



Annual Report and Financial Statements

To 31st March 2021

Contents

	Page
1. Legal and administrative details	3
2. Trustees' Report	4
3. Report of the independent examiner	8
4. Statement of financial activities	9
5. Balance sheet	10
6. Notes to the financial statements	11

1. Legal and Administrative Details

Charity Number	1187839
Trustees (at 31 March 2021)	Sir Anthony Francis Seldon (Chair) Dr Tracy Joanne Borman David Anthony Bisset Lough Rev. Prof. Diarmaid Ninian John MacCulloch Benedict Richard Pierce Macintyre Prof. Olivette Otele Dominic Christopher Sandbrook Anne Marietta Sebba
Principal Address	The National Archives Ruskin Avenue Richmond TW9 4DU
Independent Examiner	Gap Consultants Limited 14 Cassel Avenue Poole Dorset BH13 6JD
Bankers	CAF Bank 25 Kings Hill Ave Kings Hill West Malling ME19 4TA
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

2. Trustees' Report for the Year Ending 31 March 2021

The Trustees present their first annual report together with the financial statements of The National Archives Trust (the charity) for the period ended 31 March 2021. The trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document, the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" and UK Accounting Standards.

2.1 Origins and history of the charity

The National Archives Trust was established in February 2020, to support and promote education in and public engagement with the nation's documentary heritage. It works closely with The National Archives (TNA), a non-ministerial Government Department that fulfils many statutory and non-statutory public tasks. The Trust seeks to support TNA and other archives by enhancing their capacity to use the collections they hold for greater public good, further to any core functions.

The National Archives holds over 11 million documents spanning over 1000 years of history. It is a collection of national and international significance - the home of the nation's stories - and contains notable items from Domesday to the first Downing Street tweets. The wider archives sector in the UK is made up of around 2500 archives, ranging from local authority archives with statutory responsibilities ('places of deposit') to the archives of businesses, families, notable individuals, charities and others. Archives are currently only used by only a small minority of the population, mainly those engaged in active research (such as academic study or family history), and the Trust seeks to open up new ways for the general public to encounter and connect with the stories of their families, communities and nations.

2.2 Structure, governance and management

The National Archives Trust is a charitable incorporated organisation (no. 1187839) and was registered on 10 February 2020. As a foundation model CIO, the Trust's trustees are its only members.

Overall strategic direction and decisions rest with the Board of Trustees. All current trustees are the first trustees who jointly formed the charity and no additional appointments have been made since that date. The trustees during the period were as follows:

Sir Anthony Francis Seldon (Chair)	(appointed 10 February 2020)
Tracy Joanne Borman	(appointed 10 February 2020)
David Anthony Bisset Lough	(appointed 10 February 2020)
Rev. Prof. Diarmaid Ninian John MacCulloch	(appointed 10 February 2020)
Benedict Richard Pierce Macintyre	(appointed 10 February 2020)
Prof. Olivette Otele	(appointed 10 February 2020)
Dominic Christopher Sandbrook	(appointed 10 February 2020)
Anne Marietta Sebba	(appointed 10 February 2020)

In future, new trustees will be appointed by the Board as a whole, in line with the Trust's constitution, and a procedure for recruiting and inducting new trustees will be put in place to support new appointments. Recruitment of new trustees will be based on experience, skills and knowledge needed in order to further the Trust and its objectives. Trustees may serve up to three consecutive terms of up to three years, after which they may only be reappointed after an interval of at least one year.

All trustees are required to comply with the legal and regulatory requirements and seek to follow the good practice set out in "The Essential Trustee" issued by the Charity Commission and "The Good Trustee Guide" published by the NCVO. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in the accounts.

2. Trustees' Report for the Year Ending 31 March 2021 (Continued)

The board met on four occasions in 2020-21. These meetings were used to agree the broad strategy and future areas of activity for the Trust including the charity's mission, set-up, emerging priorities, fundraising strategy and its risk management and financial performance.

Trustees are required to disclose all relevant interests and register them with the board. In the event of a conflict of interest, the Trust's constitution requires that trustees should withdraw from the decision-making process.

The day-to-day administration of the grants and the Trust's activities is delegated to the Head of the Trust, who is seconded from The National Archives under the terms of a secondment agreement. She is supported by a freelance part-time Finance Manager. At present there are no staff directly employed by the Trust.

