

# National Maritime Museum Annual Report and Accounts 2020-2021



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**TRUSTEES' AND ACCOUNTING OFFICER'S ANNUAL REPORT  
AND  
CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

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## **i MUSEUM BACKGROUND**

The National Maritime Museum was founded by Act of Parliament in 1934. It comprises the Royal Observatory, the Queen's House, the clipper ship *Cutty Sark*, the Prince Philip Maritime Collections Centre, the Brass Foundry and the Caird Library. The collective brand name for the sites is Royal Museums Greenwich. The sites are normally open all year round (but for three public holidays), but in 2020-21 we were forced to close our doors for significant periods in response to the global pandemic. As a consequence, we welcomed just a fraction of our usual number of visitors.

By the 1934 Act the Board of Trustees of the National Maritime Museum is a statutory corporation and an exempt charity. For management purposes the Museum is classed as an Executive Non-Departmental Public Body and operates under the Board of Trustees, the Director, and an Executive. Entry to the national maritime collection is free. Admission charges are made for special exhibitions, the Peter Harrison Planetarium, the Greenwich Meridian Line, and *Cutty Sark*.

The Museum's total revenue in 2020-21 constituted funding from the taxpayer via Grant-in-Aid plus an additional Covid support package through the Department for Digital, Culture, Media and Sport. Funding from our self-engendered trading activity, donations and sponsorship was significantly curtailed due to closure of our sites.

### **History and Collection**

The National Maritime Museum was opened to the public by King George VI on 27 April 1937. Previously (1807-1933) its main buildings at Greenwich, including the Queen's House, accommodated the Royal Hospital School. The Royal Observatory, Greenwich, was added to the Museum's estate and curatorial remit in 1953.

The Museum is unique in the architectural significance and setting of its buildings. The 17th-century Queen's House, designed by Inigo Jones and probably the most important early classical building in England, is the keystone of the historic 'park and place' landscape of Maritime Greenwich, so-designated as a UNESCO World Heritage Site (WHS) in 1997. Flamsteed House (built 1675-76), the original part of the Royal Observatory, was designed by Sir Christopher Wren and was the first purpose-built scientific research facility in Britain.

All the Museum buildings have been subsequently upgraded at various times. Modern redevelopment of the main galleries centres on what is now the Neptune Court. One of the first museum capital projects funded by the Heritage Lottery Fund, this was completed in 1999 and reopened by Her Majesty The Queen. The major *Time and Space* capital project at the Royal Observatory was opened by Her Majesty The Queen in May 2007, and established the Peter Harrison Planetarium, London's only planetarium.

In July 2011 the Sammy Ofer Wing was opened by our former Patron, His Royal Highness The Duke of Edinburgh. This major architectural addition provided a new main entrance from the Royal Park, state-of-the-art facilities for our research archive, the Caird Library and the custom-built Special Exhibitions Gallery.

In 2012 Her Majesty The Queen reopened the fully conserved *Cutty Sark* to the public. In July 2015 the ship was generously donated as a gift by the Trustees of the *Cutty Sark* Trust to the national maritime collection held by the Museum.

The Prince Philip Maritime Collections Centre (PPMCC), completed in 2017, consolidated and upgraded the collections storage and conservation functions on the Museum's Kidbrooke site near the main campus in Greenwich. It marked a great step forward in the Museum's ability to store, preserve, conserve and make the national collection accessible to the public.

The Museum's collection comprises more than 1.5 million items. There are some 40 thousand three dimensional objects – which include ship models, scientific and navigational instruments, and instruments for time-keeping and astronomy. There are around 70 thousand oil paintings and prints and drawings and 1.4 million manuscripts, rare books, ships plans, sea charts and historic photographic negatives. Its British portraits collection is exceeded in size only by that of the National Portrait Gallery and its holdings relating to Nelson and Cook, among many other individuals, are unrivalled. The Museum has the world's largest maritime archive and maritime historical reference library including books dating back to the 15th century. An active loans programme ensures that items from the collection are seen in the UK and overseas. Through its displays, exhibitions and learning programmes the Museum also explores our current relationship with the sea, and its future as an environmental force and resource.

By virtue of its sites and subjects, Royal Museums Greenwich enjoys a unique conjunction of subjects (History, Science, Arts) and works with its audiences at home and overseas to provide a greater understanding of Britain's role in world history and its consequences in the world today.

## **ii MISSION, OBJECTIVE AND AIMS**

### **Charting Our Course**

The visualisation of our content strategy is shown overleaf and can be seen in more detail on the [RMG website](#). It will direct the ways in which we connect our collections with our communities and our programmes, providing a filter to determine what we choose to do and helping us to work more efficiently together.

The content strategy visualisation is divided into four sections: what we do/social function; and who we are/RMG sites; why we're here/social purpose; guiding concepts; our relevance/how we'll know if we're successful.



## 1. CHAIRMAN'S FOREWORD

In March 2020 the Museum, in common with every heritage organisation in the United Kingdom, closed its doors as the country went into national lockdown in response to the Covid-19 pandemic. This was the first time since World War II that the Museum has closed for any period of time. The Museum's staff had to adjust rapidly to working from home and over the past year have had to demonstrate flexibility and creativity in their response to this unprecedented crisis.

Despite some brief periods over the summer and early autumn when we managed to open to the public again, the Museum remained largely closed for over a year. Inevitably this period of extended closure has had a significant impact on our visitor numbers and hence on the Museum's income which has been a matter of concern for the Executive team and for the Board of Trustees. The situation will remain challenging for the foreseeable future. However, from challenging times, new opportunities often arise, and the Director and his team, and a number of our Trustees, have worked hard to provide exciting new online programmes allowing us to reach an even broader audience at home and overseas.

I would like to thank the Trustees, all of whom give their time voluntarily, for the great support and enthusiasm they provide to the Museum, particularly during this challenging year. We have continued to meet, albeit virtually, throughout the pandemic. This year Dr Aminul Hoque and Carol Marlow completed their first and second terms respectively as Trustees. In January 2021, our former Chair, Sir Charles Dunstone, stepped down after almost eight years in the position. On behalf of the Board of Trustees, the Executive and all the staff, I would like to thank them all for their unstinting service to the Museum.

At the beginning of April 2021, in common with so many organisations across the country, we mourned the passing of the Duke of Edinburgh. Amongst a significant portfolio of maritime interests that the Duke maintained after he ceased active service in the Royal Navy, was his association with both the National Maritime Museum and the Cutty Sark. For over 70 years he was a most influential, engaged and dynamic Trustee and ultimately our Patron. In 2017, our close connection with the Duke of Edinburgh was recognised when he presided over the opening of the newly built, state of the art, Prince Phillip Maritime Collections Centre. Many in Greenwich see the Cutty Sark as the outstanding monument to his commitment and passion and we intend to celebrate this in due course.

Finally, my fellow Trustees and I are extremely grateful for the hard work of the staff and volunteers who continue to make Royal Museums Greenwich an inspirational place to work and to visit both in person and virtually. We have recently been able to re-open our doors to the public and are looking forward to sharing our historic buildings and unparalleled collections once more.

Admiral Sir Mark Stanhope GCB OBE DL Chairman of the Board of Trustees  
08 July 2021

## 2. DIRECTOR'S STATEMENT

It almost goes without saying that 2020-21 has been one of the most challenging years in the history of the Museum. As with the majority of other heritage organisations, the Museum has been closed for two thirds of the year. This came after we had welcomed a record number of visits for all our sites in 2019.

The dramatic circumstances of the past year have proved difficult in many respects but have also afforded us opportunities to look at our priorities and ensure we are ready to face the challenges ahead. I am extremely proud of the way the staff adapted to the sudden changes at the start of the pandemic, embracing home-working and thinking creatively about reaching our audiences in a virtual world. Many of our staff were furloughed for large parts of the year but our Human Resources team did a great job of keeping the channels of communication going throughout the year. Our front of house teams have risen to the challenges of keeping up with the constantly shifting situation to ensure we could offer a safe and welcoming environment for our visitors when we could open. We have taken advantage of the periods of closure to complete some significant capital and remedial works to our estate.

Highlights from the past year have included:

Online programming throughout the year facilitated by our Learning and Astronomy teams with contributions from our curators and trustees to audiences of school children, home-schooling parents and adult learners from across the world;

**World Oceans Day** on 8 June was celebrated online with a wide range of activities including home-schooling resources, a panel discussion hosted by Trustee Dr. Helen Czerski and a live evening quiz;

**International Day for the Remembrance of the Slave Trade and its Abolition** included a performance by the London Lucumi Choir; a spoken word piece by Mark Thompson; recordings of our Young Historian volunteers and an Emancipation Ceremony on the Thames;

**The Ghost Meridian/Togetherness project** with artists from the BLKBRD Collective explored themes of migration, colonialism, slavery, under-representation and injustice culminating in several impactful banners displayed across our sites over the summer;

Our annual **Insight Investments Astronomy Photographer of the Year** opened onsite in October together with a strong online presence;

A new photography exhibition, **Exposure: Lives at Sea** opened in November 2020, exploring the work of 6 photographers employed in the maritime sector and was warmly received by visitors and received wide media coverage;

We worked with the **Scott Polar Research Institute Polar Museum** to save Dr Eric Marshall's sledge and sledge flag for the nation thanks to a generous grant from NHMF. Both items were used on Shackleton's 1907-9 expedition to reach the South Pole;

The Queen's House ice rink proved a popular diversion for visitors in December between lockdowns and received extensive media coverage.

Our attention has turned once more in recent weeks to the prospect of re-opening our sites, hopefully indefinitely this time, on 17 May. Our new exhibition, **Tudors to Windsors: British Royal Portraits**, in collaboration with the **National Portrait Gallery**, allows visitors to come face to face with the kings and queens who have shaped British history for hundreds of years. We have also been able to extend our Queen's House exhibitions **Three Faces of A Queen** and **Woburn Treasures**. We are planning several outside activities for families so that people can gain confidence and start enjoying the road back to normal life in safety after such a difficult year. Whilst we realise it will take

some time to rebuild our visitor numbers, particularly from the foreign markets, we are confident we have a strong offer with a staff who are looking forward to sharing their knowledge and enthusiasm for our wonderful buildings, collection and stories. We are delighted to be open once more; all we need now, are our visitors!

Paddy Rodgers, Director

08 July 2021

### **3. REVIEW OF ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE**

The following section is a review of the activities and achievements of 2020-21 and contains only a selection of the Museum's work over the year.

#### **Collections**

Areas of particular focus: The storage review aiming to reduce our footprint in third party commercial storage; The conservation of the 'Royal Visit to the Fleet' by Van de Velde continued in partnership with Courtauld Institute; Phase 1 begun of a project to undertake extensive conservation on our Solebay Tapestry for potential display as part of the Van de Velde 350 celebrations in 2023; First part of the firearms rehousing project complete; restoration of the Colonnade lanterns was also completed during lockdown; High level conservation clean was carried out across all sites, preparing for opening(s).

#### **Programmes**

Created programmes relating to contemporary issues and needs of our audiences, particularly those furloughed or home schooling, ensuring our blended offer of both onsite and online programming can flex to suit the staged lifting of restrictions.

We delivered the following programmes, activities and resources:

- Chinese New Year 2021 for families including online craft resources, pre-recorded stories and collection highlights; LGBTQ+ community including an OUTing the past webinar, family craft workshops and pre-recorded videos (total reach on social media 120,680); Family activity online hub: there are now over 70 craft and story resources available on the website;
- Live online workshops included: Toddler Time and Play Tuesdays; Aboriginal Art workshop; Saturday Art Club for ages 13-16, a Young Volunteers project for 15-18s; a weekly SENsory Social Club for SEND 14+; and Sound and Vision adult workshops;
- Our virtual Planetarium and astronomy related sessions included: Space Queries and Theories; Solar System discovery; Charting our Solar System and Out of this World: Mars workshops; Stellar Encounters; Holiday to Space, and Astronomy and Islam; Our online courses included: Introduction to Astronomy; Astrophotography; Astrophysics; and GCSE Astronomy for Adults;
- We developed our online offer for schools with a series of live and pre-recorded workshops and resources for early years through to further education;
- Armada national outreach project (funded by NHLF) engaged secondary school students with Elizabeth I and her Tilbury speech with a focus on oracy skills;
- The 2020 Presenter Network Conference focused on remote presenting and was very well attended;
- International Day for the Remembrance of the Slave Trade and its Abolition ran largely online apart from an Emancipation Ceremony on the Thames;
- The theme for Heritage Open Day 2020 was Hidden Nature, from plants and wildlife to ship's pets. A panel discussion examined how the trading of natural resources such as cotton and sugar fuelled imperialism, slavery and colonialism.

## **Exhibitions and Design**

- Photography Gallery: Insight Investments Photographer of the Year (IIAPY) opened onsite along with a strong online presence;
- New Insights Gallery - *Exposure: Lives at Sea* exhibition exploring the work of 6 photographers employed in the maritime sector, opened in November 2020;
- QH displays: *Faces of a Queen*, *Woburn Treasures* and major loans has been extended to September 2021 to allow the widest possible audience to enjoy it;
- SEG: *Tudor to Windsors: British Royal Portraits*, postponed from 2020, the exhibition opens on 28 May 2021 to 31 October 2021;
- The participation point opened in the Atlantic Worlds Gallery, supporting our Content Strategy, sharing our expertise and listening to experiences of others;
- Prompted by the health crisis and the #BlackLivesMatter movement The Ghost Meridian/Togetherness project, with artists from the BLKBRD Collective, explored migration, colonialism, slavery, under-representation and injustice;
- We completed a key planning stage of the ROG redevelopment. A 'New Vision' document outlines our ambitions for the site and maps out a way forward.

### **Audience development projects**

We worked on a series of audience development projects which will inform future thinking, research, content development and outputs: Collaborating for Change: inviting creative practitioners to interrogate our collection, sites and themes, aiming to highlight untold narratives from the perspective of people from African heritage; Navigating my sea, with women who experience domestic violence; PPMCC: Window onto the Collection, with local SEND schools in creative workshops; and Community Garden working with local members of the community around PPMCC.

## **Research, Information and Curatorial**

During closure staff in the Caird Library and Archive scanned documents for a range of researchers from all over the world. The value of RMG's digitised archive collections, almost 1.5 million items, has never been more apparent. These are mostly available via the Ancestry website, and via <https://1915crewlists.rmg.co.uk/>.

Our Collaborative Doctoral Partnership PhD student, started in October, co-supervised by Birkbeck, RMG and Historic Royal Palaces. The research, 'Floating palaces: royal yachts, maritime tours and constructions of monarchy, empire, and decolonization, 1875-1997', falls under the Revisiting and Enhancing Collections and Heritage (REACH) partnership. There were two editions this year of the Journal for Maritime Research (JMR), edited by our Senior Curator: World and Maritime History. The maritime career of the naturalist Joseph Banks and the complex interactions of humans and animals at sea were featured. We hosted our first online conference in partnership with Scientific Instruments Commission and Science Museum with 200 delegates from all over the world.

Library & Archive staff attended online training delivered by the Black Curriculum allowing staff an insight into creating a racially literate organisation and delivering Black History to young people. The Maritime Technologies team reviewed our collections from different perspectives and narratives especially in relation to African and Caribbean history.

Thanks to a generous grant from NHMF, RMG and Scott Polar Research Institute Polar Museum were successful in saving for the nation Dr Eric Marshall's sledge and flag, from Shackleton's 1907-9 expedition to reach the South Pole.

The 'Ship Alive!' project, enhancing interpretation of the *Cutty Sark*, continued. The Museum signed the Neptune Declaration on Seafarer Wellbeing giving us a more prominent voice within the contemporary maritime world.

We collaborated with the Society for Nautical Research on their podcast series and hosted an 'In Conversation with...' webinar, with Nikki Henderson, the youngest skipper in the Clipper Round The World Race, on diversity, climate impact and her experiences as a sailor.

The Maritime History and Culture Seminars continued at the Institute of Historical Research via an online platform and curators presented papers at various online conferences. Curators took part in the weekly Ships Sea and the Stars online series and contributed to online content for the VE Day anniversary and World Oceans Day for which our Lloyd's Register Public Curator: Contemporary Maritime was involved in producing activities including home-schooling resources and a panel discussion hosted by RMG Trustee Dr. Helen Czerski. We are committed to World Oceans Day forming the foundation for year round programming with a focus on connecting scientists and experts with the Museum's audiences.

### **Estates & Facilities Management**

After a brief hiatus at the start of lockdown, projects recommenced from late March 2020, including fire systems surveys, emergency lighting, chiller replacements and lift upgrades. As the Museum closed again for the third lockdown, the plant was turned off to generate energy and cost saving whilst maintaining climate control. The Shipkeeping team worked on the *Cutty Sark* throughout lockdowns, taking advantage of the public closure for deck and rigging repairs.

A range of capital projects were completed during lockdown including: Refurbishment of the colonnades; refurbishment of public toilet facilities; installation of Adult Changing facilities; replacement of main intake switch gear; works to fire shutter in Neptune Court; repairs to South Building roof and improvements to air conditioning; replacement of water main from Blackheath Gate in the Royal Park; demolition of raised lawn in Astronomer's Garden, extension of Meridian Line and new railing to strengthen external perimeter; damp issue in Meridian building addressed; jet washing of the Sammy Ofer Wing façade and terrace; installation of additional deck alarms and CCTV cameras on *Cutty Sark*; leak in the Special Exhibitions Gallery and transit room resolved.

In preparation for re-opening deep cleans were carried out across the estate; hygiene Services and Window Cleaning contractors performed well and savings were delivered in both contracts.

We also collaborated with the University of Greenwich on a digital survey of the Queen's House and grounds and of the Royal Observatory courtyard. Contact with the Cultural Facilities Management Hub, Police, Counter-Terrorism Advisers, Town Centre authorities, Museums Security Network was maintained effectively online. A review of security of the Ship Model Store and exhibition space at No.1 Smithery, Chatham Historic Dockyard was completed.

We received a London in Bloom Gold and Green Flag Award in 2020.

## **Visitors & Sales**

Three national lockdowns over the last year meant the closure of the Museum for a substantial proportion of time, and with virtually no foreign travel allowed, our visitor numbers dropped drastically.

We re-opened the *Cutty Sark* first at the end of the first lockdown with a well-attended Community Day for the local audience, many of whom had never set foot on board before. This served as a test of the Ship's one-way route and health & safety measures and was followed by a Members' weekend for over 500 Members each day, providing positive retail sales and opportunities to improve the visitor experience. Talks and Tours were adapted to work within social distancing guidelines. Actor performances were reduced to weekdays and school holidays. Royal Observatory north re-opened to visitors in August with a new visitor route reversing the usual visitor flow to reduce cross-over points and allow for social distancing. We ran a 'Kids Go Free' promotion during the summer school holidays at the *Cutty Sark* and Royal Observatory. Live performances and presenter led shows could not take place, so the Astronomy Centre and Peter Harrison Planetarium remained closed. This provided the opportunity to refurbish/replace the upholstery on the planetarium seating. The Planetarium was re-opened first to members and then to general visitors in October with pre-recorded shows and limited capacity of 36 (from 132). The Mayor of London, Sadiq Khan, visited *Cutty Sark* in December 2020 as part of an initiative to drive visitation to Greenwich.

## **Publishing and Brand licensing**

The following books were published under the Museum imprint: *ABC of the Sea; 123 of the Sea; Space Adventures Sticker Activity Book; Royal Greenwich: A History in Kings and Queens.*

*Harrison Decoded* was published by Oxford University Press; *Planets and Stars*; the first two titles in the *ROG Illuminates* series were published; *Pirates: Fact and Fiction* by former RMG curators published in March.

The following products were launched: a range of home furnishings, murals and prints using maps and astronomy images; a childrenswear collection; and a Royal Observatory brand-licensed telescope was approved for manufacture.

## **Retail**

Although retail sales were poor against last year we had some positive outcomes. Average Transaction Value (ATV) and Spend Per Visitor (SPV) were up against last year. At the Queen's House the conversion rate was 7.3 this year v 1.2 last year. We also saw an increase in donations despite the reduced visitor numbers.

Apart from a brief suspension in the dispatch of orders at the start of lockdown, the online shop traded throughout the year and did well under the circumstances. Sales growth was driven by UK customers, who on average spend less than international customers. Bestselling categories included Timekeeping, Adult Books, Maps and Exploration, Astronomy books and accessories, Night Sky gifts including from the TfL Night Sky

Underground Map range, and custom prints, particularly IIAPY. We proactively grew sales by a programme of e-news marketing and social media adverts. The online shop now has a direct link in the top navigation of the main website. In the final quarter, referral from RMG visitors were +23%, sales +58% versus the previous year. Shop layouts were altered for re-opening and product ranges are geared towards domestic audiences.

