Historic Royal Palaces and the Royal Mint Museum for an exhibition and educational facility at the Tower of London.
- The Additions to collection reserve has been transferred to Heritage assets reserve within unrestricted but designated funds.

Note 16
Analysis of changes in net funds

	At 31 March 2011 £	Cashflow £	At 31 March 2012 £
Cash at bank and in hand	114,052	51,136	165,188

Note 17
Related parties

The Royal Mint Museum is a charity wholly owned by the Royal Mint Trading Fund. The Royal Mint Trading Fund also wholly owns the Royal Mint Limited. The Royal Mint Museum subsidiary, the Royal Mint Museum Services Limited, contracts with the Royal Mint Limited as a customer, under a Service Level Agreement (SLA):

- 1) The Royal Mint Limited provides employees, establishment and support services. The charges for this period are £215,000 (2011: £263,750).
- 2) The Royal Mint Museum Services Limited provides services to the Royal Mint Limited, in support of its business activities and to HM Treasury in support of its obligations to manage the United Kingdom coinage. The revenue for this period is £300,000 (2011: £328,750).
- 3) The Royal Mint Museum Limited receives a quarterly donation from the Royal Mint Limited calculated in accordance with the agreement at vesting. The donation received for this period is £49,800 (2011: £nil).
- 4) The Royal Mint Limited has donated coins to the Museum collection which are included within heritage assets at a cost of £171,376 (2011: £19,360).

Note 18
Company limited by guarantee

The Royal Mint Museum is a company limited by guarantee and accordingly does not have a share capital. The company guarantor is the Royal Mint Trading Fund.