2.3 Relationship with The National Archives

As a key partner, the Trust works closely with The National Archives to agree joint objectives and delivery plans, and this relationship is governed by a Memorandum of Understanding.

The Trust is fully independent of TNA at a governance level. There is no representative from TNA on the Board, no right to appoint Board members and no right of attendance for TNA staff at Trust meetings. The CEO and Directors of TNA attend appropriate items of Board meetings by invitation. The working relationship between the two bodies is fostered through regular meetings between the Chair of the Board and TNA's Board and Executive Team, and between the Head of the Trust and appropriate staff at The National Archives.

The Trust has received seed funding from the The National Archives ("TNA") in order to set up the Trust by way of a three-year grant. The Trust also receives in-kind support through the secondment of one member of full-time staff. Financial independence is to be achieved as soon as is reasonably practical.

2.4 Objects and Activities

The Objects of the Trust are:

To advance the education of the public

- (a) in and through the public records held under the supervision of the keeper of public records and manuscripts, records and archives overseen by the Historical Manuscripts Commissioner:
- (b) in and through projects which advance public understanding of the archive sector and use of archival heritage.

In practice, this means that the Trust exists to further the education of the public in the nation's documentary heritage, both through the collections held at TNA, and at archives elsewhere. Education for these purposes includes both formal education (e.g. through work with schools) and also informal forms of life-long learning through means such as exhibitions, talks, family activities and engagement with archive-inspired arts and performance.

In this first financial year of the charity's existence, the focus has been on setting up the charity, formalising its working relationship with TNA, and planning for launch of fundraising and charitable activities once restrictions imposed due to the Covid-19 pandemic allow them to go ahead.

The main activities by which the Trust's objectives will be met in future include grant-making and advocacy to support educational activities relating to archival heritage, both at The National Archives' home in Kew and around the country. The trustees have had regard to the Charity Commission guidance on public benefit in establishing the charity, and this will be considered further when setting strategic objectives and delivering activities.

2. Trustees' Report for the Year Ending 31 March 2021 (Continued)

2.5 Achievements and performance

a) Achievements during the period

Despite significant setbacks caused by the Covid-19 pandemic, the Trust has achieved the following during this period:

- Set-up phase: ensuring appropriate banking, accountancy, IT, and other necessary arrangements for the functional operation of the charity were in place.
- Agreements with TNA: A Memorandum of Understanding between the Trust and The National Archives, and a Grant agreement were agreed during this period.
- Future planning: strategic discussions about the Trust's key priorities, including supporting expansion of TNA activities both at Kew and around the nation – held at Board and then discussed with TNA's leadership.
- Future planning: in the last quarter of the financial year, the Trust appointed Achates Philanthropy to undertake a Fundraising Feasibility Study, based on these key priorities. The vast majority of this work will take place in FY 2021-22.
- Future delivery: in February 2022, a pledge of £500,000 was received from the Clore Duffield Foundation to support the development of a Clore Learning Centre at The National Archives building in Kew. In response to the pandemic, this work was put on hold while revision of the plans to incorporate a greater focus on digital and virtual teaching, and so this income will not be received until a future financial year.
- Future delivery: £50,000 was awarded to the Trust by the Clore Duffield Foundation from the Clore Cultural Learning Fund 2020 to help support delivery during the pandemic at TNA. As this is to be paid in instalments across two financial years (£40,000 in 2020-21, £10,000 in 2021-2), money received by 31st March has been held as restricted income in reserves by the Trustees until 2021-22 when a grant will be made to TNA to offset the costs of activities delivered by TNA during the pandemic that fall within the terms of the Clore Duffield Foundation agreement and the Trust's purposes.

b) Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note on page 12 of the financial statements.

2.6 Financial review

a) Summary

During the period, the Trust was awarded a three-year grant from TNA in the sum of £300,000. In the first year £105,000 was drawn down from this grant award and recognised as income. The Trust received a further £40,000 from the Clore Duffield Foundation. In addition, the Trust received in kind support from TNA which totalled £76,906. Total Income for the period was therefore £221,906.

The costs of the Trust for the period amounted to £101,677. The expenditure incurred related to the necessary start-up costs of the Trust, which covered the Head of Trust's salary, Fundraising Consultancy, Advertising and Marketing, and Legal and Accountancy costs. Other costs incurred during the period were IT, website, insurances, bank charges and the independent examiner's fee.