### **Commercial Events and Filming**

Live events were not permitted for much of the year under COVID-19 restrictions. During the year, we took the following steps to enhance our business opportunities:

Secured a permanent premises license for the north lawns for live entertainment; enhanced our virtual event offer with a bespoke corporate show to include a 'fireside chat' with the astronomers; developed a RMG Safe Filming framework; Worked towards 'Green Mark' sustainable events accreditation; developed new promotional digital assets; a wedding video and a 3D virtual tour of the Queen's House; featured in an interview with Film London's on the commercial filming opportunities at RMG.

Some highlights from the year were: the Queen's House ice rink received a huge amount of press coverage and over 20,000 skaters visited before the rink had to close; The planetarium show *Sky at Night*, booked by two corporate clients reaching an audience of 800; *Strictly Come Dancing* with sequences filmed at the ROG reached an audience of over 10 million; Two feature films filmed scenes across RMG sites; and various photoshoots for well known brands.

### **PRESS / PR**

The Press team were successful in securing local, regional, national and international press and media coverage on a wide range of topics in 2020-21 including:

*Exposure: Lives at Sea* saw coverage online aiming to support seafarers affected by the pandemic. In March 2021, the NMM announced its intentions to collect and preserve oral histories from seafarers for future generations;

The winning People's Choice Award photo from IIAPY2020 featured in the national press and various photographic publications. APY2021 opened for entries in January and featured in a number of magazines including BBC Sky at Night.

Members of the curatorial team appeared in the media on the following: the discovery of a letter in our collection in which Nelson advocated for his daughter to receive a smallpox vaccine; around the BBC drama series *The Terror* on the lost Franklin expedition; about the port of London in the 19th-century; on the acquisition of the sledge from Shackleton's Nimrod expedition; on *Nelson: Britain's Greatest Naval Hero*; on Captain Matthew Flinders; on the history of Daylight Saving Time/BST and why we observe it today.

ROG astronomers featured in the following: on the 'Life on Venus' announcement; the connection between religion and the sun, planets, and stargazing; the 'Snow Moon'; on the Space X Rocket; stargazing in London; and must-see astronomy events of 2021.

RMG's Chinese New Year events, 'Diwali' and 'Black History Month', International Day for the Remembrance of the Slave Trade and its Abolition', the 'Caretakers' project and the outdoor family trail appeared across national, specialist and London/local media. Our Pride Inside events appeared in the 2020 round-up of uplifting moments for the LGBTQ+

community in several national newspapers. RMG Director, Paddy Rodgers, and the artist Deanio X were interviewed by BBC World Service about the work of the BLKBRD Collective.

An episode of Channel Five's *The Secret Life of the Thames* revolved around the Cutty Sark and the NMM was featured on ITV 1's *DNA Journey*.

### **Travel Trade**

Travel Trade activity came to a stop when our sites closed, however the travel trade team delivered online RMG product training sessions to existing and prospect travel trade clients, updated content on the RMG Travel Trade webpages, brochures and leaflets as well as liaising with Visit London, Visit Greenwich and The London Tourism Cooperative, to ensure Royal Museums Greenwich was included in their recovery campaigns aimed at promoting domestic travel, and making our products bookable on the relevant platforms. We also developed new relationships with third parties targeting the domestic market. We worked with the PPMCC team on making the *behind the scene* tours available to trade groups and tour operators. In September, we were awarded 'Best attraction for group visits in London' as part of the annual Group Travel Organisers Awards.

### **Marketing**

Following the closure of our sites, we adapted our digital offer to focus on online content. A wide array of activities and learning material were made available online for families. Between April and June, traffic to our content focused 'Explore' section grew by 150%.

Campaign activity for the year included:

For World Ocean's Day we ran our first digital festival with related web pages viewed by 3,199 people; International Slavery Remembrance Day consisted of a collaboration with International Slavery Museum in Liverpool, multiple online discussions, and a recorded performance of Lucumi Choir streamed on Facebook and viewed 6.3K times; Heritage Open Days - an online festival on the hidden treasures in our collections at PPMCC; Trafalgar Day had 10,000 engagements on social media; Black History Month in October reached 1,000,000 over the month, banners by the BlackBird Collective were the highlight on Instagram; the February half term families campaign ran across social media to promote Chinese New Year, PHP, ROG and Toddler Time online. Other social media activity included: the Draconid Meteor Shower, Remembrance Day, Diwali, Mars Observation and the Queen's House Ice Rink.

The People's Choice award for IIAPY 2020 saw the top three winners from USA, Vietnam and Australia and included both a Best Newcomer and a Young Entrant, reaching over 30,000 people on social media. Targeted social media advertisement promoting the APY13 competition across Facebook and Twitter to a space and photography-interested audience reached over 70,000 people and the competition received 4,548 entries from 751 entrants.

As our first major fundraising campaign across Facebook and Instagram received over 700,000 impressions and a conversion value of over £10k and provided insights into who is more likely to give.

## **Website**

Our key visitor pages saw a substantial drop in traffic during the pandemic. However, overall use of the website rose by 38% year on year due to our extensive online programming. Work in the first part of the year focused on website accessibility compliance. The new RMG website successfully launched in March 2021; initial reviews of user analytics indicate that general traffic to the website has increased significantly since the launch. E-newsletters were sent to 5-6000 families every two weeks, with a peak open rate of 26.6%. At the end of 2020-21 we are in the final stage of preparing to launch with our new Email Service Provider.

## **Human Resources**

Throughout the pandemic and periods of national lockdowns the HR team achieved the following:

- adapted to the changing situations and sent regular updates to staff on wellbeing, furloughing, working from home, working onsite for managers and staff, use of lateral flow tests, benefits and other social activities.
- delivered Remote Management workshops for managers to help with virtual ways of working
- launched The Collective, a focus group of staff to recommend actions relating to Black and Ethnic Minority staff and visitors. An early achievement has been the fitting out of a new Multifaith Space, available for visitors, staff and volunteers
- piloted and launched Reverse Mentoring programme for members of The Collective to mentor members of the Executive and Senior Management Team on diversity and inclusion issues within RMG
- trained staff in a variety of courses including Known Consignor activities, managing stress for managers, first aid and a variety of IT training
- invited staff to join an internal disability awareness group looking at accessibility (physical and mental health related) issues for staff
- presented plans to the Executive and Senior Management Team on new approach to leadership and management training so that it can flexibly address current management needs, support the development of more managers, and be more cost effective
- put on a variety of activities and events to replace the annual Christmas party
- reviewed and updated Curators Emeritus programme with several renewals and four new appointments offered. In total we now have 23 appointments – 18 former curators, 4 conservators and our first astronomer
- made the leaver process fully digital, with P45s and payslips being sent electronically via our HR Information system
- produced video for staff to help them make overtime claims on our HR & Payroll database
- led the return to work planning process, providing advice and guidance to senior managers and staff and welcomed back volunteers to their roles, with new opportunities being developed.

## **Development**

See section 9 for a full list of our supporters in 2020-21.

Against a challenging period for fundraising in 2020-21 we agreed a number of new Corporate Partnerships and exceeded our target income secured in 20/21 from our Patrons, securing five new Patrons and retaining our high renewal rate. Our Patrons have also been donating above their annual fees for *Tudors to Windsors*, towards the APY

prize money and for the care of the rare books collection. All our Patrons continued to renew their membership of the Circle, receiving regular news and tailor made communications throughout lockdown. The Patrons' first online event was held in June 2020 with Trustee, Julian Dowdeswell.

We worked with Patrons Denis Petropoulos and Jeremy Penn (NMM Trustee) to become London International Shipping Week's 2020 'Heritage Partner'. We also worked with colleagues to secure 'ambassadors' for our online events. World-class sailor, Nikki Henderson (famous for skippering Greta Thunberg across the Atlantic) contributed to World Oceans Day and Dan and Peter Snow recorded a 'Battlefields of Britain' style event on the Battle of Trafalgar for our Members and Patrons.

From Trusts and Foundations we secured support for the following: towards the salary of the Collections Learning Manager at PPMCC; the youth community programme; the Lloyds Register Public Curator post; for a maritime careers film project; in support of our work with people living with dementia; towards the learning programmes associated with the *Exposure: Lives at Sea* exhibition; for our Black History Month programme; the Windrush Day project; the conservation of 'Royal Visit to the Fleet'; and for PPMCC.

Our **Individual Giving programme** also had some notable successes during the year including donations for the *Exposure: Lives at Sea* exhibition and in support of the Royal Naval Ship Models. Sadly, our former Chairman, Sir David Hardy passed away on 9 April 2020 and we received a number of donations in his memory.

**Membership** ended the financial year below our 2020-21 income target, losing approximately 25% of our Members as a result of the ongoing lockdowns. On average, we had 3 new sales per week during closure. When the museum was open, the figure increased to 18 per week, peaking during the October half-term at 64 new sales.

### RMG Management Agreement Performance Indicators at Year end 2020-21

Management Agreement Performance Indicator	2019-20	2020-21
Number of visits to the Museum	2,760,192	111,082
Total amount of charitable giving <sup>1</sup>	£2,255,563	£1,326,613
Ratio of charitable giving to grant-in-aid	13.6%	5.5%
Number of unique website visits	7,081,976	7,655,120
Visits by children under 16	729,797	30,865
Number of overseas visits	1,869,908	2,597 (All sites except QH)
Number of facilitated and self-directed visits to the Museum by visitors under 18 in formal education	130,951	0 on site; 12,528 online
Number of instances of visitors under 18 participating in on site organised activities	105,466	2291 on site; 14,662 online
% of visitors who would recommend a visit	95%	90% (All sites except QH))
Admissions income (net of VAT)	£7,760,705	£429,204
Trading income net profit/(net loss)	£1,794,810	(£475,840)
Number of UK loan venues	63	46

<sup>1</sup> as per DCMS guidance: Definition is any money or gift received from an individual, charity or private company in one of the following forms: bequests, legacies, donations and capital grants from individuals, charities, foundations, trusts and private companies; income raised through sponsorship and income from membership schemes. It does not include any money received from a publicly funded organisation, central government grants, investment income or lottery grant funding.

### Efficiency tables

Key Data	2016-17	2017-18	2018-19	2019-20	2020-21
Total Grant-in-Aid (GiA)	£15.8m	£15.8m	£15.7m	£16.6m	£19.8m
All other incoming resources	£106.3m	£17.4m	£16.2m	£16.7m	£6.2m
FTE employees	500	504	513	500	502
Visits	2.441m	2.560m	2.654m	2.760m	111,082
Website visits	4.303m	4.442m	5.689m	7.100m	7.655m

### Efficiency Ratios

Total Users <sup>2</sup>	6.748m	7.005m	8.345m	9.844m	7.766m
Total Users per FTE	13,496	13,899	16,267	19,688	15,470
Total GiA £ per User	£2.34	£2.26	£1.88	£1.68	£2.55
Revenue GiA £ per User	£2.01	£1.97	£1.63	£1.41	£2.06
Total GiA £ per Visit	£6.47	£6.17	£5.90	£6.00	£178.55
Revenue GiA £ per Visit	£5.56	£5.39	£5.12	£5.01	£144.21

<sup>2</sup> comprises visits, website visits, and collections enquiries

## 4. SUSTAINABILITY REPORT

### **Commentary on Sustainability Performance**

The Museum, its staff, volunteers and visiting public are very much committed to sustainable development and we have been working on a number of initiatives for many years. We will continue striving to maintain this approach and break new ground in the future.

From 2011-12 all central Government bodies that fall within the scope of the 'Greening Government Commitments' and which produce Annual Reports and Accounts in accordance with HM Treasury's Government Financial Reporting Manual (FReM) are required to produce a sustainability report. This is the fourteenth report compiled under that guidance. Further details may be found at [http://www.hm-treasury.gov.uk/frem\\_sustainability.htm](http://www.hm-treasury.gov.uk/frem_sustainability.htm)

### **Summary of Performance**

The Museum has an informal team, the Sustainable Development Group, dedicated to researching, promoting and reporting on a wide range of sustainability issues. The greatest contribution the Museum can make towards sustainability within the environment practically is in energy efficiency and we have been working in this area to improve performance since 1995.

Switching off plant during the pandemic made possible by enforced closure of the Museum saw considerable reductions in energy usage but little improvement comparatively in Display Energy Certificates (DECS). This demonstrates the high energy usage reality in running a museum and galleries.

Last year the Group and its 'green champions' were heavily involved in preparation, workshops and information gathering for an audit and survey carried out by Julie's Bicycle, a recognised sustainability consultancy. This was completed in tandem with an independent audit of energy usage. Both were considered and action plans have been drawn up. The Estates and Facilities Management team came up with a Decarbonisation and Energy Efficiency Programme to capture and evaluate future options and projects. This was carried out specifically to capitalise on a public funding programme in which sadly we were unsuccessful, but this work, drawing on planned prioritised maintenance, the energy efficiency survey and recommendations made in display energy certificates will stand the Museum in good stead either for future funding bids or prioritisation of funding from core grants.

We have also raised public awareness via our exhibitions, displays and programmes which have covered environmental matters, including our annual commemoration of World Oceans Day, this year virtually provided due to the pandemic.

The Museum first agreed a sustainable development policy in October 2006. An action plan was first set out in 2009-10. The Museum took account of DCMS's action plan for sustainability in the development of its own.

Activities this year included improvement to the controls on the air handling units at the Cutty Sark to allow a reduction in energy use, replacement of the water main at the Royal Observatory and installation of automatic meter readers to reduce waste and better manage usage, an overhaul of the Neptune Court chiller compressor to improve efficiency, replacement of the Aquifer Thermal Energy System (ATES) chilled water plate

exchange to improve efficiency, purchase of multiple data loggers to enable better energy usage management in the ATES and Sammy Ofer Wing archive, retendering the M&E contract at reduced cost but increased focus on innovation and sustainability (including a new electric vehicle provided within that contract), improved tracking and reporting of utilities expenditure, a feasibility study around the closed water systems water quality which will improve efficiency in the heating systems, and installation of LED lighting in the refurbished public toilets site wide, the adult changing facility, multi-faith prayer room and low level lighting in the Neptune Court roof.

Area	2020-21 Performance	
	Actual	Target
Greenhouse Gas emissions* (Scopes 1, 2 and 3 Business Travel excluding international air travel)	2,178 tonnes of CO2 equivalent	<3,000 tonnes of CO2 equivalent
Estate Energy*	Consumption	8.043 million kWh
	Expenditure	£328,535
Estate Waste*	Consumption	72.5 tonnes
	Expenditure	£22,398
Estate Water**	Consumption	68,138 m <sup>3</sup>
	Expenditure	£92,252

Note: Scope 3 Business Travel includes domestic flights only. Figures for other forms of travel are unavailable.

\*significant decrease due to lockdown; energy usage reduction also attributed to decarbonisation programmes by electricity suppliers, more use of electricity compared to gas and further sustainable works undertaken

\*\*the major water leak at the Royal Observatory was repaired but subsequently the entire replacement of the water main was carried out which was completed in April 2021. In addition, there is an issue with retrospective billing, also replicated at the Cutty Sark. Both issues are at the point of resolution

In addition, the ice rink installed over the Christmas period consumed 7.8 tonnes (2019-20 14 tonnes) of CO2 equivalent. Operation was curtailed by lockdown this year, so whilst the installation was larger, the duration was shorter. This is offset as a matter of policy by the operator, Arena.

#### Summary of Future Strategy

The opening of the Ship Model store in Chatham in 2010, the completion of the Sammy Ofer Wing Archive and Special Exhibitions Gallery in 2011, the addition of the clipper ship Cutty Sark to the collection in 2015, the refurbishment of the Queen's House in 2016, the construction of the Prince Philip Maritime Collections Centre (PPMCC) in 2017 and the opening of four new galleries in the National Maritime Museum in 2018 have all greatly increased the Museum's carbon footprint in the past decade. This has allowed a new benchmark to be established and a revitalised approach to the reduction of waste, use of water and finite resources, and continued improvement on energy efficiency.

This latter is the key area where positive impact is possible and the budget dedicated to this activity will be maintained. We ensure that adequate data is collected to improve upon areas of this report and to enable accurate setting of future targets including acting on recommendations arising from the energy and sustainability and audits. The Museum actively seeks to reduce travel costs and continues to promote cycling, recycling and composting.

## **Greenhouse Gas (GHG) Emissions**

Between 1999 and 2009 the Museum reduced its carbon footprint from 3,842 tonnes CO<sub>2</sub> to 3,072 tonnes CO<sub>2</sub>. On the opening of the Sammy Ofer Wing our carbon footprint increased to 3,422 tonnes CO<sub>2</sub>. Thereafter the Estate's carbon footprint decreased assisted by abnormally mild winters but has again increased significantly due to the addition of the Cutty Sark footprint and extensive building works across the site as well as the new PPMCC storage and conservation facility which will be slightly counter balanced against the departure from two inefficient storage buildings offsite. A new benchmark (4,659 tonnes CO<sub>2</sub> in 2018-19) was established and reduction targeted accordingly.

## **Waste**

The Museum's policy as far as possible is to minimise the amount of waste to landfill and to maximise the recycling of waste. In addition, we aim to compost as much of our biodegradable waste as we can. Staff have suggested and therefore greatly co-operated in recycling programmes within offices and catering outlets. The Museum recycled garden waste this year via composting 1.5 tonnes (8 tonnes 2019-20 – the reduction due mainly to the pandemic and closure) and it is estimated that around half of all other waste is recycled. No hazardous waste comprising asbestos removal was necessary this year. All strip-out work during projects is monitored to ensure that the majority can be recycled. All redundant furniture and equipment is recycled where possible.

## **Use of Resources**

The key area where a difference can be made is in energy efficiency where the Museum has accreditation and a self-imposed target to reduce energy consumption by 5% annually. It is worth noting that we have been working towards greater energy efficiency since 1995.

Chargemaster plc installed a free charge point at the Museum in 2017 and we are exploring further future provision. We are also exploring this year the provision of external potable water supplies for visitors to replenish their water bottles.

Lighting increasingly is energy efficient and in places utilises controlled presence detection ensuring usage only when needed. Lighting is also daylight linked, dimming and brightening naturally. Use of LED lighting has been introduced and steadily increased site-wide.

## **Climate Change Adaption and Mitigation**

The Museum is committed to reducing energy usage, waste and the use of finite resources. The use of public transport is encouraged for both visitors and staff, and cycling and facilities including secure racks, showers, lockers and bike loans are available for staff. Shower and toilet facilities in the Park Row Wing were modernised recently resulting in expanded staff take up. Use of the car park is managed and discouraged amongst staff and visitors with demonstrably lower take up. The impact of climate change via increased, more sudden and more severe storms is assessed and managed. The threat from flooding via surface water or overflow from the Thames is similarly assessed and managed. Regular emergency planning exercises take place in this regard which cover initial response, salvage and business continuity requirements.

## **Biodiversity and Natural Environment**

The local natural environment is an important factor in estate management decisions. The varied existence of trees, grass, formal planting and natural flora is managed to preserve the natural biodiversity.

In July 2017 the Museum was awarded the Green Flag accreditation for our estate and green spaces at the first attempt and we have achieved this accreditation every year since. In September 2017 the Museum together with its contractor Ground Control Ltd received the British Association of Landscape Industries (BALI) award for Grounds Maintenance in the Free Public Access category which holds until 2021.

Our entry for London in Bloom 2020 resulted in our grounds receiving a Gold Award. This is a remarkable achievement given lockdown and the reduction in staff to just one for much of the time in very hot weather. Emphasis was on our grounds management plan and our sustainable planting.

A water borehole replaces the previous one capped during the development of the Sammy Ofer Wing and this uses 'grey' water to flush WCs, etc. Large volumes of rainwater around the Sammy Ofer Wing are drained from hard surfaces and stored within an underground tank. Rainwater is then pumped to the surrounding landscaping for irrigation.

The Museum as a matter of policy does not irrigate its lawns allowing nature to take its course and save on water consumption.

At Kidbrooke, grant funding was awarded to implement a landscaping scheme, improve the biodiversity of the site and to provide car and cycle parking and compliant access to PPMCC. The scheme comprises extensive soft landscaping which adds interest and colour and provides green screening from the A2 road as well as providing pleasant surroundings for local residents, visitors, volunteers and staff. There is an adjacent newt reserve so the Museum maintained a run to this habitat and introduced mitigation measures as required in planning. Special provision of a habitat for the great crested newt, an endangered species in particular, is included in this scheme. Hard landscaping includes a BRE Environmental Assessment Method (BREEAM) 'excellent' rating with a covered cycle park, tarmacked car park and access road providing level access to the loading bay, and paved pathways for visitor access to the new site. This year we have commenced recruiting volunteers to help establish and maintain a community garden on site in line with our community learning programme.

## **Sustainable Procurement including Food**

The Museum aims to procure and manage its current assets in the most efficient way possible. The Museum has introduced network printing for example which reduces the number of printers per member of staff and also reduces paper usage whilst improving information security. The default printing option is double-sided and monochrome again to reduce usage of paper and other resources. All paper used in copying is recycled. 200 members of staff were enabled for homeworking during the pandemic. Copying and paper usage were drastically reduced as a consequence.

Programmes to improve the procurement of sustainable products in retail and catering operations are well-advanced and enthusiastically embraced by staff. Attention is paid to Fair Trade and to the use of local contractors and suppliers where possible and where European procurement rules permit in order to promote local industry and reduce

transport and travel costs. Sub-contractors are aware of these policies and contribute towards them, in some cases taking a lead.

### **Sustainable Construction**

PPMCC has an 'excellent' BREEAM rating. There is an attenuation tank for water, photovoltaic cells on the roof feeding into the electricity grid, ultraviolet blinds on the windows to reduce 90% transmission, exceptional airtightness of the building, the thermal performance of the building lessens M&E environmental conditioning costs and much of the conservation and photography equipment and fixtures were re-used. Use of the same office furniture as the Museum to achieve an economy of scale and easy replacement as well as identical IT, fire and security systems for the same reason; the completion of this building and the removal from the estate of two less energy efficient buildings will have a very positive impact overall in time.

In the Endeavour galleries it was specified that all fit out materials must be from sustainable sources and that lighting must be LED. As regards base build, the design sought to reduce energy use as far as reasonably practicable despite introducing conditioning. This is achieved via new roof insulation, new thermal wall linings, window blocking on the second floor galleries and through efficient choices of air handling units, chillers and plant as well as the installation of a controls system to enable better systems management. Despite these considerable new services, they are linked with current plant and re-using core service routes, ensuring that the new galleries are integrated with the rest of the Museum's estate as well as being more sustainable financially and practically.

### **People**

The existence and activities of the Museum touches the lives of many people worldwide of all backgrounds and ages, through visitors to site who enjoy the displays and varied public programmes (much reduced this year on site as a consequence of the pandemic) to a great number of users interacting with the Museum via publications and the website (commensurately increased this year due to an increase in virtual delivery). A large number of local and national suppliers and contractors depend in whole or in part on the Museum for their living.

See section 6 of the Annual Report for more detail on employment policies.

The Sustainable Development Group normally consults staff widely on its work and canvasses opinion and ideas. Many of the successful sustainable approaches have been suggested and acted upon by the staff and volunteers. The latest ideas include the progressive use of technology within HR, reducing paperwork, filing and thus storage. As part of World Oceans Day, first observed in the Museum in 2018, the Museum encouraged staff to exchange single-use plastic bottles in favour of reusable ones added to the previous installation of water dispensers and arising from a drive by the Sustainable Development Group all single use plastic use for these dispensers was ceased in 2019.

### **Environmental Management System (EMS)**

The Museum does not have an Environmental policy such as (BS 14001). Although we do have a Sustainability Policy approved by the Executive and Trustees which covers all the main issues and which is reviewed from time to time.

### **Sustainability and Governance**

Data is collected via information held by the Estates & Facilities Management and Finance & IT Departments principally be they budgetary or records of usage. All data collected is auditable and available for inspection and it is presented with reference to the guidance outlined within paragraph 1 of this section.

## 5. FUTURE PRIORITIES

### *'Reach & Reputation'*

Prior to the pandemic we had carried out extensive work on a new content strategy '*Charting our Course*'. The events of the last year have provided us with the opportunity to build on this work and to analyse who we are, what we do and to start making plans for the future. In the short term we must ensure our sites are as inviting and safe for our visitors as possible. We shall not be in a position to welcome back visitors from abroad for some time so our focus in the next few months is to reach out to our local and national audience and to make our offer varied and attractive enough to build loyalty and repeat visitation.

In the medium to long term, our ambition is to work coherently and efficiently to build our reach and reputation, locally, regionally, nationally and globally. With slender resources and a vast archive and collection, we need to exercise the skill of choosing our areas of development carefully and with attention to the opportunities arising from the skills of our existing teams and opportunities to collaborate and leverage our work with others.

We will focus on three main developments: ROG 350; '*Our Ocean Our Planet*'; The Virtual Museum.

With ROG 350 we want to improve visitor flow, with one single admissions area. The project shall comprise of discrete work packages which can be executed as funding becomes available but without necessitating closures of the entire site to ensure our continued delivery of public education in Astronomy. The aim is to complete this work largely by 2025/26 but the principle is more one of constant renovation to allow access and encourage engagement, rather than a specific line in the sand.

Our '*Ocean our Planet*' seeks to tie the galleries of the NMM to a large-scale ocean exhibit or moment on the Great Map, Neptune Court, building a year-round programme culminating each year in World Oceans Day. The focus would be educative and explorative, attracting a younger audience and we will aim to collaborate with external partners.

The Virtual Museum – does not aim for the virtual visit to replace a physical visit, but it should allow quality engagement and co-curation by the on-line public with some areas of the collection.

We have plans for each of our sites in order to maximise the potential of each:  
**The Queen's House – Art and Architecture** making it a beautiful place to see beautiful things. The programme is already underway with the Woburn Collection and the intention is to have a series of house guests by borrowing and exhibiting works of art that illuminate and interact with the collection.

**ROG – Universal appeal** awe and wonder to sit alongside expertise and our collection of scientific instruments to widen appeal, to ask the big questions, what is the Universe? how did it form? what/where is my place within it? to explore GMT - running an empire on time, and subsequent globalisation and relevance to people today.

**Cutty Sark – International trade, NHS and local history/heritage harbours** seeing the ship as more than an object, as a skills and knowledge base, a landmark for local history and a story for the great river port that has all but disappeared.

**NMM – Ocean, People, Vessels** will open the way to understanding the Ocean, the Vessels and the life of people, and connections with the sea.

Now that we have marked out this skeleton strategy, we can map our resources against it and define how groups work together and how they are led. This will result in quite considerable changes to staff organisation and future recruitment. The aim is to ensure there is sufficient transparency that the purpose of the Museum is understood by all, plans are visible to all, processes and responsibilities are clear; the way that work is originated, delivered and funded can be understood by anyone motivated to know. Staff should be able to understand their place within the Museum and understand their contribution so they can become our best advocates.

## 6. WORKFORCE AND EMPLOYMENT

### Employment policies

Employee support is structured around employee relations and administration, training and development, pay and benefits, wellbeing, diversity and inclusion, and volunteer programme management.

#### Staff Diversity Statistics

- RMG is a member of the Employer's Network for Equality & Inclusion (ENEI). Our current TIDE survey results have shown that we have an employee inclusion rate of 47% (2019/20: 22%)
- Gender Pay Gap mean: -0.9% and median: -9.0% (2019/20: +1.59% / -3.30%)
- Female employees: 58% (2019/20: 59.5%)
- Female Executive Board employees: 50% (2019/20: 50%)
- Black, Asian and Minority Ethnicity employees: 16% (2019/20: 16%)
- LGBTQI+ employees 8% (2019/20: 8.6%)
- Employees who have declared a disability: 5% (2019/20: 5.4%)
- Employee ages: 5% 18 to 24, 50% 25 to 44, 34% 45 to 64, 7% over 65.

During 2020-21, RMG utilised the Furlough scheme. In January 2021, this was as high as 440 employees being flexible furloughed, and at its lowest point in August to October 2020 288 employees being flexibly furloughed.

At the peak of the lockdowns 70% of staff were furloughed with total claims to 31 March 2021 was just under £3.56m. The Furlough scheme has been utilised from the start of the CJRS scheme up until 30 June 2021 so far.

Closure of all public sites and massive reduction in work across the museum meant that furloughing needed to be used as work stopped or reduced heavily for a large proportion of staff. Some individuals were redeployed internally.

### Volunteers

The Volunteer Programme was mostly paused during 2020/21 with some e-volunteering and Cutty Sark Shipkeeping Volunteers continuing to offer their time. In October 2020 a new Volunteer Manager was appointed who is focussing on increasing the volunteer offer, improving volunteer wellbeing and development, and diversifying the programmes. We hope to welcome back our 223 onsite volunteers and around 140 e-volunteers during 2021/22.

### Organisational Communication

Communication over the past year has had to be flexible and reactive to the changing situation. The information has been shared via emails, and telephone calls for staff who do not have internet access at home. Communication and feedback methods over the past year have included:

- All staff Director update presentations, with Q&A sessions
- Virtual team meetings and one-to-ones.
- Email updates from HR and the Executive Directors
- Wellbeing updates
- Virtual social activities
- Pulse surveys on wellbeing, equity & diversity, and return to work

- The Collective consultation (staff BAME network)
- Disability Advisory Group consultation (staff group)
- Volunteer virtual coffee mornings
- Trade Union consultation

### **The Trade Union (Facility Time Publication Requirements) Regulations 2017**

Regulation 8 Information to be published

#### Table 1 Relevant union officials

What was the total number of your employees who were relevant union officials during the relevant period?

<i>Number of employees who were relevant union officials during the relevant period</i>	<i>Full-time equivalent employee number</i>
6	5.28

#### Table 2 Percentage of time spent on facility time

How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

<i>Percentage of time</i>	<i>Number of employees</i>
0%	1
1-50%	5
51%-99%	0
100%	0

#### Table 3 Percentage of pay bill spent on facility time

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

<i>First Column</i>	<i>Figures</i>
Provide the total cost of facility time	£5,547.69
Provide the total pay bill	£14,835,134.26
Provide the percentage of the total pay bill	0.04%

#### Table 4 Paid trade union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

<i>Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:</i> <i>(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100</i>	2%
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### **Health and Safety**

It is Museum policy to assign great importance to the safety of visitors, employees, volunteers, contractors and others, considering this as a management responsibility equal to that of any other management function.

In the design, construction, operation and maintenance of all plant, equipment and facilities, everything that is reasonably practicable is done to prevent personal injuries and ill health to employees/workers, customers, visitors, contractors and members of

the public. To this end the Board of Trustees and Executive Board of Directors provide, so far as is reasonably practicable, such training and equipment as is necessary to enable employees to work safely.

The importance of employee involvement in health and safety matters and the importance of the positive role played by safety representatives and the Health and Safety Committee are acknowledged.

All employees are required to co-operate fully in implementing this policy to comply in all respects with the Health and Safety at Work Act 1974, the Management of Health and Safety at Work Regulations 1999 and the accompanying arrangements contained within the Museum's Health and Safety Policy. Everyone throughout the organisation is expected to exercise all reasonable care for their own health and safety and that of others who may be affected by their acts or omissions.

The overall responsibility for the health, safety and welfare of the organisation and employees is vested in the Board of Trustees and Executive Board of Directors. The Executive Board receives a monthly report on Health and Safety matters and analysis of incidents which then goes forward to the Trustee Board for quarterly review.

The Health & Safety function is managed by a NEBOSH-qualified Departmental Head and an experienced NEBOSH-qualified Health & Safety Advisor. The Director of Operations & HR also holds a relevant qualification and chairs the Health & Safety Committee. Specialist members serve on the Committee to represent particular hazards such as radiological protection, laser safety, asbestos and other risks in the Collections together with an employee representative, and representatives for sites and other functions.

## 7. REMUNERATION REPORT

### Introduction

The information in this report relates to the Director (Accounting Officer) and Senior Executives (Directors) of the National Maritime Museum. No remuneration is paid to the Trustees of the Museum.

### Function of the Remuneration Committee

The Committee reviews the performance of the Director and the Senior Executives annually against their objectives, receives independent advice on market comparators and other matters and then decides in the case of the Senior Executives the level of pay and performance-related pay they should receive and recommends to the Chairman of Trustees in the case of the Director, Royal Museums Greenwich the appropriate level of pay and performance-related award.

The Committee also considers any matter relating to employees as the Director and Board of Trustees may refer to it.

### Membership

The Committee consists of three Trustees who are appointed by the Trustee Board:

Joyce Bridges, CBE  
Admiral Sir Mark Stanhope, GCB, OBE, DL  
Jeremy Penn, from March 2020

Ex officio Officer: Paddy Rodgers, (Director)  
Secretary: Charlotte Cowan, (Head of HR)

The Chairman of the Committee is also appointed by the Trustee Board and the quorum of the Committee is two out of three Trustees. The Director and the Head of Human Resources attend meetings of the Committee. No individual is present when their remuneration or performance is being discussed.

### Performance Assessment

The performance assessment has changed during 2020. The reward system now sets base pay at the lower end of the market rate. A new performance related pay system will be agreed upon during 2021 for future use by the Committee.

Annual pay awards approved by the Museum require HM Treasury approval before they can be made, which must be obtained via the Department for Digital, Culture, Media and Sport (DCMS).

### Service Contracts

The Director and Senior Executives have permanent employment contracts: the notice period is six months for the Director, Royal Museums Greenwich, and three months for other Directors. Other than notice periods, there are no contractual termination payments, compensation for loss of office or any provision of compensation for early retirement except for directors within the Civil Service Pension Scheme. Pension contributions on behalf of the directors, other than in the Civil Service Pension Scheme, are made to defined contribution schemes. As of 1 July 2021 no Director or Senior Executive will be a member of the Civil Service Pension Scheme.

The following information is subject to audit.

### Executives' Remuneration

The salary and pension entitlements set out below include gross salary, performance-related pay, benefits in kind and any other allowances to the extent that they are subject to UK taxation. The emoluments were as follows:

Single total figure of remuneration	2020-21 all figures £k				2019-20 all figures £k			
	Salary	Performance payment	Pension benefits (to nearest £1k)*	Total	Salary	Performance payment	Pension benefits (to nearest £1k)*	Total
Dr Kevin Fewster, Director & Accounting Officer (until 31 July 2019)	-	-	-	-	50-55 (135-140 FTE)	-	-	50-55
Andy Bodle, Director Operations and Human Resources	80-85	0-5	13	95-100	80-85	15-20	30	130-135
Kate Seeckts, Director, Development & Marketing	80-85	0-5	-	85-90	80-85	15-20	-	95-100
Eleanor Harris, Director, Enterprises & Visitor Experience (until 31 July 2020)	45-50 (80-85 FTE)	-	-	45-50	80-85	15-20	-	100-105
Chris Walker, Director Finance & IT	95-100	0-5	-	95-100	95-100	15-20	-	115-120
Gail Symington, Director Collections and Public Engagement	75-80	0-5	-	75-80	65-70	10-15	-	80-85
Paddy Rodgers, Director & Accounting Officer (from 1 August 2019)	135-140	0-5	-	140-145	90-95 (135-140 FTE)	15-20	-	110-115

\* The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

There were no benefits in kind.

For 2020-21 total payments to Key Management Personnel amounted to £576,400 (£731,242 in 2019-20) including bonuses and other payments.

2020-21	2019-20
Mid-Point of Band of Highest Paid	Mid-Point of Band of Highest Paid
Director's Total Remuneration (£'000)	Director's Total Remuneration (£'000)
142.5	137.5
Median Total Remuneration	Median Total Remuneration
20	20
Remuneration Ratio	Remuneration Ratio
1:7:4	1:6:8

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The mid-point of the band of remuneration of the highest-paid director in the National Maritime Museum in the financial year 2020-21 was £142,500 (2019-20, £137,500). This was 7.4 times (2019-20, 6.8 times) the median remuneration of the workforce, which was £20,440 (2019-20, £19,612).

In 2020–21, nil (2019–20, nil) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £0 to £99,000 (2019–20, £0 to £116,000).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

### **Pension Benefits**

The National Maritime Museum operates two pension schemes; a group personal pension scheme and the Civil Service Pension Scheme full details of which are given in note 8 to the accounts.

All directors are members of the group personal pension scheme other than Andy Bodle who is a member of the Civil Service Pension Scheme.

	Accrued pension at pension age as at 31/3/21	Real increase in pension and related lump sum at pension age	CETV at 31/3/21	CETV at 31/3/20	Real increase in CETV funded by employer	Employer contribution to group personal pension
	£'000	£'000	£'000	£'000	£'000	Nearest £1,000
Andy Bodle	40-45 plus lump sum of 130-135	0-2.5 plus a lump sum of 0-2.5	1038	1035	13	-
Kate Seeckts	-	-	-	-	-	8
Eleanor Harris	-	-	-	-	-	3
Chris Walker	-	-	-	-	-	10
Gail Symington	-	-	-	-	-	8
Paddy Rodgers	-	-	-	-	-	12

### **Cash Equivalent Transfer Value (CETV)**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### **Real Increase in CETV**

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee

(including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

### Reporting on Civil Service and other compensation schemes - exit packages

Exit package and cost band	Number of compulsory redundancies	Number of other departures agreed	2020/21
< £10,000	2	15	17
£10,001 to £25,000	0	19	19
£25,001 to £50,000	0	5	5
£50,001 to £100,000	0	0	0
£100,001 to £150,000	0	0	0
£150,001 to £200,000	0	0	0
£200,001 and higher	0	0	0
<b>Total number of exit packages</b>	<b>2</b>	<b>39</b>	<b>41</b>
	Cost of compulsory redundancies (by band) £'000	Cost of other departures agreed (by band) £'000	Total cost of exit packages (by band) £'000
< £10,000	3	67	70
£10,001 to £25,000	0	309	309
£25,001 to £50,000	0	141	141
£50,001 to £100,000	0	0	0
£100,001 to £150,000	0	0	0
£150,001 to £200,000	0	0	0
£200,001 and higher	0	0	0
Total cost of exit packages in £'000	3	517	520

There was 1 departure under the terms of the Civil Service Compensation Scheme in 2020-21. 2 members of staff received a statutory redundancy payment. 38 members of staff received an enhanced redundancy payment.

Admiral Sir Mark Stanhope  
Chairman of the Board of Trustees

Paddy Rodgers  
Director and Accounting Officer  
08 July 2021

## 8. REFERENCE AND ADMINISTRATIVE DETAILS

Patron of the Museum: HRH The Duke of Edinburgh, KG, KT (until April 2021)

Chairman of the Board of Trustees:

Sir Charles Dunstone, CVO (until 21 January 2021)

Admiral Sir Mark Stanhope GCB OBE DL (from 4 February 2021)

Director and Accounting Officer: Paddy Rodgers

Principal address: National Maritime Museum  
Park Row  
Greenwich  
London SE10 9NF

Website: [www.rmg.co.uk](http://www.rmg.co.uk)

### **The Board of Trustees of the National Maritime Museum**

During 2020-21 the Board of Trustees comprised:

Sir Charles Dunstone, CVO, Chairman (until January 2021)

Admiral Sir Mark Stanhope, GCB, OBE, DL (from February 2021)

Dr Fiona Butcher

Joyce Bridges, CBE

Dr Helen Czerski

Professor Julian Dowdeswell

Dr Aminul Hoque, MBE (until September 2020)

Carol Marlow (until September 2020)

Alastair Marsh

Jeremy Penn

Eric Reynolds

Brief biographies of the Trustees are available from [www.rmg.co.uk](http://www.rmg.co.uk)

### **The Executive**

During 2020-21 members of the Executive were:

Paddy Rodgers	Director and Accounting Officer
Andy Bodle	Director, Operations and Human Resources
Eleanor Harris	Director, Visitor Experience and Enterprises (until 31 July 2020)
Kate Seeckts	Director, Development
Gail Symington	Director, Collections and Public Engagement
Chris Walker	Director, Finance and IT

A Register of Interests is maintained and is available for inspection by application to the Governance and Museum Records Manager. The Register of Interests is completed by each Trustee, each Executive and those members of staff who make decisions on significant procurement.