Therefore, the Trust made a surplus in the period of £120,229 of which £40,000 related to restricted funds and £80,229 for general purposes. These fund balances will be carried forward to be used in the financial year 2021-2022. Under the terms of the grant agreement with TNA, this money can be carried forward for this Financial Year but in the event of further surplus in future years, agreement to do so will need to be sought in advance.

2. Trustees' Report for the Year Ending 31 March 2021 (Continued)

b) Reserves

The charity did not have a reserves policy in the period. The trustees will formulate its reserve policy in the ensuing year, once it starts receiving fundraised income which can be used to constitute reserves.

At 31 March 2021, the Trust's reserves was £120,229 and which £40,000 related to restricted funds and £80,229 was related to unrestricted funds.

c) Principal Funding

The National Archives (TNA) is providing a core grant over a 3-year period and also in-kind support by providing free accommodation to its staff and also the CEO of the Trust is seconded at no cost from TNA.

In the period the Trust was also awarded a £50,000 grant from the Clore Duffield Foundation. In the period £40,000 was received and is shown a restricted income, and remains unspent at the year end because this project is not starting until the financial year 2021-2022.

2.6 Covid-19

The worldwide outbreak of the coronavirus pandemic (COVID-19) has caused extensive disruptions to organisations globally with major implications for the Trust's operations and in particular its 'set up phase'. In particular, due to the significant impact of the pandemic on The National Archives' own operations, the development of joint plans for the future that would form the basis of a fundraising campaign has faced significant delays.

The trustees acknowledge and recognise the impact of COVID-19 on the Trust's set-up plans and also to other key stakeholders of the Trust, and have thus ensured that finances, resources and processes are in place to mitigate any disruptions to the Trust as a result of the impact of COVID-19. Therefore, no adjustments to the accounts are necessary as a result of the impact of COVID-19

2.7 Risk management

The Trustees have assessed the major risks to which the charity is exposed to, in particular, those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate its exposure to the major risks.

The principal risks and uncertainties in future that have been identified by the trustees are:

- The Trust and partner organisations, including TNA, do not share mutual priorities for future development, meaning potential projects are unsatisfactory to one or both parties.
- Development of appropriate projects at partner organisations is slow, meaning the Trust has no focus for fundraising.
- A fundraising campaign does not attract sufficient support to meet the aims and ambitions of the Trust.

2.8 Plans for the future

The Trust's strategic objectives for 2021-2022 include the following:

- Fundraising Feasibility Study: work with Achates Philanthropy to assess the strengths of current priorities and potential plans for a fundraising campaign.
- Analysis of report and discussions with TNA to strengthen the proposition and work towards launching a campaign.
- Assessing the make-up of the Board to identify skills gaps and seek to fill the remaining places on the Board as appropriate.

2. Trustees' Report for the Year Ending 31 March 2021 (Continued)

- Development of the plans for the Clore Learning Centre as a hybrid digital and in-person teaching space.

2.9 Trustees' responsibilities statement

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the financial statements according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP).

Charity law requires the Trustees to prepare financial statements for each financial year. Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the income and the 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 Charities Act 2011. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

2.10 Disclosure of information to the independent examiner

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that;

- so far as that trustee are aware, there is no relevant information of which the Trust's independent examiner is unaware, and
- that trustees have taken all the steps that ought to have been taken as trustees in order to be aware of any information needed by the Trust's independent examiner in connection with preparing their report and to establish that the Trust's independent examiner is aware of that information.

This report was approved by the Trustees on 28 January 2022 and signed on their behalf.

A. Seldon

Sir Anthony Francis Seldon
Trustee (Chair)

3. Report of the Independent Examiner to the Trustees of The National Archives Trust

I report on the accounts of the company for the period ended 31 March 2021, which are set out on pages 11-15.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Certified Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under charity law and is eligible for independent examination, it is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act.
- To follow procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosure in the financial statements, seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair' view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Report) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4) the accounts have not been prepared in accordance with the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102)

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

David Roberts FCCA

Gap Consultants Limited

14 Cassel Avenue

Poole, Dorset

BH13 6JD

Date: 31 January 2022

The National Archives Trust

Annual Report and Financial Statements to 31 March 2021

4. Statement Of Financial Activities (Incorporating An Income And Expenditure Account) For the period ended 31 March 2021

	Notes	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
<u>Income</u>				
Donations	2	181,906	40,000	221,906
Total income		181,906	40,000	221,906
<u>Expenditure</u>				
Charitable activities – start-up costs	3	101,677	-	101,677
Total expenditure		101,677	-	101,677
Net income		80,229	40,000	120,229
Reconciliation of funds				
Total funds brought forward		-	-	-
Total funds carried forward		80,229	40,000	120,229

All gains and losses arising in the year have been included in the Statement of Financial Activities and arise from continuing operations.