***Other relevant organisations:***

**External Auditors of National Maritime Museum**

Comptroller & Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London, SW1W 9SP

**External Auditor of National Maritime Museum Enterprises Ltd**

haysmacintyre  
Chartered Accountants and tax advisors  
26 Red Lion Square  
London, WC1R 4AG

**Internal Auditors**

BDO LLP  
150 Aldersgate Street  
London, EC1A 4AB

**Bankers**

Royal Bank of Scotland  
62-63 Threadneedle St  
London, EC2R 8LA

HSBC  
275 Greenwich High Road  
Greenwich  
London, SE10 8NF

**Legal advisers**

TLT LLP  
One Redcliff Street  
Bristol  
BS1 STP

CMS Cameron McKenna  
Mitre House  
160 Aldersgate  
London, EC1A 4DD

## 9. SUPPORTERS OF ROYAL MUSEUMS GREENWICH 2020-21

### Major Supporters

American Friends of Royal Museums Greenwich  
John Armitage Charitable Trust  
Art Fund  
DCMS Wolfson Museums and Galleries Improvement Fund  
The Deborah Loeb Brice Foundation\*  
The Department for Digital, Culture, Media and Sport  
Charles Dunstone Charitable Trust  
Charlton Athletic Community Trust  
Michael Edwards OBE  
The Esmée Fairbairn Collections Fund – delivered by the Museums Association  
The Goldsmiths' Company  
Peter Harrison Foundation  
The Charles Hayward Foundation  
The National Lottery Heritage Fund  
Kristian Gerhard Jebsen Foundation  
Lloyd's Register Foundation  
John and Josephine Morrow  
National Heritage Memorial Fund  
The Eyal and Marilyn Ofer Foundation  
Mark Pigott KBE KStJ FRSA\*  
The Dr Mortimer and Theresa Sackler Foundation  
The Sackler Trust  
Tim and Dede Sanderson  
The Stelios Philanthropic Foundation  
Charles Skey Charitable Trust  
Lord Thomson of Fleet  
UK Antarctic Heritage Trust  
Viridor Credits Environmental Company  
The Wellcome Trust  
Kathryn Uhde  
David M. Wells  
The Wolfson Foundation  
And others that wish to remain anonymous

### Donors

The Fishmongers' Company's Fisheries Charitable Trust  
Genentech, Inc\*  
Ince Group Charitable Foundation  
Royal Borough of Greenwich  
Corporation of Trinity House  
The Manju Mehrotra Family Trust  
The Government of the British Antarctic Territory  
The Queen Anne's Fund

### Trusts and Foundations

Baltic Charitable Fund  
The Behrens Foundation  
The John S Cohen Foundation  
The A. C. H. Crisford Foundation

The D'Oyly Carte Charitable Trust  
The Edinburgh Trust No. 2  
The Golden Bottle Trust  
The Golsoncott Foundation  
The Heritage of London Trust  
Historic Houses Foundation  
The Leche Trust  
Dr Lee MacCormick Edwards Charitable Foundation\*  
The Matheson Todd Trust  
The Radcliffe Trust  
Maria Tsakos Foundation

### **Sponsors**

Google  
Insight Investment

### **Corporate Members**

Cayzer Trust Company Limited  
Cutty Sark Whisky  
HASSRA  
Howe Robinson Partners  
HSBC  
Hutchison Ports  
Ince LLP  
ING  
Liberty Specialist Markets  
Lloyd's Register Foundation  
Saga  
The Worshipful Company of Shipwrights

### **Benefactor Patrons**

Michael Brown  
Rear-Admiral Sir Jeremy de Halpert  
D. Gregory B. Edwards  
Richard Hadida  
Charles Hoare Nairne  
Anthony Inder Rieden  
Carol Marlow  
Alan R. W. Marsh MBE  
John W. R. Martin  
Ravi K. Mehrotra CBE  
Tim Newling  
Mr and Mrs D Petropoulos  
Jason M. Pilalas\*  
Vaughan Pomeroy and Ann Nussey  
Clive Richards OBE DL  
Ian Ridpath  
Paddy Rogers and Harriet Drake  
Dick van Meurs  
And others who wish to remain anonymous

**Patrons**

Dr Simon and Patricia Bennett  
Antonia Bennett  
Sir Franklin and Lady Berman  
Dr Stuart Blackie  
Deborah Brice\*  
Alexander Bulazel\*  
Dr Fiona Butcher  
C. Richard and Deborah Carlson\*  
Dr William Collier  
Andrew Crisford  
Simon C. Davidson  
Mr and Mrs John Denholm  
Paul Ferrell  
Dr Kevin Fewster CBE AM  
Nicholas Fisher  
Lieutenant Commander P. Fletcher  
The Rt. Hon. David Heathcoat-Amory  
Richard Hunting CBE  
Michael Kovacs  
Brooks Kovacs  
Dr Martin Kenig  
William Loschert  
George Maher  
Mr and Mrs J Mennie  
John Morrow  
Mr and Mrs Richard and Amicia Oldfield  
Roy Olsen  
Michael Palin  
Jeremy Penn  
Dick Porter  
Esben Poulssoon  
Merrick Rayner  
Eric Reynolds  
E F Shawyer CBE  
Chrissy Shipley  
Rear-Admiral D. G. Snelson CB FNI  
Nigel Squibb and Lesley Mansfield  
Kathryn Uhde  
Dr Anthony Watson CBE  
David M. Wells\*  
Julia Wykeham-Martin  
And others who wish to remain anonymous

**Legacies and Bequests**

Peter Anderson  
Commander George Greaves  
Elisabeth Hoban

### **In Memoriam Gift**

The Matthews Family in loving memory of Mr Stephen Matthews

We give thanks to all those generous donors who gave a gift in memory of the late Sir David Hardy, former Chairman and Trustee (1992 – 2005)

### **Honorary Commodores** – awarded for outstanding support and commitment to the

Museum. The Honorary Commodores are:

John Anderson

Sir David Attenborough

Coral Samuel

C. Richard Carlson

Sir Robert Crawford

Professor Martin Daunton

Dr Stephen Deuchar

William Edgerley

Michael Edwards

Peter Harrison

Aud Jebsen

Nigel Macdonald

Brian McEvoy

David Moorhouse

Mark Pigott

Libby Purves

Dr David Quarmby

Lord Rees of Ludlow

Professor Nicholas Rodger

Dame Theresa Sackler

Peter Snow

Dava Sobel

Lord Sterling of Plaistow

### **Donors to the Collection**

Jay and Jean Kislak\*

Sir Ranulph Fiennes OBE

Anton Bowring, Transglobe Expedition Trust

\*Donations made to the American Friends of Royal Museums Greenwich

## 10. FINANCIAL REVIEW

### **Presentation of Accounts**

The Accounts have been prepared in a form directed by the Secretary of State for Digital, Culture, Media and Sport with the consent of the Treasury in accordance with sections 9(4) and 9(5) of the Museums and Galleries Act 1992.

The Annual Report and Accounts are presented in accordance with the reporting requirements of the Statement of Recommended Practice (SORP FRS102), Accounting and Reporting by Charities and the Government Financial Reporting Manual.

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

### **Consolidated Accounts**

The consolidated Accounts of the National Maritime Museum comprise the Museum itself and its wholly owned subsidiary National Maritime Museum Enterprises Limited (NMME).

### **Financial policy**

In accordance with the Charities Statement of Recommended Practice grants and donations receivable are recognised when receipt is probable, values can be measured reliably, and there are no conditions attaching to its receipt that limit its recognition. In line with Government objectives the Museum seeks to ensure that optimum use is made of all resources during the financial year and, in so far as it is consistent with its objectives, seeks to maximise non-Exchequer resources generated through commercial activities.

### **Overview of Financial performance for the year**

#### **Statement of Financial Activities**

Total Income and Endowments decreased by £7.2m to £26m. The Museum received an increased Grant in Aid of £3m from the Department for Digital, Culture, Media and Sport ('DCMS') which was invested in the upgrade of the physical estate, in mechanical and electrical plant and in IT hardware to make the Museum more robust against the ever-increasing cyber security threat. At £19.8m, Grant in Aid represented 76% of total income with the balance generated through the Museum's fundraising and commercial activities, but also includes £3.5m in Job Retention Scheme support.

Donations and grants received this year totaled £1.1m, a decrease of £0.7m over last year, and included amounts from the American Friends of Royal Museums Greenwich, in support of the Endeavour Galleries and the display in the Queen's House of the Woburn Treasures. Donations were also received from Michael Edwards and the Stelios Philanthropic Foundation towards the Cutty Sark's 150<sup>th</sup> anniversary fund for long-term maintenance. Gifts in Kind amounted to £0.3m, an increase of £0.2m compared to last year.

Income from Other Trading Activities amounted to £1.1m, a decrease on last year of £5.2m. These activities include Admissions, Public Programs, Publications and licensing fees.

The Membership scheme generated £0.2m, a decrease of £0.4m over the previous year.

Expenditure in the year was £28.6m a decrease of £7m.

Total staff costs were £15.5m, including payments relating to a Voluntary Redundancy Scheme of £536k and represented 54.3% of total expenditure (2019-20: 47.5%). Staff numbers decreased by 28.

### **Covid 19**

The financial impact of Covid-19 on the museums business has been substantial. The Museum was closed for the period 19 March for several months and reopened progressively over a period of weeks from July to September. The Royal Observatory South Site remains closed to Visitors. Covid-19 security measures are now in place, including prescribed routes, additional signage and sanitiser stations and track & trace technology. Visitors to all sites are required to pre book, and capacity is limited to a fraction of recent levels.

The Museum anticipated that self generated income would account for approximately half of revenue in 2020/21, and it is likely that this will now be reduced significantly – in particular that from admissions and secondary spend together with income from commercial events hire.

In response, NMM has sought additional support from public funds and was awarded £3.5m additional Grant in Aid towards continuing operating costs subject to demonstration of need. The Museum has also participated in the Job Retention Scheme and reduced on site activity in order to save cost.

A second National lockdown was announced on 31 October 2020 and the Museum closed to the public on 5 November. Visitor numbers are usually substantially lower in the winter months and the majority of staff agreed to take furlough leave. Consequently, the Museum anticipates that the financial impact will be broadly neutral.

Future visitor numbers remain uncertain, but it seems unlikely that numbers will return to recent levels before 2022/23, if at all. In order to address this longer term uncertainty, NMM has instituted a fundamental review of its business model and operating procedures to improve efficiency. This will be captured in a business plan during the final quarter of 2020/21, and will be the basis for a sustainable financial future.

### **Trading subsidiary**

The Trustees of the National Maritime Museum own 100% of the share capital of National Maritime Museum Enterprises Limited which carries out trading and other commercial activities on behalf of the Museum.

The net trading loss at £0.5m was in line with what was expected due to reduced trading activity.

### **Balance Sheet**

#### **Reserves Policy**

Of the total funds of £302.5m the Museum has unrestricted reserves of £21.8m, of which £18.8m are designated and £3.0m are free reserves (i.e. unrestricted and undesignated). Annually the Trustees review and approve the level of free reserves to ensure that it is appropriate to the scale, complexity and risk profile of the Museum. This review takes into account the fact that in a normal year almost 50% of the Museum's incoming

revenue resources are from Grant in Aid, with the balance being generated from admissions, retail, venue hire, catering and fundraising.

The Trustees have established a reserves policy to hold free reserves of between one and three months' operating expenditure, which they consider an appropriate contingency for a shortfall in self-generated income and cash flow risks on major projects.

Operating expenditure is typically £2m per month and one to three months' expenditure would be between £2m and £6m. The balance of free reserves at 31 March 2021 assumes that Grant in Aid, of approximately £1m per month, continues to be paid. Therefore, the balance of £3m (net of GiA) is the same as last year and is in line with the policy.

### **Reserves at 31 March 2021**

The split of Reserves can be summarised as follows:- £m	
Fund representing endowments to the Museum, by way of heritage assets, gifts, grants, donations and amounts held in the Caird and No.3 Trust Fund	97.6
Surplus on revaluation of land and buildings representing the difference between cost/valuation and revaluation at 31 <sup>st</sup> March 2020	81.4
Funds representing assets acquired by way of gifts/donations or use of the Museum's core grant in aid	101.7
Restricted or Designated funds for a specific project or purpose in the future	16.7
Restricted or Designated Funds set aside for the future preservation of the Cutty Sark	2.0
Unrestricted (free) reserves over which there are no restrictions or specific future spending intentions	3.0
<b>TOTAL</b>	<b>302.5</b>

Full details of these funds and their purpose are given in Note 19 of the Accounts.

### **Investment policy**

The Museum holds funds for charitable purposes in the form of:-

- Specific endowments
- Funds representing the accumulated reserves resulting from income from designated and specific purposes and
- Accumulated unrestricted income

The Museum's investment policy is to maintain a balance between capital appreciation and income generation to meet the needs of the Museum whilst taking account of donors' requirements where funds have been donated to the Museum for specific purposes.

The investments are held as units in a variety of funds managed by Rathbone Investment Management Limited.

## **Investment performance**

Investment income at £64k was £45k worse than last year. Equity investments totalled £4.0m at year end a reduction of £0.3m due to the volatile trading conditions during the final quarter of the year; additionally the Museum holds £10m in cash or short term deposit accounts, accumulated from donations and self-generated income. These amounts, plus the significant contribution from Grant in Aid, considerably reduce the Museum's exposure to liquidity or cash flow problems; credit risk is also deemed to be low.

## **Tangible Fixed Assets**

A desktop revaluation of the estate was carried out at year end by external valuers, Gerald Eve, Chartered Surveyors. There was a decrease in the net book value of the land and buildings of £4.8m (of which the revaluation impairment accounted for £6.3m) to £181.5m.

Note 10a gives full details of the Museum's Tangible Fixed Assets which stand at £198.2m at year end.

## **Heritage Assets**

During the year the Museum purchased Heritage Assets worth £204k and received donations of gifts in kind valued at £4k.

## **External Audit**

Under statute, the Comptroller & Auditor General is the principal auditor of the Museum's consolidated accounts for the year 2019-20 which are audited by the National Audit Office on behalf of the Comptroller & Auditor General. Total audit fees for the group were £81,395, comprising £65,000 for the consolidated accounts audited by the National Audit Office and £16,395 for NMME audited by haysmacintyre.

## **Payment of Creditors**

The Museum paid 81% (2019-20: 74%) of its suppliers within 30 days. Suppliers are paid in accordance with their contractual terms unless there is a dispute.

## **Going Concern**

In response to the severe financial impact of Covid-19, NMM has sought additional support from public funds and was awarded a £3.5m additional Grant in Aid towards continuing operating costs subject to demonstration of need. The Museum has also participated in the Job Retention Scheme and reduced on site activity in order to save cost.

A second National lockdown was announced on 31 October 2020 and the Museum closed to the public on 5 November. Visitor numbers are usually substantially lower in the winter months and the majority of staff agreed to take furlough leave. Consequently, the Museum anticipates that the financial impact will be broadly neutral.

Future visitor numbers remain uncertain, but it seems unlikely that numbers will return to recent levels before 2022/23, if at all. In order to address this longer term uncertainty, NMM has instituted a fundamental review of its business model and operating

procedures to improve efficiency. This will be captured in a business plan during the final quarter of 2020/21, and will be the basis for a sustainable financial future.

Admiral Sir Mark Stanhope  
Chairman  
08 July 2021

Paddy Rodgers  
Director and Accounting Officer

## **11. STATEMENT OF THE RESPONSIBILITIES OF THE BOARD OF TRUSTEES AND THE DIRECTOR AS ACCOUNTING OFFICER**

Under Section 9(4) and (5) of the Museums and Galleries Act 1992, the Board of Trustees of the National Maritime Museum is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Secretary of State for Digital, Culture, Media and Sport with the consent of the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the Museum's financial activities during the year and its financial position at the end of the year.

In preparing the Museum's accounts the Trustees are required to comply with the requirements of FReM and in particular to:

- observe the accounts direction\* issued by the Secretary of State for Digital, Culture, Media and Sport including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards and statements of recommended practice have been followed and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Museum will continue in operation.

The Accounting Officer of the Department for Digital, Culture, Media and Sport has designated the Director as the Accounting Officer for the Museum. The Director's relevant responsibilities as Accounting Officer including his responsibility for the propriety and regularity of the public finances for which he is answerable, for the keeping of proper records, and for safeguarding the Museum's assets, are set out in Chapter 3 of *Managing Public Money* published by HM Treasury.

The Director as Accounting Officer hereby confirms that the annual report and accounts as a whole is fair, balanced and understandable and that he takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

So far as the Accounting Officer and the Board are aware, there is no relevant audit information of which the Museum's auditors are unaware, and the Accounting Officer and the Board have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Museum's auditors are aware of that information.

Admiral Sir Mark Stanhope  
Chairman of the Board of Trustees

Paddy Rodgers  
Director and Accounting Officer  
08 July 2021

\* A copy of this is available from the Director, Finance and IT, National Maritime Museum, Romney Road, London SE10 9NF

## **12. GOVERNANCE STATEMENT**

This Governance Statement, for which the Accounting Officer takes personal responsibility, and the Board of Trustees, represented by the Chairman of the Audit Committee, take corporate responsibility, manifests how their duties have been carried out in the year.

It is designed to give the reader a clear understanding of the dynamics and control structure of the Museum. It records the stewardship of the organisation and encompasses discussion of both corporate governance and risk management. Supplementing the accounts, it provides a sense of the Museum's resilience to challenges and any residual vulnerability.

### **1. The Governance Framework**

#### **1.1 Statutory and management background**

The founding legislation is the National Maritime Museum Act 1934 that established the National Maritime Museum and a Board of Trustees, who are a body corporate by the name of the Trustees of the National Maritime Museum. The 1934 Act was supplemented by the National Maritime Museum Act of 1989 and the Museums and Galleries Act of 1992.

Grant-in-Aid is provided by Parliament to enable the Board of Trustees to carry out the objectives set out in the original and amended Acts. The practices and procedures of the Museum comply with the requirements of the Management Agreement which defines and manages its status as an Arm's Length Body, agreed with the Department for Digital, Culture, Media and Sport in June 2014, updated in February 2017, and HM Treasury's 'Managing Public Money' and the conditions therein in relation to the Grant-in-Aid and public funds.

The approach to governance that the Board of Trustees of the National Maritime Museum follows is intended to ensure that appropriate principles of Corporate Governance are followed effectively. There are a number of interrelated aspects:

The selection, support and motivation of a suitable management team, coupled with the development and implementation of effective strategies to deliver the objectives of the Museum, reflecting appropriate and agreed priorities, is central to effective governance. So is the maintenance of a creative culture of excellence that is subject to on-going constructive challenge by the Board of Trustees. These elements allow a framework of interlocking personal objectives to be set and monitored, using accurate and timely management information, and allow effective internal and external communication.

All this, including the setting of priorities, reflects on-going processes enabling the Board of Trustees to identify and assess the changing risks that the Museum faces (including its reputation for academic excellence and research) and developing appropriate management responses to those risks including maintaining security and effective systems of internal control.

#### **1.2 Governance Framework**

The Board of Trustees is accountable to Parliament and has corporate responsibility for ensuring the Museum fulfils the aims and objectives set out in legislation and governing documents. The Board of Trustees, the Board of Directors of the trading company National Maritime Museum Enterprises Ltd, and the Director as Accounting Officer are responsible for establishing and maintaining systems of internal control in line with the

*Corporate governance in central government departments: code of good practice* (see also section 10 below). They are committed to public service values, which include integrity, openness, accountability, and securing value for money. The Museum continually reviews and updates the existing systems of internal control that are designed to meet the particular needs of the Museum and the risks to which it is exposed. By their nature, internal control systems can provide reasonable but not absolute assurance of effectiveness.

The Director as Accounting Officer is accountable to Parliament and is personally responsible for safeguarding the public funds for which he has charge, for propriety and regularity in the handling of those public funds and for the day-to-day operations and management of the Museum as set out in Chapter 3 of *Managing Public Money* by HM Treasury.

### **1.3 Structure**

#### **National Maritime Museum**

Under the National Maritime Museum Act 1934, the Board of Trustees is a statutory corporation entitled the Trustees of the National Maritime Museum. As listed in Schedule 3 of the Charities Act 2011, the Trustees of the National Maritime Museum is an exempt charity.

#### **Trading Company**

The National Maritime Museum established a wholly owned trading company called National Maritime Museum Enterprises Limited (NMME) on 2 April 1985. The principal activities of the company are that of operating retail, catering, events and other associated activities within the National Maritime Museum.

### **1.4 The Board of Trustees in 2020-21**

As a non-executive board, the Trustees are collectively responsible for the management and control of the Museum. In 2020-21, the Trustees contributed their voluntary service to the public's benefit at six Board meetings (held virtually due to the Covid-19 pandemic) and many other committee meetings. In addition to these, the Trustees also attended advocacy and other online events during the year and made frequent contributions of advice and guidance to the Museum within their areas of specialism.

	<b>Term</b>	<b>From</b>	<b>To</b>	<b>Attendance</b>		
				<b>Board</b>	<b>Audit</b>	<b>Others*</b>
<b>Chairman</b>						
Sir Charles Dunstone	2nd	21.11.2013	21.01.2021	3/3		
Admiral Sir Mark Stanhope	2nd	01.02.2015	31.01.2023	6/6	4/4	4/4
<b>Trustees in order of first appointment</b>						
Joyce Bridges	2nd	12.09.2013	11.09.2021	6/6	4/4	4/4
Carol Marlow	2nd	12.09.2013	11.09.2020	1/1		
Eric Reynolds	2nd	12.09.2013	11.09.2021	6/6		
Jeremy Penn	2nd	01.02.2015	31.01.2023	6/6		4/4
Dr Aminul Hoque	1st	05.09.2016	04.09.2020	2/2		
Dr Fiona Butcher	1st	03.09.2018	02.09.2022	6/6	4/4	
Dr Helen Czerski	1st	03.09.2018	02.09.2022	6/6		
Prof. Julian Dowdeswell	1st	03.09.2018	02.09.2022	4/6		
Alastair Marsh	1st	03.12.2018	02.12.2022	6/6	4/4	

\* see 1.7 below

## **1.5 Conflicts of interest**

In common with other public bodies, the Museum has a policy of arrangements under which potential conflicts of interest can be recognized and managed. The purpose of these arrangements is to avoid any danger of Trustees being influenced, or appearing to be influenced, by their private interests in the exercise of their public duties.

A Register of Interests is maintained and is available for inspection by application to the Governance and Museum Records Manager. The Register of Interests is completed by each Trustee, each Executive and those members of staff who make decisions on significant procurement.

In addition, a standing item of all Board and committee meetings requires Trustees to declare interests if they or close family members have an interest, pecuniary or otherwise, in any matter being considered. The Board or Committee will then decide whether it is appropriate for the Trustee to participate or withdraw from the meeting. There were no such withdrawals required in 2020-21. Related party transactions are declared and recorded within the Annual Account in note 24.

## **1.6 Trustee Appointments and Induction**

The Chairman and the Nominations Committee identify the skills and expertise needed to reflect the strategic needs of the Museum. Ministers agree the role specification for the recruitment of new Trustees and are kept informed throughout the process. The appointment process itself is carried out by the Department for Digital, Culture, Media and Sport (DCMS). From 1 January 2017 this is in accordance with the Cabinet Office Governance Code on Public Appointments, the regulation of which is carried out by the Commissioner for Public Appointments. Advertisements are placed in media deemed appropriate for each case but always include the Museum's own website and the Public Appointments website operated by the Cabinet Office. A selection panel chaired by a senior DCMS officer with a DCMS appointed Independent Panel Member and an appointed member of the current Trustee Board, shortlist and interview the candidates and recommendations are made to Ministers accordingly. The Prime Minister makes the appointment to the Board and appointments and re-appointments are normally for four years.

In 2020-21, Trustees Carol Marlow and Dr Aminul Hoque stood down after seven and four years on the Board respectively. Sir Charles Dunstone stood down as Chairman in January 2021 after serving for over seven years in the position. Admiral Sir Mark Stanhope was elected as Chairman of Trustees in February 2021.

The Chairman ensures that all members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties and responsibilities. All Trustees receive a Trustee Governance Pack which includes the staff handbook and all relevant governance material and receive a day-long induction course on appointment. Trustees provide the Board with their specific areas of expertise, knowledge and skills but training is always offered and available. In addition, from time to time, the Board receives specific briefings on matters such as Health and Safety and compliance procedures and individual Trustees are encouraged to take up departmental visits and meet with members of the Executive, managers, staff and volunteers.

## **1.7 In 2020-21 the Board's Committee structure was:**

### **Audit Committee**

This Committee gave independent advice and guidance to the Board of Trustees and to the Director as Accounting Officer on the adequacy of audit arrangements (internal and external) and on the implications of assurances provided in respect of risk and control in the Museum. The remit of the Committee reflects the standards of HM Treasury's Audit Committee Handbook. The Audit Committee usually meets some two weeks before Trustee Boards so that it can communicate any Board level issues at that point as well as assessing the Museum's strategic risk register before it goes forward to the Board.

In line with best practice, the Audit Committee undertook a self-assessment of its effectiveness by completing a formal questionnaire in January 2020 by the four members of the Audit Committee. The self-assessment indicated an effective and robust Committee. The Committee will return to the exercise in 2023-24.

### **Remuneration Committee**

This Committee determines and recommends to the Chairman the Executive reward and performance packages and advises the Chairman on his assessment of the Director's remuneration. The Committee meets twice a year.

### **Nominations Committee**

The Chairman and the Nominations Committee identify the skills and expertise needed to reflect the strategic needs of the Museum then request recruitment campaigns accordingly from the Department for Digital, Culture, Media and Sport.

### **Collections and Research Committee**

The Committee oversees strategies for the stewardship of collections and the development of research at the Museum in the context of its overall strategic objectives. The Trustees Fellowships & Awards Sub-Committee offers guidance and made decisions on selecting candidates for Museum fellowships and selecting candidates for the Caird Medal.

### **Cutty Sark Advisory Committee**

Oversees strategies and provides advice and guidance for the stewardship of the ship and collections with a particular focus on the conservation, maintenance and upkeep requirements of the Ship.

## **1.8 The work of the Trustee Board in 2020-21**

In 2020-21 the significant work of the Board and its committees included:

- frequent assessment and re-appraisal of the 2020-21 budget and the Museum's financial position as the international health crisis unfolded
- scrutiny of the budget for 2021-2022
- active engagement and support for the management's plans for re-opening of the Museum
- appointment of a new Chair in February 2021
- approval of role descriptions and a list of prospective candidates for three new Trustee positions, including a new Chair
- approval, in accordance with the agreed criteria and procedures, of transfers of items out from the collection
- the adoption of the annual report from National Historic Ships UK
- approval of the Content Strategy and new skeleton strategic plan
- Support for the Museum's plans for widening community engagement

The minutes of Trustee Board meetings are available at [www.rmg.co.uk/work-services/what-we-do/policies-procedures/foi/how-we-work/trustee-board-minutes](http://www.rmg.co.uk/work-services/what-we-do/policies-procedures/foi/how-we-work/trustee-board-minutes). The Board has received no ministerial directions.

## **2. The Board's performance, including its assessment of its effectiveness**

The Board reviewed formally its performance at its November 2020 meeting, three years after its last assessment. The Board considered the assessment provided a consistent and collective view that the Board was performing well in its statutory role and its wider Trusteeship of Royal Museums Greenwich. The Board will undertake another self-assessment in 2023-24.

## **3. Matters from the Audit Committee reports**

The minutes from the Audit Committees are circulated to Trustees prior to the Board's meetings. The Chairman of the Audit Committee makes an annual report to the Board on the previous year's Audit Committee business.

With respect to its 2020-21 Audit Committee work, the Committee had no matters of high risk or significance arising from the internal audit reports to bring forward to the Board of Trustees. There were, however, a number of recommendations as a result of the reports substantially all of which have already been implemented and the remainder are in the course of implementation. There were no matters of Health and Safety to bring specifically to the Board in 2019-20 and no seven-day injuries to report. The Board of Trustees is given the prior quarter's Health and Safety incidents in its Board papers.

At each of its meetings, the Audit Committee reviews the strategic risk register to identify how strategic risks are being mitigated by management and what new risks are emerging. This review also determines the work programme for internal audit the results of which are reported in section 5 below (Internal Audit). The Audit Committee also continually reviews the management's progress in enacting recommendations made in previous internal audit reports. On an annual basis, the Committee's work includes approving the Annual Report and Accounts for the year as delegated by and on behalf of the Board and any matters arising from the audit of those accounts by the National Audit Office and the Museum's wholly owned trading subsidiary which is audited by haysmacintyre. The Audit Committee also deals with one-off items including emergency planning, anti-fraud matters, and any procurement complexities that may arise.

### *Whistleblowing*

At its meeting in February 2021 the Audit Committee reviewed the Museum's Anti-Fraud/Bribery/Theft Policy and found the effectiveness of the whistleblowing arrangements and procedures therein to be satisfactory.

### *The Audit Committee*

The Audit Committee members are Trustees Alastair Marsh (Chair), Admiral Sir Mark Stanhope, Joyce Bridges CBE and Dr Fiona Butcher.

## **4. The quality of data used by the Board and why the Board finds it acceptable**

Data and information used consists of financial and non-financial performance measures. *Financial data* is provided by the Financial Information System from which is produced the monthly management accounts and comparisons with budgets. These together with a commentary are provided to the Board on a Quarterly basis. Budgets are reviewed quarterly and reset according to the Museum's priorities. Revised forecasts are

undertaken at Q2 and Q3 then agreed by the Board as necessary. The Executive reviews financial performance against these targets each month.

*Non-financial performance measures* enable the Board to monitor progress against the milestones set in the corporate plan and the targets set in the divisional business plans. Results of progress against the non-financial targets or performance indicators set in the divisional business plans are usually provided by data collectors across the Museum then collated into monthly performance reports. However, the exceptional circumstances of the last year meant that the normal performance measures and corporate plan milestones became largely irrelevant in 2020-21.

*Visitor feedback-* Visitor Insight reports are usually reviewed monthly by the Executive, and by the Trustee Board on a quarterly basis, to improve the visitor experience wherever feasible. In 2020-21 these were suspended due to the closure of our sites.

In normal circumstances the Board considers the standard of this data and information in terms of quality, accuracy and timeliness commensurate with its responsibilities in maintaining systems of internal control but when necessary, the Board requests additional clarification or additional information. This data and information is reinforced by Internal Audit.

## **5. Internal Audit**

Internal Audit is provided by BDO LLP who work to the Public Sector Internal Audit Standards in order to give an independent appraisal function for the review of activities within the Museum as a service to Management, the Director as Accounting Officer and the Board via the Audit Committee.

At the beginning of each financial year the internal auditors review with management those activities which are or are likely to be of the highest risk to the Museum achieving its objectives and these form the basis for the internal audit programme which is then presented to the Audit Committee for review and approval. At Audit Committee meetings the internal auditors present their reports giving their opinion on the adequacy and effectiveness of the system of internal controls, recommendations for improvement and management's responses to those recommendations.

During 2020-21 the internal audit reporting work encompassed:

1. Temporary Exhibitions
2. Fraud risk assessment
3. Budgeting and Forecasting
4. Procurement

Of these four reviews, three were rated green/amber (Temporary Exhibitions, Fraud risk assessment and Procurement), and one green (Budgeting and Forecasting).

The results of these reviews form the basis of the internal audit annual assurance statement given below and recommendations made by internal audit are followed up at each meeting of the Committee using management's audit tracker which is itself updated for each meeting. All recommendations made by the auditors to strengthen internal controls in the 2020-21 year have been implemented or are in the process of being implemented by management. During the course of the year the internal audit programme is updated as further or new risks emerge and the amendments to the programme agreed with the Audit Committee. The internal auditors provide an annual statement of assurance to the Accounting Officer and the Trustee Board on the work

performed in the year. In respect of the 2020-21 year, the Head of Internal Audit reported that:

There is an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved.

## **6. External Audit**

The external audit of the 2020-21 accounts of National Maritime Museum Enterprises Limited was carried out by haysmacintyre. The consolidated accounts of the Museum are audited and certified by the National Audit Office on behalf of the Comptroller and Auditor General. The auditors discuss with Management and the Audit Committee areas of risk when compiling their audit planning documents. Following the audits, recommendations made in respect of internal controls and accounting effectiveness are reviewed with management and action taken.

## **7. Matters arising in the year**

We are able to confirm that there have been no significant internal control problems in the National Maritime Museum for the financial year ended 31 March 2021 and up to the date of this report.

## **8. The Museum's corporate governance**

### **8.1 Scope of Responsibility**

The Accounting Officer (the Director) and the Trustees (represented by the Chairman of the Audit Committee) have joint responsibility for maintaining a sound system of internal control which supports the achievement of the Museum's mission, responsibilities, objectives and policies whilst safeguarding public funds and Museum's assets, for which the Accounting Officer is formally responsible, in accordance with the responsibilities assigned to him under "Managing Public Money" and the Management Agreement between the Museum and the Department for Digital, Culture, Media and Sport.

The Museum is led and managed by the Director and the Executive with the support of the Senior Management Team and is structured to ensure delivery of the targets laid down in the Corporate Plan, Management Agreement with DCMS, the Divisional Business Plans and the respective performance agreements of divisional directors and managers. These targets cover outputs relating to the public's access to the collections, the themes the Museum explores and the quality of services it provides. The targets also cover financial performance and the efficiency and effectiveness of its operations. In a normal year, the Executive reviews performance against these targets monthly using the performance management system developed for the purpose. In turn, the Trustee Board receives reports on a quarterly basis for interrogation. The Executive monitors the performance of all major projects on a monthly/quarterly basis, or by exception reporting. In 2020-21 these mechanisms were largely paused due to the closure of the Museum.

Accountability, limits of authority and lines of reporting are clearly defined throughout the Museum's management. Annual performance objectives and targets are set for each member of staff. Well-developed information and reporting systems monitor progress against financial and non-financial targets. The Financial Information System provides networked access to the details of actual and committed expenditure for activity centre managers and summarised results for divisional directors.

The Director and each member of the Executive completed a formal annual Assurance Report, sighted by the Audit Committee, certifying that, during the 2020-21 Financial Year, the systems of internal control used within their areas of responsibility had been sound and had been followed.

## **8.2 External engagement**

In line with the Management Agreement, normally the Director, Finance & IT and Director, Operations and Human Resources conduct periodic Engagement meetings with senior officers from DCMS to discuss progress against Key Performance Indicators and significant activities at the Museum. Due to the exceptional circumstances of 2020-21 these meetings were largely focused on financial matters.

## **8.3 Risk Management**

The Museum views risk management as an active part of its management processes and operates a comprehensive system of risk identification, assessment, addressing, reviewing and reporting.

### *Risk Policy*

The Museum's Risk Management Policy, updated in November 2016, recognises that the Trustees, together with the Executive Board, have overall responsibility for the management of risk in the Museum but a framework of senior level delegation and responsibility is essential if risk management is to be effective. Trustees, both within the Audit Committee, and at plenary Board meetings, review the strategic risk register both for content and ability of the Museum to mitigate those risks. In addition, any activities of an unusual nature are considered by Trustees before the Museum is exposed to any significant risk.

### *Risk Ownership*

Responsibility is assigned at the relevant and appropriate level. As part of the appraisal, performance management, and objective setting mechanism, executive directors' and managers' performance agreements contain explicit requirements for identifying, assessing and managing the risks in their area of work in order to provide a reasonable assurance that their contribution to the Museum's objectives are met in the most efficient and economical way. These are linked to the Corporate and Divisional Plans. Specialist risk managers exist within the Museum dealing with Health and Safety, Security and Data Management.

## **9. Risk assessment - Current and Future Risks**

At a corporate level strategic risks are identified, evaluated, or re-evaluated by the Executive on a periodic basis. These risks, their management and any current issues are then brought to the Audit Committee for further consideration and then to the Board, again quarterly.

The Board has a risk management strategy which comprises:

- i a quarterly review of the risks that the charity and its subsidiary, NMME, face;
- ii establishment of policies, systems and procedures to mitigate those risks; and
- iii implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

In 2020-21 this work identified the following principal risks for both the charity and its subsidiary: the sustainability of the financial operating model, in particular given the

significant business disruption due to the ongoing global pandemic; theft, vandalism or loss of the collections; fire, cyber-crime and terrorism.

The financial sustainability risk has until now been managed by maximising income generating opportunities, budgeting for and delivering operating surpluses, overall cost control and identifying and delivering efficiencies, appropriate on-going maintenance, and setting up of a "conservation fund" to cover long term maintenance needs of Cutty Sark when they fall due. In 2020-21, the closure of the Museum for the majority of the year has meant that income generation largely ceased and whilst our expenditure also significantly reduced we were reliant on GIA and the emergency Covid support package from Government as well as the furlough scheme to support the payment of staff salaries.

The risks from fire, cybercrime and terrorism are managed through: clear emergency procedures; constant review and practice of recovery and business continuity plans; a fire safety strategy; first-aid training; and, continued liaison with counter-terrorism police and emergency services.

#### *Information risk*

In 2010 the Museum adopted an Information Security Policy, updated in 2016 and again in 2020. This policy sets out the guidelines with which all staff must comply in order for the Museum to meet the requirements set out in the HMG Security Policy Framework, 2018 and other data handling and legislative requirements, for the secure management of information. It applies to all information used, received or created whilst carrying out the business of the Museum. Since 2017-18, the statement of assurance made by all Information Asset Owners encompasses DPA 2018 and GDPR compliance. The Museum is not aware of suffering any lapses of protective security including personal data incidents during 2020-21 and has made no such report to the Information Commissioner's Office.

In 2018-19 the Museum achieved the Basic level of Cyber Essentials Assurance Accreditation, but this expired during the pandemic. We intend to recertify Basic starting in June 2021 with the intention of obtaining Plus status early in 2022.

### **10. Risk management framework and risk assessment**

Risk is unavoidable and the resources available for managing risk are finite. The aim of risk management within the NMM is therefore to achieve an optimum response to risk, prioritised in accordance with an evaluation of the risks. The approach adopted takes into account the HM Treasury guidance on management of risk, with reference as appropriate to best practice guidance from the National Audit Office and risk management standards. The NMM assesses risk through consideration of the likelihood of something happening, and its potential impact. Risk management within the NMM includes:

- identifying and assessing risks (the "inherent risks");
- assigning each of those risks to an individual risk owner;
- setting an agreed risk appetite (the "risk targets");
- evaluating the effectiveness of relevant mitigating controls;
- assessing the risks remaining given the controls in place (the "residual risks"); and
- agreeing, implementing and monitoring controls to reduce the variance between residual and target risks.

Risk management is everybody's responsibility, and is embedded within the NMM through established business planning processes which ensure that risks to achieving

plan initiatives are identified as those initiatives are developed and project risks are considered at project gateways.

*The Board of Trustees* has statutory duties under the National Maritime Museum Act 1934 and Museums and Galleries Act 1992 for the general management and control of the NMM. The Board appoints the Director with the approval of the Prime Minister, defines the strategic direction of the Museum, and approves its execution in an operating plan drawn up in consultation with the Director.

*The Director* is the Accounting Officer for the purposes of reporting to the Department for Digital, Culture, Media and Sport, and has overall responsibility for the NMM's risk management framework.

*The Audit Committee* supports the Board and the Accounting Officer in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness, reliability and integrity of assurances provided to them. The Audit Committee reviews the risk register and actions taken at each of its meetings. In addition to a rolling programme of review, the committee focuses on the highest rated residual risks in terms of their likelihood and impact taken together, and topical risks. The Audit Committee challenges the NMM's officers for evidence of good management and routinely requires managers to provide assurance that risk management and internal controls are thoroughly understood and effectively implemented at operating level. The Chairman of the Audit Committee reports to the Board of Trustees annually with regard to the effectiveness of risk management and the system of internal control and as required for emerging issues related to risk management.

*The Directorate Group* reviews risks, and receives and considers reports or recommendations for action or decision.

*The Audit Committee* oversees the implementation of risk management principles and practice throughout the NMM with the objective of eliminating, transferring, mitigating or accepting risks. It seeks to coordinate activities to obtain a more effective risk management process from existing resources and ensure the dissemination of good practice throughout the NMM. It aims to provide the Directorate Group and so the Accounting Officer and the Audit Committee with assurance that an effective system of internal control has been maintained and is operated within the NMM. Internal Audit acts as an independent review of the internal control framework, including risk management. In addition to reports on individual reviews,

*Internal Audit* produces an annual report that contains the Head of Internal Audit's opinion of the overall adequacy and effectiveness of the risk management, control and governance processes.

During the year the NMM's risk management policy was reviewed and no changes were made. The most significant residual risks currently facing the NMM arise from the impact of COVID-19, the condition of the estate; reductions in government funding and increasing costs associated with regulatory requirements and ambitious strategies for increasing income generation; and the movement of the collection between storage & exhibition sites. The actions required in each case to achieve target risk levels are recorded in the risk register and their delivery is monitored by the Audit Committee. The NMM has an adequate and effective framework for risk management, governance and internal control, and appropriate plans, informed by internal audit reviews, to ensure

continuous improvement. The NMM continues to focus its efforts on scrutinising areas of perceived higher risk and, in particular, implementing agreed changes to the visitor services and security functions.

The NMM has a whistleblowing policy which is approved by the Board of Trustees and published on the website. The policy is formally reviewed every four years, or as circumstances require. The policy is supported by a whistleblowing procedure made available to all staff and published on the Museum's intranet.

#### **11. The Board's assessment of compliance with the Corporate Governance Code**

For the reasons given in this Governance Statement, the Board and Accounting Officer are of the opinion that the Museum complies with the *Corporate governance in central government departments: code of good practice* as appropriate for a public body of the Museum's size, scale and scope of activities.

Alastair Marsh  
Trustee and Chair of the Audit Committee

Paddy Rodgers  
Director and Accounting Officer  
08 July 2021

## **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT**

### **Opinion on financial statements**

I certify that I have audited the financial statements of the National Maritime Museum for the year ended 31 March 2021 under the Museums and Galleries Act 1992. The financial statements comprise: The Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cashflow Statement and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

I have also audited the information in the Remuneration and Staff Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the group's and of National Maritime Museum's affairs as at 31 March 2021 and of its net income for the year then ended; and
- the financial statements have been properly prepared in accordance with the Museums and Galleries Act 1992 and Secretary of State directions issued thereunder.

### **Opinion on regularity**

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### **Basis for opinions**

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the National Maritime Museum in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the National Maritime Museum's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the National Maritime Museum'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.

My responsibilities and the responsibilities of the Trustees and Director as Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

#### **Other Information**

The other information comprises information included in the Trustees and Accounting Officer's Annual Report but does not include the financial statements and my auditor's certificate thereon. The Trustees and the Director are responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

#### **Opinion on other matters**

In my opinion:

- the parts of the Remuneration Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Museums and Galleries Act 1992.
- the information given in the Trustees and Accounting Officer's Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which I report by exception**

In the light of the knowledge and understanding of the National Maritime Museum and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustees and Accounting Officer's Annual Report

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## **Responsibilities of the Board of Trustees and Director as Accounting Officer**

As explained more fully in the Statement of Responsibilities of the Board of Trustees and the Director as Accounting Officer, the Board of Trustees and the Director are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as Trustees and the Director determine is necessary to enable the preparation of the financial statements to be free from material misstatement, whether due to fraud or error.
- assessing the group and the National Maritime Museum'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 and the Director either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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

My responsibility is to audit, certify and report on the financial statements in accordance with the Museums and Galleries Act 1992.