The notes on pages 12 to 15 form part of these financial statements.

5. Balance Sheet at 31st March 2021

	Notes	2021 £	2021 £
Current assets			
Cash at bank		<u>134,863</u>	
		134,863	
Creditors: amounts falling due within one year	7	<u>(14,634)</u>	
Net assets			<u>120,229</u>
Funds			
Restricted funds	8		40,000
Unrestricted funds			80,229
			<u>120,229</u>

The financial statements were approved by the Trustees on 28 January 2022 and signed below on their behalf, by:

Sir Anthony Francis Seldon
Trustee (Chair)

The notes on pages 12 to 15 form part of these financial statements.

6. Notes To The Financial Statements (for the period ended 31st March 2021) (Continued)

1 Accounting policies

1.1 General Information

The National Archives Trust is a charitable incorporated organisation in England and Wales. The registered office is The National Archives, Ruskin Avenue, Richmond, TW9 4DU. The Trust's registration number is 1187839.

1.2 Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015) (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The National Archives Trust meets the definition of a public benefit entity under FRS 102.

The Trustees have chosen to early adopt the Update Bulletin 1 issued by the Charities Commission on 2nd February 2016 which exempts the charity from the need to prepare a Statement of Cash Flows.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.4 Income

All income is included in the Statement of financial activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. Grant income is included in full based on the time period in which the grant relates to.

Gift in kind income has been included in both income (and expenditure) based on the known cost of the supply.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. All expenditure includes attributable VAT which cannot be recovered.

1.6 Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts. The Trustees are fully cognisant of the risks that the charity is carrying such as the uncertainty of future funding and obtaining a minimum unrestricted reserve sufficiency. In making this decision the trustees have recognised the additional risks of the charity arising from the impact COVID-19 has had on all businesses.

The trustees have concluded that there are no other material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This conclusion is based on the secured income which is guaranteed until the 31 March 2023.

6. Notes To The Financial Statements (for the period ended 31st March 2021) (Continued)

1.7 Critical accounting estimates and judgements

To be able to prepare financial statements in accordance with FRS 102, the charity must make certain estimates and judgements that have an impact on the policies and the amount reported in the annual accounts. The estimates and judgements are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made. There are no items in the accounts which require any element of estimation or judgement.

6. Notes To The Financial Statements (for the period ended 31st March 2021) (Continued)

2 Donations

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Clore Duffield Foundation	-	40,000	40,000
Donation from The National Archives	105,000	-	105,000
Gift in Kind	76,906	-	76,906
Total	181,906	40,000	221,906

3 Expenditure by charitable activity

	Total Unrestricted 2021 £
<i>Start-up costs</i>	
Fundraising consultancy	3,540
Advertising and marketing	11,080
Salaries – Gift in Kind	76,906
Insurance	908
IT costs	153
Website costs	550
Legal fees	5,211
Accountancy	2,640
Bank charges	29
Independent Examination fees	660
Total	101,677

4 Net income

This is stated after charging	2021 £
Independent examiner's fees	<u>550</u>

5 Employees

During the period the charity had 1 employee, who was seconded by The National Archives

6 Trustees

The trustees received no remuneration, benefits in kind or claimed expenses in the period.

6. Notes To The Financial Statements (for the period ended 31st March 2021) (Continued)

7 Creditors: amounts falling due within one year

	Total Unrestricted 2021 £
Trade creditors	5,709
Accruals	8,925
	<hr/> 14,634 <hr/>

8 Restricted funds

	At 10 February 2020 £	Income 2021 £	Expenditure 2021 £	At 31 March Unrestricted 2021 £
Clore Cultural Learning Fund	-	40,000	-	40,000

The Clore Duffield Foundation has awarded the Trust with a grant totalling £50,000 of which £40,000 was received this year. The purpose of the grant is to support the Trust's learning and community work during the pandemic, and will be used to support the work of The National Archives' Education Service in accordance with the terms of the grant.

9 Key Management Personnel

Key management personnel of the Trust comprise of the trustees and the Head of the National Archives Trust. During the period £76,906 was paid in respect of the Head of The National Archives Trust, all of which was provided as a gift in kind from The National Archives (see note 2).