My 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 a certificate that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the internal auditor and those charged with governance, including obtaining and reviewing supporting documentation relating to the National Maritime Museum's policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the National Maritime Museum's controls relating to the Museum and Galleries Act 1992, the National Maritime Museum Act 1934, Managing Public Money and the Charities Act 2011.
- discussing among the engagement team including key personnel from the component auditors, and involving relevant internal and or external specialists, including experts in the valuation of land and buildings, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas:

revenue recognition, posting of unusual journals and the application of the Coronavirus Job Retention Scheme.

- obtaining an understanding of the National Maritime Museum and the group's framework of authority as well as other legal and regulatory frameworks that the National Maritime Museum and group operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the National Maritime Museum and group. The key laws and regulations I considered in this context included the Museum and Galleries Act 1992, the National Maritime Museum Act 1934, Managing Public Money, Employment Law, Tax Legislation, the Coronavirus Act 2020 and the Charities Act 2011.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board of Trustees;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- in addressing the risk of revenue recognition due to fraud, assessing the recognition of income in line with the accounting framework and undertaking procedures to test the completeness of grants, donations and legacies;
- in addressing the risk of fraud in the Coronavirus Job Retention Scheme undertaking procedures to test that claims to HM Revenue and Customs were in line with the scheme rules and procedures to test whether employees were working whilst claiming under the scheme.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

**Report**

I have no observations to make on these financial statements.

**Gareth Davies**

**Date 15 July 2021**

**Comptroller and Auditor General**

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

**Consolidated Statement of Financial Activities**  
**For the year ended 31 March 2021**

		<b>Note</b>	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Endow- ment Funds £'000</b>	<b>Total 2021 £'000</b>	<b>Total 2020 £'000</b>
<b>Income and Endowments</b>							
<b>Donations and Legacies</b>							
- Grant in Aid			19,834	-	-	19,834	16,598
- Other			410	723	-	1,133	1,859
<b>Total Donations and Legacies</b>		<b>2.a</b>	<b>20,244</b>	<b>723</b>	<b>-</b>	<b>20,967</b>	<b>18,457</b>
<b>Other Trading Activities</b>							
- Trading Income		<b>3</b>	841	-	-	841	5,419
- Other		<b>4</b>	288	3	-	291	938
<b>Total Other Trading Activities</b>			<b>1,129</b>	<b>3</b>	<b>-</b>	<b>1,132</b>	<b>6,357</b>
<b>Income from Investments</b>		<b>5</b>	58	1	5	64	109
<b>Income from Charitable Activities</b>							
Putting Visitors First and creating inspiring experiences		<b>6a</b>	573	-	-	573	7,761
Valuing our Heritage, caring for and developing our unique collection		<b>6a</b>	204	-	-	204	273
Extending our Reputation, reach and impact		<b>6a</b>	99	-	-	99	316
Job Retention Scheme		<b>6b</b>	-	3,025	-	3,025	-
<b>Total Income from Charitable Activities</b>		<b>6</b>	<b>876</b>	<b>3,025</b>	<b>-</b>	<b>3,901</b>	<b>8,350</b>
<b>Total Income and Endowments</b>			<b>22,307</b>	<b>3,752</b>	<b>5</b>	<b>26,064</b>	<b>33,273</b>
<b>Expenditure</b>							
<b>Expenditure on Raising Funds</b>							
Costs of Raising Donations and Legacies			481	-	-	481	498
Costs of Other Trading Activities							
- Trading Costs		<b>3</b>	1,159	-	-	1,159	3,497
- Cost of Activities for Generating Funds, other			3,126	-	-	3,126	4,671
Total Cost of Other Trading Activities		<b>7</b>	<b>4,285</b>	<b>-</b>	<b>-</b>	<b>4,285</b>	<b>8,168</b>
<b>Total Expenditure on Raising Funds</b>			<b>4,766</b>	<b>-</b>	<b>-</b>	<b>4,766</b>	<b>8,666</b>
Investment Management Costs			51	1	3	55	61
<b>Expenditure on Charitable Activities</b>							
Putting Visitors First and creating inspiring experiences			3,886	1,360	-	5,246	6,884
Valuing our Heritage, caring for and developing our unique collection			10,421	5,917	-	16,338	17,573
Extending our Reputation, reach and impact			1,623	568	-	2,191	2,458
<b>Total Expenditure</b>		<b>7</b>	<b>20,747</b>	<b>7,846</b>	<b>3</b>	<b>28,596</b>	<b>35,642</b>
Net Gains/(Losses) on Investments		<b>13</b>	742	12	73	827	(389)
<b>Net Income/(Expenditure)</b>			<b>2,301</b>	<b>(4,082)</b>	<b>75</b>	<b>(1,705)</b>	<b>(2,758)</b>
<b>Transfers</b>							
Transfers between funds		<b>19.a</b>	(1,900)	1,900	-	-	-
<b>Net Income/(Expenditure) before other Recognised Gains and Losses</b>			<b>401</b>	<b>(2,182)</b>	<b>75</b>	<b>(1,705)</b>	<b>(2,758)</b>
<b>Other Recognised Gains and Losses</b>							
Gains/(Losses) on Revaluation of Fixed Assets		<b>10.a</b>	-	(2,547)	-	(2,547)	13,521
<b>Total Net Movement in Funds</b>		<b>9</b>	<b>401</b>	<b>(4,729)</b>	<b>75</b>	<b>(4,252)</b>	<b>10,763</b>
<b>Reconciliation of Funds</b>							
Funds balance brought forward at 1 April 2020			21,337	284,961	470	306,768	296,005
<b>Funds balance at 31 March 2021</b>		<b>19.a</b>	<b>21,739</b>	<b>280,232</b>	<b>545</b>	<b>302,516</b>	<b>306,768</b>

All recognised gains and losses have been included in the accounts.

All operations of the Museum continued throughout both periods and no operations were acquired or discontinued in either period. There are no recognised gains or losses other than those shown above.

*The notes on pages 63 to 79 form part of these accounts.*

**Charity Statement of Financial Activities**  
**For the year ended 31 March 2021**

		<b>Note</b>	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Endow- ment Funds £'000</b>	<b>Total 2021 £'000</b>	<b>* Total 2020 £'000</b>
<b>Income and Endowments</b>							
<b>Donations and Legacies</b>							
- Grant in Aid		<b>2.a</b>	19,834	-	-	19,834	16,598
- Other		<b>2.a</b>	410	723	-	1,133	1,859
- Gift Aid NMME			-	-	-	-	1,438
<b>Total Donations and Legacies</b>			<b>20,244</b>	<b>723</b>	<b>0</b>	<b>20,967</b>	<b>19,895</b>
<b>Other Trading Activities</b>							
- Trading Income			-	-	-	-	-
- Other			295	3	-	298	992
- Recharges / Gift Aid Adjustment NMME			(179)	-	-	(179)	189
<b>Total Other Trading Activities</b>			<b>116</b>	<b>3</b>	<b>0</b>	<b>119</b>	<b>1,181</b>
<b>Income from Investments</b>							
<b>Income from Charitable Activities</b>							
Putting Visitors First and creating inspiring experiences			573	-	-	573	7,761
Valuing our Heritage, caring for and developing our unique collection			204	-	-	204	273
Extending our Reputation, reach and impact			99	-	-	99	316
Job Retention Scheme			-	3,025	-	3,025	-
<b>Total Income from Charitable Activities</b>		<b>6</b>	<b>876</b>	<b>3,025</b>	<b>-</b>	<b>3,901</b>	<b>8,350</b>
<b>Total Income and Endowments</b>			<b>21,293</b>	<b>3,752</b>	<b>5</b>	<b>25,050</b>	<b>29,530</b>
<b>Expenditure</b>							
<b>Expenditure on Raising Funds</b>							
Costs of Raising Donations and Legacies			481	-	-	481	498
Costs of Other Trading Activities			-	-	-	-	-
- Trading Costs			-	-	-	-	-
- Cost of Activities for Generating Funds, other			3,133	-	-	3,133	4,725
Total Cost of Other Trading Activities			<b>3,133</b>	<b>-</b>	<b>-</b>	<b>3,133</b>	<b>4,725</b>
<b>Total Expenditure on Raising Funds</b>			<b>3,614</b>	<b>-</b>	<b>-</b>	<b>3,614</b>	<b>5,223</b>
<b>Investment Management Costs</b>							
<b>Expenditure on Charitable Activities</b>							
Putting Visitors First and creating inspiring experiences			3,886	1,360	-	5,246	6,884
Valuing our Heritage, caring for and developing our unique collection			10,421	5,917	-	16,338	17,573
Extending our Reputation, reach and impact			1,623	568	-	2,191	2,458
<b>Total Expenditure</b>			<b>19,596</b>	<b>7,846</b>	<b>3</b>	<b>27,444</b>	<b>32,199</b>
Net Gains/(Losses) on Investments		<b>13</b>	742	12	73	827	(389)
<b>Net Income/(Expenditure)</b>			<b>2,440</b>	<b>(4,082)</b>	<b>75</b>	<b>(1,567)</b>	<b>(3,058)</b>
<b>Transfers</b>							
Transfers between funds		<b>19.b</b>	(1,900)	1,900	-	-	-
<b>Net Income/(Expenditure) before other Recognised Gains and Losses</b>			<b>540</b>	<b>(2,182)</b>	<b>75</b>	<b>(1,567)</b>	<b>(3,058)</b>
<b>Other Recognised Gains and Losses</b>							
Gains/(Losses) on Revaluation of Fixed Assets		<b>10.a</b>	-	(2,547)	-	(2,547)	13,521
<b>Total Net Movement in Funds</b>		<b>9</b>	<b>540</b>	<b>(4,729)</b>	<b>75</b>	<b>(4,114)</b>	<b>10,463</b>
<b>Reconciliation of Funds</b>							
Funds balance brought forward at 1 April 2020			21,180	284,759	470	306,409	295,946
<b>Funds balance at 31 March 2021</b>		<b>19.b</b>	<b>21,720</b>	<b>280,030</b>	<b>545</b>	<b>302,295</b>	<b>306,409</b>

Prior year comparatives are shown in note 28

*The notes on pages 63 to 79 form part of these accounts.*

**Consolidated and Museum Balance Sheets as at 31 March 2020**

	Note	Group	2021 £'000	2020 £'000	Charity	2021 £'000	2020 £'000
<b>Fixed Assets</b>							
Tangible Fixed Assets	10.a		191,728	198,193	191,728	198,193	
Intangible Fixed Assets	10.b		258	300	258	300	
Heritage Assets	12		101,731	101,523	101,731	101,523	
Investments	13		4,959	4,015	5,459	4,515	
			<b>298,676</b>	<b>304,031</b>	<b>299,176</b>	<b>304,531</b>	
<b>Current assets</b>							
Stock	15		462	418	156	84	
Debtors: Amounts falling due within one year	16		1,705	2,220	1,697	3,412	
Short-Term Deposit	23		-	-	-	-	
Cash at bank and in hand	23		10,010	8,641	9,207	6,321	
			<b>12,177</b>	<b>11,279</b>	<b>11,060</b>	<b>9,817</b>	
<b>Current liabilities</b>							
Creditors: Amounts falling due within one year	17		(3,557)	(3,636)	(3,161)	(3,033)	
<b>Net current assets</b>			<b>8,620</b>	<b>7,643</b>	<b>7,899</b>	<b>6,784</b>	
Debtors: Amounts falling due after one year	16		100	218	100	218	
Creditors: Amounts falling due after one year	17		(4,880)	(5,124)	(4,880)	(5,124)	
<b>Net Assets</b>			<b>302,516</b>	<b>306,768</b>	<b>302,295</b>	<b>306,409</b>	

		Group	2021 £'000	2020 £'000	Charity	2021 £'000	2020 £'000
<b>Income Funds</b>							
<b>Restricted funds:</b>	19						
Revaluation Reserve			81,445	83,992	81,445	83,992	
Other Restricted Funds			198,787	200,969	198,585	200,767	
Total Restricted Funds			<b>280,232</b>	<b>284,961</b>	<b>280,030</b>	<b>284,759</b>	
<b>Unrestricted funds:</b>	19						
Designated Funds			18,737	18,231	18,718	18,074	
General Funds			3,002	3,106	3,002	3,106	
Total Unrestricted Funds			<b>21,739</b>	<b>21,337</b>	<b>21,720</b>	<b>21,180</b>	
<b>Capital Funds</b>	19						
Endowment Funds			545	470	545	470	
Total Endowment Funds			<b>545</b>	<b>470</b>	<b>545</b>	<b>470</b>	
<b>Total Funds</b>			<b>302,516</b>	<b>306,768</b>	<b>302,295</b>	<b>306,409</b>	

The financial statements on pages 63 to 79 were approved by the Director and the Chairman.

Admiral Sir Mark Stanhope, Chairman of the Trustees 08 July 2021

Paddy Rodgers, Director and Accounting Officer 08 July 2021

The financial statements were authorised for issue by the Accounting Officer and Board of Trustees on the date shown on the audit certificate.

*The notes on pages 63 to 79 form part of these accounts.*

**Consolidated Cash Flow Statement**  
For the year ended 31 March 2021

Statement of Cash Flows	Note	2021 £'000	2020 £'000
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	22	4,648	4,222
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments	5	64	109
(Decrease)/Increase in short term deposits	23	-	-
Purchase of property, plant and equipment			
Total Asset Additions	10	(2,698)	(2,602)
Total Purchased Heritage Assets	12	(204)	(235)
Proceeds from sale of investments	13	1,295	1,169
Purchase of investments	13	(1,412)	(1,223)
<b>Increase in cash</b>		<b>1,693</b>	<b>1,440</b>
<b>Cash flows from financing activities:</b>			
Repayments of borrowing	17	(325)	(329)
<b>Net cash used in financing activities</b>		<b>(325)</b>	<b>(329)</b>
<b>Reconciliation of increase in cash to movement in net funds</b>			
Increase in cash in the period	22	1,369	1,111
Increase/(Decrease) in liquid resources in the period	22	-	-
Change in cash and cash equivalents in the reporting period		1,369	1,111
Cash and cash equivalents at the beginning of the reporting period	22	8,641	7,530
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>23</b>	<b>10,010</b>	<b>8,641</b>
<b>Analysis in Changes in Net Debt</b>		<b>Balance 2020 £'000</b>	<b>Balance 2021 £'000</b>
Cash	23	8,641	1,369
Loans falling due within one year	17	(244)	-
Loans falling due after more than one year	17	(5,124)	244
<b>Total</b>		<b>3,273</b>	<b>1,613</b>
			<b>4,886</b>

The notes on pages 63 to 79 form part of these accounts.

**Notes to the Consolidated Accounts  
For the year ended 31 March 2021**

**1 Accounting Policies**

The accounts comply with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS102), applicable accounting standards, the requirements of the HM Treasury's Financial Reporting Manual, Charities Act 2011, Accounts Direction issued by the Department for Digital, Culture, Media and Sport (DCMS) and in the case of the subsidiary the Companies Act 2006. The charity is a public benefit entity. The particular accounting policies adopted by the Museum are described below. The Functional currency is Sterling (£).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102) issued on 3 January 2019 in preparing its accounts, rather than the Accounting and Reporting by Charities; Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

**Going concern status**

The accounts are prepared on the going concern basis as financial projections show the museum is able to meet its liabilities as they fall due for the foreseeable future. In reaching the conclusion on the ability of the museum to remain a going concern, the Trustees have carefully considered the financial impact of the Covid-19 pandemic. The temporary closure of the museum, the expected lower visitor numbers for a significant period of time following reopening, and the wider economic impact of the Covid-19 pandemic will all significantly limit the Group's ability to generate income. Mitigating actions taken have included making use of the government's Coronavirus Job Retention Scheme, a recruitment freeze and the reworking of budgets to minimise costs. In addition, DCMS have committed additional funding for the year to 31 March 2022 through the cultural and heritage support package. These measures, alongside an assessment of the liquidity of assets held and the level of general funds, have given assurance to the Trustees that it is reasonable to assume the museum is able to continue to operate for the coming 12 months and beyond.

**(a) Basis of accounting**

The accounts have been prepared under the historical cost convention as modified by the revaluation of tangible fixed assets and the required valuation methods for financial instruments. The Museum (Group) accounts includes the three Trusts (The Caird Fund, The Development Fund and The No. 3 Trust Fund) and the trading subsidiary, National Maritime Museum Enterprises Limited (NMME). All figures shown as Charity are comprised of the Group results excluding NMME. The accounts are consolidated on a line-by-line basis.

**(b) Income**

Income is classified under the headings of Donations and Legacies, Income from Charitable Activities and Trading Income. Grant-in-aid from the DCMS is recognised in the Statement of Financial Activities in the year that it is received. Lottery, Grant, Donations and legacies are recognised in the SOFA when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Grants and other income that are awarded subject to specific performance conditions and non capital income from the Heritage Lottery Fund, are recognised when the performance conditions for their receipt have been met. Commercial and trading income including sponsorship is recognised upon performance of services rendered in accordance with the contractual terms. Admissions and Membership income is recognised as the Museum becomes entitled to the income. All other income is recognised where there is probability of receipt and the amount is quantifiable.

**(c) Expenditure**

All expenditure has been accounted for on an accruals basis.

Expenditure is matched to the income classifications under the headings of Expenditure on Raising Funds and Expenditure on Charitable Activities rather than the type of expense in order to provide more useful information to users of the accounts.

Expenditure on Raising Funds and Expenditure on Charitable Activities comprise direct expenditure including direct staff costs attributable to the activity.

Where costs are unable to be directly attributed they are allocated to activities on a basis consistent with use of the resources in accordance with SORP FRS102. The use of resources for costs not directly attributable to an activity are allocated in accordance with resource use (based on activity income and direct expenditure divided by total income and direct expenditure).

Costs for the Directorate, Finance Department, Human Resources Department and the IT department which are not directly attributable are allocated across Expenditure on Raising Funds and Expenditure on Charitable Activities calculated as a percentage of the total income and expenditure.

This allocation includes an apportionment for the following expenditure:

Salaries - including Pensions and Social Security  
Staff Recruitment  
Staff Training and Development  
Professional Consultancy Fees  
Professional Legal Fees

**(d) Collection acquisitions (Heritage Assets)**

In accordance with HM Treasury's Financial Reporting Manual and SORP, additions to the collections (that is, heritage assets), acquired since 1 April 2001 are capitalised and recognised in the balance sheet at the cost or value of the acquisition, where such cost or value is reasonably obtainable and reliable. Objects that are donated to the Museum are valued by curators based on their knowledge and market value where available. Heritage assets are not depreciated or revalued as a matter of routine as depreciation is not required on heritage assets which have indefinite lives.

In respect of the collections that existed at 31 March 2001, reliable information on cost or valuation is not available and cannot be obtained at a cost commensurate with the benefits to the users of the financial statements. Therefore such assets are not recognised in the balance sheet.

An overview of the collection is given in Note 12.

**(e) Tangible & Intangible fixed assets**

The Museum capitalises the purchase of assets which cost more than £1,000 and which have lives beyond the financial year in which they are bought.

All fixed assets are reported at cost less accumulated depreciation, except in the following instance:

Land and buildings are professionally fully valued every five years; a full valuation was undertaken as at 31 March 2017. In the years between full valuations of land and buildings a desktop based revaluation is undertaken. The next full valuation is due to be undertaken for the year ended 31 March 2022.

No revaluation is undertaken for other tangible and intangible fixed assets as it is considered that depreciated cost value is appropriate.

Depreciation is provided on all tangible and intangible assets, except freehold land and heritage assets, at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis. For assets under construction, depreciation is not charged until the asset has come into use. Heritage assets are considered to have indefinite lives and are therefore not depreciated. Land is not depreciated because land is assumed to have an unlimited useful life.

Fixed assets are depreciated from the date of acquisition to the date of disposal, Intangible assets are amortised from date of acquisition to the date of disposal.

Indicative asset lives are as follows:

Buildings - Structure	50 years or 100 years
Buildings - Plant & Machinery	20 years
Buildings - Fit out	20 years
Fixtures and fittings	2 years, 4 years or 10 years
Equipment	4 years
Computers	4 years
Vehicles	4 years
Software and Website	4 years

#### **Impairment of fixed assets**

An assessment of whether there is objective evidence of impairment is carried out for all fixed assets at the balance sheet date. A fixed asset is considered to be impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future recoverable value of the asset that can be reliably estimated. Where there is objective evidence that an impairment loss exists, impairment provisions are made to reduce the carrying value to the present estimated recoverable value.

#### **(f) Significant accounting estimates**

In the application of the Museum's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

##### Amortisation

The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

##### Depreciation

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

##### Provisions

Provisions are made for early retirement and severance obligations. These provisions require management's best estimate of the costs that will be incurred based on legislative requirements. In addition, the timing of the cash flows and the discount rates used to establish the new present value of the obligations require management's judgement. the cash flows and the discount rates used to establish the new present value of the obligations require management's judgement.

##### Valuation of property, plant and equipment

Property, plant and equipment represents a significant proportion of the Museums balance sheet and therefore the estimates and assumptions made to determine their carrying value and related depreciation are important to the Museums reported financial position and total expenditure. Further information on valuation can be found in Note 10.

##### Valuation of heritage assets

Heritage assets are valued in accordance with FRS102 (Heritage Assets). The museum accepts donations of heritage assets which require management to make a judgement on the valuation placed on the specimens donated. Further information on heritage assets can be found on the following page and in Note 12.

#### **(g) Financial instruments**

##### **Financial assets**

The Museum only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of DCMS loans which are subsequently measured at amortised cost using the effective interest method.

The Museum classifies its financial assets in the following categories: receivables and available-for-sale. The classification depends on the purpose for which the financial asset was acquired.

##### **i. Receivables**

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. The Museum has no intention of trading these receivables. Receivables consist of trade and other debtors and are recorded at their carrying values, in recognition that these assets fall due within 1 year.

##### **ii. Available for sale financial assets**

Available for sale ("AFS") financial assets are mainly investments that the Museum does not plan to hold until maturity.

Investments that are treated as AFS financial assets are stated at fair value (market value). Given that these investments are small in relation to the Museum's overall reserves, it is the Museum's policy to keep valuations up to date. As a result, the Statement of Financial Activities only includes those unrealised gains or losses arising from the revaluation of the portfolio throughout the year. Disclosure is made in Note 13 of the difference between historical cost and the sale proceeds of the investments sold during the year.

Investments that are intended to produce a return, but are available to be spent within a 12 month period are treated as Current Asset investments. All other investments, which are intended to produce a long term return, and are not intended to be spent within the next 12 months, are treated as Fixed Asset investments.

##### **Impairment of financial assets**

An assessment of whether there is objective evidence of impairment is carried out for all financial assets or groups of financial assets at the balance sheet date. A financial asset, or group of financial assets, is considered to be impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the asset or group of assets that can be reliably estimated.

Where there is objective evidence that an impairment loss exists on receivables carried at amortised cost, impairment provisions are made to reduce the carrying value to the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The charge to the Statement of Financial Activities represents the movement in the level of provisions, together with any amounts written off, net of recoveries in the year.

## **Financial liabilities**

Trade, other creditors and accruals are recorded at their carrying value, in recognition that these liabilities fall due within 1 year. The museum has no exposure to interest rate risk on its financial liabilities as the interest rate on the DCMS loan is fixed for the entire repayment period.

## **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held on call with banks.

## **(h) Stock**

Stock is valued at the lower of cost and net realisable value.

## **(i) Pension Schemes**

Pensions costs are accounted for as they are incurred. The Museum operates a defined contribution pension scheme and the assets of the scheme are held separately from those of the company in an independently administered fund with Scottish Widows plc. Some past and present employees of the Museum are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which are described at note 7a. The Museum recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, the Museum recognises the contributions payable for the year.

## **(j) Early retirement costs**

### **Principal Civil Service Pension Scheme (PCSPS)**

Under the rules of the PCSPS the early retirement of officers is permitted with the agreement of the Museum. In these circumstances certain benefits arise for the employee. The Museum bears the cost of these retirement benefits for the period from the officer's retirement up to their normal retirement age under the Scheme's rules.

### **Group Personal Pension Scheme**

There are no early retirement benefit costs incurred by the Museum under the Group Personal Pension Scheme.

## **(k) Foreign currencies**

Unless material, foreign currency transactions are converted to or from Sterling at the Bank Rate available on the day of the transaction. For material transactions and where a movement in currency would present a risk to the Museum, this is minimised by securing the currency in advance of payment.

## **(l) Fund accounting**

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Museum. Designated funds comprise unrestricted funds which have been set aside at the discretion of the Trustees for specific purposes. Restricted funds are funds subject to specific conditions imposed by donors or by the purpose of the appeal. Permanent endowment funds are funds which the donor has stated are to be held as capital.

## **(m) Leases**

Rentals applicable to operating leases are charged to the Statement of Financial Activities of the period in which the cost is incurred. The Museum holds no finance leases.

## **(n) Taxation**

The Museum is a Non Departmental Public Body Exempt Charity and under Section 505 ICTA 1988 is exempt from income taxation on charitable activities.

## **Notes to the Consolidated Accounts**

### **2.a Donations and Legacies - Charity & Group**

£19,834,000 (£16,598,000 - 2020) of Grant-in-Aid has been received from the Department for Digital, Culture, Media and Sport during the year.

	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Endow- ment Funds £'000</b>	<b>Total 2021 £'000</b>	<b>Total 2020 £'000</b>
DCMS					
Resource Grant-in-Aid	16,019	-	-	16,019	13,815
Capital Grant-in-Aid	3,815	-	-	3,815	2,783
<b>Total Grant in Aid</b>	<b>Note 24.a</b>	19,834	-	19,834	16,598
Donations	410	239	-	649	679
Donations - Capital Projects	-	480	-	480	883
Donated Objects	<b>Note 12</b>	4	-	4	297
Heritage Lottery Fund	<b>Note 24.b</b>	-	-	-	-
<b>Total Donations and Legacies</b>		<b>20,244</b>	<b>723</b>	<b>20,967</b>	<b>18,457</b>

Donated objects are artefacts given to the Museum with a value of £4,218 (£296,937 - 2020). Objects are valued by curators based on their expert knowledge and market value, including previous auction results for comparable items.

During the year the Museum received donations for Capital Projects with a value of £479,739 (£883,220 - 2020).

This note discloses the totality of the donated resources receivable by the museum during the year and their disposition. The museum provides enhanced disclosure in the Statement of Financial Activities beyond the requirements of the SORP in order to allow readers of the accounts to distinguish between the ongoing revenue income and costs of operating the museum, and the impact of donations in support of capital expenditure and collection acquisitions. The value of such donations is often material, and can vary significantly from year to year. Donations and grants in support of capital expenditure and collections acquisitions are recognised in the SOFA when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. But the associated capital expenditure is depreciated over the expected useful life of the asset, and heritage assets are not depreciated at all.

### **3 Results of Trading Subsidiary**

The Museum has a trading subsidiary National Maritime Museum Enterprises Limited whose principal activities are merchandising through the Museum shops and the organisation of commercial activities and events. The company donates its profit to the Museum through Gift Aid. A summary of its trading results is shown below. Audited accounts are filed with the Registrar of Companies.

#### **Profit and Loss Account**

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Trading income	311	2,976
Cost of sales	(147)	(1,280)
<b>Gross profit</b>	<b>164</b>	<b>1,696</b>
Income from other commercial activities	530	2,443
Administrative expenses	(1,228)	(2,349)
<b>Operating profit</b>	<b>(534)</b>	<b>1,790</b>
Interest receivable and similar income	1	5
(Loss) / Profit on ordinary activities before taxation	(533)	1,795
Tax on profit on ordinary activities	57	(57)
<b>(Loss) / Profit on ordinary activities after taxation</b>	<b>(476)</b>	<b>1,738</b>

Other commercial activities include venue hire, sponsorship, corporate membership and the catering franchise commission.

During the year NMME received £535,728 (£nil - 2020) were made to HRMC for some staff as they were put on furlough or flexible furlough because of coronavirus (COVID-19).

Administrative expenses include charges of £158,756 (£188,840 - 2020) from the Museum.

The company donates, by Gift Aid, its entire taxable profit on an annual basis, where distributable reserves allow.

#### **Balance Sheet**

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Current assets	1,118	3,055
Current liabilities	(397)	(2,196)
<b>Total current assets less current liabilities</b>	<b>721</b>	<b>859</b>

#### **Capital and Reserves**

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Called-up equity share capital	500	500
Profit and loss account	221	359
<b>721</b>	<b>859</b>	

#### **Reconciliation of results of trading subsidiary to the consolidated Statement of Financial Activities**

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Trading income	311	2,976
Income from other commercial activities	530	2,443
<b>Trading income per SOFA</b>	<b>841</b>	<b>5,419</b>
Administrative expenses & cost of sales	1,318	3,686
Intercompany transactions	(159)	(189)
<b>Trading costs per SOFA</b>	<b>1,159</b>	<b>3,497</b>
Investment income	1	5
Intercompany transactions	-	-
<b>Investment income included within SOFA</b>	<b>1</b>	<b>5</b>

#### **4 Activities for Generating Funds, Other - Charity & Group**

Income from Other Trading Activities - Other is made up as follows:

	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Endow- ment Funds £'000</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Conferences & Event Attendance	1	-	-	1	150
Membership	194	-	-	194	586
Publications	74	3	-	77	64
Licence Fee	-	-	-	-	-
Miscellaneous Other	19	-	-	19	138
	<b>288</b>	<b>3</b>	<b>-</b>	<b>291</b>	<b>938</b>

#### **5 Investment Income**

Investment income is made up as follows:

	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Endow- ment Funds £'000</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Dividends receivable	51	1	5	57	84
Interest receivable - Bank interest	7	-	-	7	25
	<b>58</b>	<b>1</b>	<b>5</b>	<b>64</b>	<b>109</b>

Investment income received by the Museum's three Trust accounts is allocated to the funds proportionately based on the prior year's closing fund balances.

All investment income is treated as unrestricted or restricted according to the fund in which it is received.

#### **6.a Income from Charitable Activities - Charity & Group**

Income from Charitable Activities include the following:

	Value Our Heritage £'000	Put Visitors First £'000	Extend Our Reputa-tion £'000	Total Funds 2021 £'000	2020 £'000
Admissions	-	573	-	573	7,761
Licensing	140	-	-	140	194
Education and Public Programmes	-	-	91	91	304
Recharges	28	-	-	28	38
Reproductions, Plans & Print Sales	16	-	-	16	16
Research	6	-	-	6	1
Touring Income	-	-	8	8	12
Other	14	-	-	14	24
	204	573	99	876	8,350

Income received from Car Parking, Filming & Photography is shown in Note 4 Activities for Generating Funds: Miscellaneous Other.

#### **6.b Job Retention Scheme - Charity & Group**

HMRC  
Job Retention Scheme  
**Total Donations and Legacies**

	Unrestricted Funds £'000	Restricted Funds £'000	Endow- ment Funds £'000	Total 2021 £'000	Total 2020 £'000
HMRC	-	3,025	-	3,025	-
<b>Total Donations and Legacies</b>	<b>-</b>	<b>3,025</b>	<b>-</b>	<b>3,025</b>	<b>-</b>

During 2020/21 RMG utilised the Furlough scheme and made claims of £3,024,571 (£nil - 2020) were made to HRMC for some of the Museum's staff as they were put on furlough or flexible furlough because of coronavirus (COVID-19). In January 2021, this was as high as 440 employees being flexible furloughed, and at its lowest point in August to October 2020 288 employees being flexibly furloughed.

#### **7 Analysis of Total Expenditure**

Cost allocation includes an element of judgement and the Museum has had to consider the cost benefit of detailed calculations and record keeping. To ensure accurate costs are kept the Museum adopts a policy of allocating costs to the respective cost headings throughout the year for projects or where the activity is self contained (for example, activities undertaken by the subsidiary), which means that the Activities include support costs where they are directly attributable.

The use of resources for costs not directly attributable to an activity have been allocated in accordance with resource use, with Management/Strengthening Our Organisation costs including directorate, governance, finance and HR costs allocated in proportion to the number of full time equivalent staff in each area, ICT costs are allocated in proportion to the number of PCs/terminals used by each area.

	Management 2021 %	ICT 2021 %	Management 2020 %	ICT 2020 %
Costs of Raising Donations and Legacies	2.1	2.9	1.9	2.6
Costs of Other Trading Activities	18.9	25.8	18.6	25.6
Investment Management Costs	0.6	0.6	0.6	0.6
Putting Visitors First and creating inspiring experiences	31.9	25.3	34.7	27.3
Valuing our Heritage, caring for and developing our unique collection	36.4	35.1	35.0	34.3
Extending our Reputation, reach and impact	10.1	10.3	9.2	9.6

2021	Direct	Support Cost Allocation / Strengthening our Organisation					Total 2021 £'000
		Activities	Director-ate £'000	Govern- ance £'000	Finance £'000	HR £'000	
<b>Expenditure on Raising Funds</b>							
Costs of Raising Donations and Legacies	387	21	2	25	17	29	481
Costs of Other Trading Activities	3,440	190	16	221	156	262	4,285
Investment Management Costs	30	6	1	7	5	6	55
<b>Expenditure on Charitable Activities</b>							
Putting Visitors First	4,004	321	28	372	264	257	5,246
Valuing our Heritage	14,859	366	31	425	301	356	16,338
Extending our Reputation	1,774	102	9	117	84	105	2,191
<b>Total Resources Expended</b>	<b>24,494</b>	<b>1,006</b>	<b>87</b>	<b>1,167</b>	<b>827</b>	<b>1,015</b>	<b>28,596</b>

2020	Direct	Support Cost Allocation / Strengthening our Organisation					Total 2020 £'000
		Activities	Director-ate £'000	Govern- ance £'000	Finance £'000	HR £'000	
<b>Expenditure on Raising Funds</b>							
Costs of Raising Donations and Legacies	383	21	2	47	17	28	498
Costs of Other Trading Activities	7,036	207	15	462	169	279	8,168
Investment Management Costs	27	7	0	15	5	7	61
<b>Expenditure on Charitable Activities</b>							
Putting Visitors First	4,996	386	27	862	315	298	6,884
Valuing our Heritage	15,596	390	27	869	317	374	17,573
Extending our Reputation	1,932	102	7	228	84	105	2,458
<b>Total Resources Expended</b>	<b>29,970</b>	<b>1,113</b>	<b>78</b>	<b>2,483</b>	<b>907</b>	<b>1,091</b>	<b>35,642</b>

<b>(a) Staff Costs</b>	<b>Staff on Capital Projects</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Wages and salaries - Permanent Staff	12,519	-	12,835
Wages and salaries - Agency and Temporary Staff	151	-	226
Social security costs	1,137	-	1,137
Pension costs	1,177	-	1,201
Early retirement and termination costs	536	-	17
	<b>15,520</b>	<b>-</b>	<b>15,520</b>
			<b>15,446</b>

For 2020-21 total payments to Key Management Personnel amounted to £576,400 (£731,242 in 2019-20) including bonuses and other payments. No Consultancy Staff were used during the year, therefore no tax assurances were required. During the year claims of £3,024,571 (£nil - 2020) were made to HRMC for some of the Museum's staff as they were put on furlough or flexible furlough because of coronavirus (COVID-19)

Volunteers gave the Museum 4781 hours in 2020-21. The voluntary effort equates to around £10 per hour given, which on this basis equates to a valued contribution equivalent to £47,810. The Volunteer Programme was mostly paused during 2020/21 with some e-volunteering and Cutty Sark Shipkeeping Volunteers continuing to offer their time.

The average number of employees (i.e. full-time equivalents) analysed by function and category of employment was:

	<b>Temporary Contract &amp; Agency</b>	<b>Staff on Capital Projects</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>Staff</b>			
<b>Expenditure on Raising Funds</b>				
Costs of Raising Donations and Legacies	9	-	9	8
Costs of Other Trading Activities	78	3	81	85
<b>Expenditure on Charitable Activities</b>				
Putting Visitors First	138	1	139	160
Valuing our Heritage	156	2	158	162
Extending our Reputation	39	5	44	42
<b>Administration/Support Costs</b>	41	-	41	43
	<b>461</b>	<b>11</b>	<b>472</b>	<b>500</b>

The number of senior employees, including the Director, whose emoluments for the year (including taxable benefits in kind) amounted to £60,000 or over in the year was as follows:

	<b>2021</b>	<b>2020</b>
£60,000 - £70,000	4	5
£70,001 - £80,000	1	1
£80,001 - £90,000	2	1
£90,001 - £100,000	1	2
£100,001 - £110,000	-	1
£110,001 - £120,000	-	2
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	1	-
£150,001 - £160,000	-	-
£160,001 - £170,000	-	-
	<b>9</b>	<b>12</b>

Of the nine employees with earnings over £60,000 per annum there is one for whom benefits are accruing under the defined benefits scheme (PCSPS), with the remainder accruing benefits under the defined contribution scheme. The total employer's contribution for this individual to the PCSPS at Period 12 was £25,230 (£25,230 - 2019-20) and to the NMM Group Personal Pension Plan was £87,228 (£125,717 - 2019-20).

#### **The Principal Civil Service Pension Scheme (PCSPS)**

The PCSPS is an unfunded multi-employer defined benefit scheme. The National Maritime Museum is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary valued the scheme as at 31 March 2012. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservice.gov.uk/pensions](http://www.civilservice.gov.uk/pensions)).

The Museum ceased offering membership to the PCSPS to new non-member employees on 1 April 1994.

For 2020-21, employers' contributions at Period 12 of £85,464 were payable to the PCSPS (£88,383 - 2019-20) at one of four rates in the range 26.6% to 30.3% per cent of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation.

The contribution rates are set to meet the cost of the benefits accruing during 2020-21 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

#### **Group Personal Pension Scheme**

The Museum offers membership of a group personal pension scheme into which the employer contributes between 8.5% and 10% of pensionable salary. The employee contributes a minimum of 1.5% or 3% of pensionable salary.

Employers' contributions at Period 12 of £1,090,984 were paid in 2020-21 (£1,119,997 - 2019-20) into the Group Personal Pension scheme. This is a defined contribution scheme.

#### **Other Personal Pension Scheme**

Nil contributions were paid to other private pension schemes on behalf of individuals.

The Museum also provides, centrally, an insurance based cover for death in service and ill health benefits.

Additional information on staff costs is provided in the Remuneration Report on page 27.

#### **b) Trustees**

The Trustees neither received nor waived any emoluments during the year (£nil - 2020). Expenses reimbursed (for travel and subsistence) to five Trustees amounted to £nil (£4,671 - five Trustees 2020).

## 8 Governance

Governance costs represent part of the meeting of the Strengthen our Organisation objective and include:

External Audit  
Internal Audit

Group 2021 £'000	Charity 2021 £'000	Group 2020 £'000	Charity 2020 £'000
55	55	55	55
21	21	33	33
76	76	88	88

The Charity external audit fee of £54,500 (£54,500 - 2019-20) does not include any fees for non-audit work.

External and internal audit fees for the audit of the Museum and Trusts are included in Governance. External audit fees for the audit of NMME of £16,395 have been included within Activities for Generating Funds - Trading Costs.

## 9 Total Net Movement in Funds

Net movement in funds

Net movement in funds includes the following charges:

External Auditors' remuneration - for Museum and Trusts	55	55
External Auditors' remuneration - for NMME (within Activities for Generating Funds - Trading Costs)	16	13
Lease rental payments on land and buildings	80	80
Lease rental payment - other	8	8
Loss/(Gain) on Disposal of Assets	3	12
Depreciation	6,497	6,312
Amortisation	157	162

## 10.a Tangible Fixed Assets - Charity & Group

	Freehold Land and Buildings £'000	Fixtures & Fittings £'000	Equipment £'000	Computer & Network Equipment £'000	Motor Vehicles £'000	Assets under Construc- tion £'000	Total £'000
Cost or valuation: Balance at 1 April 2020	186,335	30,726	6,669	3,572	191	562	228,055
Additions	1,278	22	153	140	-	989	2,582
Disposals	-	-	(4)	-	-	-	(4)
Transfers Between Asset Class	226	38	49	249	-	(562)	-
Revaluation gain/impairment	(6,344)	-	-	-	-	-	(6,344)
At 31 March 2021	181,495	30,786	6,867	3,961	191	989	224,289
Accumulated depreciation: Balance at 1 April 2020	-	21,021	5,806	2,880	155	-	29,862
Depreciation Charge for the year	3,797	1,983	427	279	11	-	6,497
Disposals	-	-	(1)	-	-	-	(1)
Revaluation gain	(3,797)	-	-	-	-	-	(3,797)
At 31 March 2021	-	23,004	6,232	3,159	166	-	32,561
<b>Net Book Value at 31 March 2021</b>	<b>181,495</b>	<b>7,782</b>	<b>635</b>	<b>802</b>	<b>25</b>	<b>989</b>	<b>191,728</b>
Net Book Value at 31 March 2020	186,335	9,705	863	692	36	562	198,193

The freehold title to the main Museum site at Greenwich was transferred from the Secretary of State for the Environment to the Museum Trustees in July 1989. The Museum was granted rights to occupy and use part of the site of the Royal Observatory, Greenwich in a Royal Warrant dated 1953. On 23 March 2004 a new Royal Warrant was signed which granted rights to occupy and use the entire site of the Royal Observatory, Greenwich.

The Land and Buildings of the main Museum, the Royal Observatory, Greenwich, Prince Philip Maritime Collections Centre and the Kidbrooke Stores have been revalued using the Depreciated Replacement Cost basis applicable to specialised buildings and on the basis that the Museum is a going concern. The revaluation of the Royal Observatory, Greenwich reflects the valuation of the entire site following the grant of the new Royal Warrant. The Brass Foundry has been revalued using the Existing Use Value basis applicable to non-specialised buildings.

All depreciable fixed assets are depreciated from the date of acquisition to the date of disposal or to the end of their useful economic life.

The Land and Buildings have been professionally valued at 31 March 2021 by external valuers, Gerald Eve LLP, Chartered Surveyors in accordance with the Appraisal and Valuation Standards as published by the Royal Institution of Chartered Surveyors and FRS102 - The Financial Reporting Standards for Tangible Fixed Assets. There was a full valuation of the Prince Philip Maritime Collections Centre (PPMCC) at Kidbrooke and the Endeavour Galleries Basebuild which were both completed in year, for all other buildings this was a desktop review based interim valuation. The next full valuation is due to take place for the year ending 31 March 2022.

## Legal and Statutory Constraints

By the National Maritime Museum Acts 1934 and 1989, should the specialised buildings at Greenwich (not including the Royal Observatory, Greenwich) cease to be used for the purposes of the Museum, they shall be held in trust for the benefit of Greenwich Hospital. The Royal Warrant, by which the Royal Observatory, Greenwich is occupied, does not confer ownership rights to the property and so should the Royal Observatory Greenwich cease to be used for Museum purposes it would revert to the Crown. In consequence, the entire site and buildings at Greenwich have no realisable value to the Museum.

## Revaluation

A valuation was carried out on the following assets for 2020-21:

	Revaluation £'000
Main site - Land and Buildings	119,526
Royal Observatory - Land and Buildings	21,519
The Brass Foundry - Land and Buildings	1,486
Prince Philip Maritime Collection Centre - Land and Buildings	23,335
Cutty Sark Canopy - Land and Buildings	15,629
	181,495

The closing revaluation figure is the sum of cost and the cumulative total of annual revaluations.

The historic cost of the land and buildings and certain plant and machinery is not known.

No revaluation has been undertaken for other tangible fixed assets as it is considered that depreciated cost value is appropriate.

## **10.b Intangible Fixed Assets - Charity & Group**

	<b>Software Licences £'000</b>	<b>Website £'000</b>	<b>Developed Software £'000</b>	<b>Assets under Construction £'000</b>	<b>Total £'000</b>
Cost or valuation:					
At 1 April 2020	506	500	72	24	1,102
Additions	32	83	0	0	115
Disposals	0	-	0	0	0
Transfers Between Asset Class	0	24	0	(24)	0
At 31 March 2021	<b>538</b>	<b>607</b>	<b>72</b>	<b>0</b>	<b>1,217</b>
Amortisation:					
At 1 April 2020	296	459	47	-	802
Provided during the year	86	58	13	-	157
Disposals	0	-	0	-	0
At 31 March 2021	<b>382</b>	<b>517</b>	<b>60</b>	<b>-</b>	<b>959</b>
<b>Net Book Value at 31 March 2021</b>	<b>156</b>	<b>90</b>	<b>12</b>	<b>0</b>	<b>258</b>
Net Book Value at 31 March 2020	210	41	25	24	300

Historic expenditure on some in-use assets have not been reclassified as these assets are of insignificant net book value. All new Intangible Assets are considered to have a useful life of 4 years.

## **11 Capital Expenditure Commitments**

Contracted for but not provided in the accounts

The commitments relate to the ROG refresh programme and estates capital works.

	<b>2021 £'000</b>	<b>2020 £'000</b>
	828	827

## **12 Heritage Assets**

The FRS102 Standard requires that where information on cost or value is available, heritage assets should be reported in the balance sheet separately from other tangible assets. However where this information is not available, and cannot be obtained at a cost which is commensurate with the benefit to users of the financial statements, the assets will not be recognised in the balance sheet.

In the opinion of the Trustees, reliable information on cost or valuation of the collection held at 31 March 2021 is not available for the Museum's collections owing to lack of information on purchase cost, the lack of comparable market value, the diverse nature of the collections and the volume of items held. As the costs of carrying out such a valuation far exceeds the benefits to the users of the accounts, the collections pre March 2001, are not reported in the balance sheet.

### **The NMM Collections**

The Museum has the most important holdings in the world related to the history of Britain at sea, including maritime art (both British and 17th-century Dutch), cartography, manuscripts including official public records, ship models and plans, scientific and navigational instruments, instruments for time-keeping and astronomy (based at the Observatory).

Its portraits' collection is only exceeded in size by the National Portrait Gallery's and its holdings related to Nelson and Cook, among many other individuals, are unrivalled. It has the world's largest maritime historical reference library (100,000 volumes) including books dating back to the 15th century.

Overall the total collection comprises some 3 million items (this figure includes material not catalogued in Mimsy XG database such as the Library working collection, manuscripts, post 1900 charts and historic photographic prints) sub-divided into 25 collection categories: Archaeology, Applied and Decorative Arts, Coins, Medals and Heraldry, Ethnography, Relics and Antiquities, Tools and Ship Equipment, Cartography, Fine Arts, Science and Technology, Weapons and Ordnance, Photographs and Film, Ship Plans and Technical Records, Boats and Ship Models, Caird Library and archive.

The following provides an approximation of the spread and extent of collections:-

- 100,000 books
- 397,500 items in the Manuscripts Collection
- 90,000 sea charts
- 4,000 oil paintings
- 70,000 prints and drawings
- 1 million Ship Plans
- Up to 1 million Historic Photographs
- 280,000 negatives
- 44,500 3D objects: Including small craft, ship models, coins and medals, decorative art, figureheads, relics, horological instruments, uniforms, weapons etc.

The Museum's collections are used to illustrate for everyone the importance of the sea, ships, time and the stars and their relationship to people, which is interpreted through four major research areas: maritime and decorative art; maritime science and technology, maritime and world history, and the history of maritime Greenwich.

### **Structure for the Management and Care of the Collections**

The care and management of the NMM collections is the responsibility of the Collections Services department, working collaboratively with the Research & Information, Learning & Interpretation and Exhibitions departments. Collections Services is comprised of four distinct divisions, each led by a Senior Manager reporting to the Head of Department:

- 2D Conservation: including textiles, paper, paintings and frames conservation.
- 3D Conservation: including organic and inorganic object conservation, shipkeeping and preventive conservation.
- Collections Information & Registration: responsible for catalogue maintenance, systems management, remote security, audits, disposals, acquisitions, loans in and out and exhibition registration.
- Collections Logistics: responsible for collections storage and access both on and off site, and Art and Object Handling (AOH).

### **Policies governing the management and collections care activities**

The NMM has in place a comprehensive framework of policies and procedures for the management and care of its collections assets. This suite of policies, when combined, forms the Collections Management Manual. All policies are procedures are available on the Content Manager platform, alongside their review schedules.

Key examples of these documents include the Collections Development Policy, co-authored with Research & Information; and the Digital Preservation Policy, which governs the institutional approach to the creation, collection and retention of born digital items.

## Collections Auditing

The rolling NMM Collections Auditing Programme forms an important part of the Museum's ongoing risk management programme with results informing a range of other management strategies including knowledge management, security and staff training.

Staff undertake a physical inspection of objects against their locations and match these results to those on our Museum databases, and through this monitor the location controls in place within the Museum sites. This process also allows staff to check the basic catalogue information on these objects or add record photographs.

Audits are prioritised according to known risks and business needs.

## Collections Care and Storage

NMM has a large and varied collections storage estate, including two stores sited away from the main campus but staffed full-time: the Prince Philip Maritime Collections Centre (PPMCC) and the Brass Foundry. In addition we have collections held at the No.1 Smithery, Chatham Historic Dockyard Trust (a partnership with CHDT and the Imperial War Museum), and large objects in commercial storage at the Science Museum Store at Wroughton, Gander & White and Cadogan Tate. Onsite stores include the SOW Archive and strongrooms.

A comprehensive storage review is being undertaken in 2021 to help inform the strategic priority of reducing our external storage footprint and associated costs. Additional reviews of digital storage infrastructure and sustainability were undertaken in 2020.

## Loans Out Policy

Although the Museum is only able to display a small proportion of its collections at Greenwich at any one time, it is committed to making it accessible to the widest audience. Every year the NMM contributes high-quality objects to exhibitions and displays in Britain and abroad through its extensive loans programme. The Museum lends material to an increasing variety of borrowers such as museums and galleries, government and public buildings, corporate institutions.

Loan requests are assessed by the Registration Section and by the Loans Committee. The factors that are taken into consideration are timeliness, internal use for requested objects, conflicting loan requests, condition of objects and suitability for travel, availability of resources to prepare the loan and how the loan improves access to the collection.

## Financial Information on Acquisition of Heritage Assets - Charity & Group

Cost or Valuation:	2017 £'000	2018 £'000	2019 £'000	2020 £'000	2021 £'000
As at 1 April	17,426	100,485	100,644	100,991	101,523
Collection Addition - Purchased	9,530	14	240	235	204
Collection Addition - Donated	73,529	145	107	297	4
As at 31 March		100,485	100,644	100,991	101,523
					101,731

Collection additions (donated) of £4,218 included rare books, diaries and papers, ship models, marine chronometers and watches.

## Cutty Sark

Cutty Sark was acquired for the National Maritime Museum Collection at nil value from the Trustees of the Cutty Sark Trust in 2015. The cost of carrying out a valuation far exceeds the benefit to the users of the accounts and the asset is therefore not recognised in the Accounts.

## 13 Investments

### Quoted Investments

Market value at 1 April 2020

Additions

Disposal Proceeds

Gain/(Loss) on Disposal

Net Gain/(Loss) on revaluation

### Market value at 31 March 2021

Historical cost as at 31 March 2021

### Unquoted Investments:

Cost as at 31 March 2021

### Total Investments

Group	Charity			
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
2021	4,015	4,350	4,015	4,350
2020	1,412	1,223	1,412	1,223
	(1,295)	(1,169)	(1,295)	(1,169)
	827	(389)	827	(389)
	4,959	4,015	4,959	4,015
	2,089	1,972	2,089	1,972
	-	-	500	500
	4,959	4,015	5,459	4,515

The unquoted investment is in the trading subsidiary, National Maritime Museum Enterprises Limited - a company registered in England and Wales. The authorised, issued share capital consists of 500,000 £1 ordinary shares of which the Museum owns 100%.

## 14 Financial Risk Management

FRS102, Financial Instruments, requires disclosure of the role which financial instruments have had during the year, in creating or changing the risks the Museum faces in undertaking its activities.

The majority of financial instruments relate to contracts to buy non-financial items in line with the Museum's expected purchase and usage requirements and the Museum is therefore exposed to little credit, liquidity or market risk.

### Financial Assets

	Total £'000	Floating Financial Assets £'000	Fixed Financial Assets £'000	Assets Earning Equity Return £'000	Weighted Average Fixed Int Rate	Weighted Average Period for Which Rate Is Fixed
Year ended 31 March 2021 - Sterling	14,969	10,010	-	4,959	0.0%	3 Months
Year ended 31 March 2020 - Sterling	12,656	8,641	-	4,015	0.0%	3 Months

The interest rate on floating financial assets is determined by the bank and market conditions.

### Reconciliation to the Balance Sheet

		2021 £'000	2020 £'000
Cash	Floating Financial Assets		
Investments (Current Assets)	Fixed Financial Assets	10,010	8,641
Investments (Fixed Assets)	Assets Earning Equity Return		
Total		4,959	4,015
		14,969	12,656

### **Liquidity Risk**

The National Maritime Museum receives a large proportion of its operating income by way of Grant in Aid and as a result there is little exposure to liquidity risk. This is managed through the reserves policies as established by the Trustees.

The Museum has sufficient investments, designated funds and unrestricted funds to cover its current liabilities.

### **Credit Risk**

The Museum is exposed to credit risk of £48,626 of trade debtors. This risk is not considered significant as major customers are familiar to the Museum. Bad and doubtful debts are provided for on an individual basis. Write offs in the year for bad debts amounted to £4,003 (£2,111 - 2019-20).

The Museum is exposed to credit risk of £533,389 of Accrued Grant Income. The risk is not considered significant as the donors are all established foundations, charities and public bodies. The remainder of the Museum's activity is funded by self-generated income and funds given for restricted purposes such as capital projects. Projects are only progressed when income is certain.

Cash is held by the Museum's bankers. The Museum has not suffered any loss in relation to cash held by bankers.

### **Foreign Currency Risk**

The National Maritime Museum has low material exposure to foreign currency risk because no material transactions are carried out in foreign currencies.

### **Investment Income Risk**

The National Maritime Museum has a Loan from DCMS repayable over 25 years and all cash deposits are for terms of up to four months.

The museum has no exposure to interest rate risk on its financial liabilities as the interest rate on the DCMS loan is fixed for the entire repayment period. Its financial assets are held in fixed term deposit accounts with maturity of one month or less, or in funds or assets that can be readily traded, and so have no fixed interest rate.

### **15 Stock**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Goods for resale	462	418	156	84

### **16 Debtors**

#### **Amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	48	557	37	343
Amount owed by subsidiary	-	-	-	1,438
Prepayments	171	186	171	186
Taxation (VAT)	582	453	582	453
Accrued income	313	17	311	17
Accrued Grant income	433	947	433	947
Other debtors	158	60	163	28
Balance falling due within one year	1,705	2,220	1,697	3,412

#### **Amounts falling due after one year**

Accrued Grant Income	100	218	100	218
Balance falling due after one year	100	218	100	218
<b>Total</b>	<b>1,805</b>	<b>2,438</b>	<b>1,798</b>	<b>3,630</b>

Accrued Grant income includes £533,389 of income due from restricted grant funding for specific projects to be undertaken by the Museum in 2020-21 and future years.

Other debtors includes £866 of unpresented credit card income (£1,000 - 2019-20).

### **17 Creditors**

#### **Amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade creditors	256	251	253	249
Other creditors	178	172	7	44
DCMS Loan and Interest	325	329	325	329
Taxation and social security	263	337	263	280
Accruals	2,296	2,160	2,263	2,113
Deferred income	239	387	50	18
Balance falling due within one year	3,557	3,636	3,161	3,033

#### **Balance falling due after one year**

DCMS Loan and Interest	4,880	5,124	4,880	5,124
Balance falling due after one year	4,880	5,124	4,880	5,124
<b>Total</b>	<b>8,437</b>	<b>8,760</b>	<b>8,041</b>	<b>8,157</b>

During 2015-16 DCMS approved a loan to the Museum totalling £6,100,000 towards the development of the Prince Philip Maritime Collections Centre. The first repayment on the loan was due and paid in April 2017 and regular payments are made each year. Interest is being accrued at an indicative rate of 1.02%.

The movement on the deferred income account is as follows:

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Deferred income at 1 April	387	359	18	65
Released in year	(387)	(359)	(18)	(65)
Deferred in year	239	387	50	18
Deferred income at 31 March	239	387	50	18

## 18 Operating Leases

As at 31 March 2021 the Museum had obligations under non-cancellable operating leases which are due as follows:

	Group	2020	Charity	2020
	2021	£'000	2021	£'000
		£'000		£'000
<b>Buildings</b>				
- Within one year		80	80	80
- In the second to fifth year		302	307	307
- After five years		666	740	740
Total		1,048	1,127	1,048
<b>Other</b>				
- Within one year		8	8	8
- In the second to fifth year		-	-	-
- After five years		-	-	-
Total		8	8	8

## 19.a Statement of Funds - Group

	Balance 2020 £'000	Income £'000	Expenditure £'000	Gains/ (Losses) £'000	Transfers £'000	Balance 31 March 2021 £'000
<b>General Funds</b>	3,106	17,596	(16,542)	-	(1,158)	3,002
<b>Designated Funds</b>						
Tangible & Intangible Asset Fund	12,157	-	(2,860)	-	1,194	10,491
Designated Capital	-	3,815	-	-	(2,632)	1,183
Designated Acquisitions Fund	84	-	-	-	-	84
Cutty Sark Preservation Fund No. 2	616	-	-	-	150	766
Caird Fund	1,152	12	(8)	178	-	1,334
Development Fund	3,257	39	(17)	536	208	4,023
No. 3 Trust Fund	606	3	(2)	28	-	635
Trading Funds	359	842	(1,318)	-	338	221
<b>Total Designated Funds</b>	18,231	4,711	(4,205)	742	(742)	18,737
<b>Total Unrestricted Funds</b>	21,337	22,307	(20,747)	742	(1,900)	21,739

## Restricted Funds

### Restricted Income Funds

Acquisitions Fund	27	-	-	-	-	27
Special Purpose Funds	-	3,353	(3,119)	-	(235)	-
Cutty Sark Preservation Fund	1,266	1	-	-	(15)	1,252
Endeavour Galleries Fund	-	244	(243)	-	(1)	-
National Historic Ships UK Fund	159	4	(320)	-	219	62
Activities Fund	742	145	(278)	-	(20)	589
No. 3 Trust Fund - Sackler Research Fellowships	163	1	(40)	7	-	131
No. 3 Trust Fund - Sackler Caird Fund	35	-	(18)	2	-	19
No. 3 Trust Fund - Anderson Fund	74	-	(31)	3	-	46
No. 3 Trust Fund - Bosanquet Fund	5	-	-	-	-	5
<b>Restricted Asset Funds</b>	2,471	3,748	(4,049)	12	(52)	2,130

### Restricted Asset Funds

Land and Buildings Fund (Incl. Cutty Sark Canopy)	96,975	-	(3,797)	-	1,748	94,926
Revaluation Reserve	83,992	-	-	(2,547)	-	81,445
Collections Capital Fund, Heritage Assets	101,523	4	-	-	204	101,731
	282,490	4	(3,797)	(2,547)	1,952	278,102

### Total Restricted Funds including Revaluation Reserve

<b>Total Restricted Funds including Revaluation Reserve</b>	284,961	3,752	(7,846)	(2,535)	1,900	280,232
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### Endowment Funds

The Caird Fund	470	5	(3)	73	-	545
The Sackler Fund	-	-	-	-	-	-
<b>Total Endowment Funds</b>	470	5	(3)	73	-	545

### Total Funds

<b>Total Funds</b>	306,768	26,064	(28,596)	(1,720)	-	302,516
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## 19.b Statement of Funds - Charity

	Balance 2020 £'000	Income £'000	Expenditure £'000	Gains/ (Losses) £'000	Transfers £'000	Balance 31 March 2021 £'000
General Funds (Group)	3,106	17,596	(16,542)	-	(1,158)	3,002
Total Designated Funds (Group)	18,231	4,711	(4,205)	742	(742)	18,737
Less: Trading Funds	(157)	(1,014)	1,152	-	-	(19)
<b>Total Designated Funds (Charity)</b>	18,074	3,697	(3,053)	742	(742)	18,718
Total Restricted Funds including Revaluation Reserve (Group)	284,961	3,752	(7,846)	(2,535)	1,900	280,232
Less: Trading Funds	(202)	-	-	-	-	(202)
<b>Total Restricted Funds Revaluation Reserve (Charity)</b>	284,759	3,752	(7,846)	(2,535)	1,900	280,030
Total Endowment Funds	470	5	(3)	73	-	545
<b>Total Funds</b>	306,409	25,050	(27,444)	(1,720)	-	302,295

Transfers are made each year from Designated Capital funds to the Land & Building Fund and Tangible Assets Fund in respect of certain capital assets acquired.

**General Funds** - the general funds consist of the accumulated surplus or deficit on the Statement of Financial Activities. The amount available for use at the discretion of the Trustees in the furtherance of the general objectives of the museum is detailed in Note 20.

**Designated Funds** - a collection of Funds which have been set aside at the discretion of the Trustees for specific purposes:

The Tangible & Intangible Asset Fund represents the value of the fixed assets (excluding land and buildings) plus subsequent additions at cost. The Tangible Assets Fund movement mainly provides designated Capital reserves for spend on Fixed assets for the year.

The Designated Capital Fund represents funding received from DCMS for Capital Expenditure. The fund movement provides for the transfer of the capital Grant in Aid received which has been used for the purchase of tangible assets during the year.

The Designated Acquisitions Fund, the Trustees recognise that the availability of potential new acquisitions for the collection is unpredictable. Accordingly, funds allocated to acquisitions but unspent in the year are credited to a designated fund for future purchases of collection objects when they become available.

Cutty Sark Preservation Fund No. 2, the Trustees have decided to designate £150,000 in the year to put towards the long term conservation of the ship less costs charged to the fund in year.

The Caird Fund is available for use at the discretion of the Trustees for the purpose and benefit of the Museum.

The Development Fund is designated for development projects at the Museum.

The No.3 Trust Fund (except to the extent that funds are endowment or restricted) is for the purpose and benefit of the Museum at the discretion of the Trustees.

Trading Funds represent the value of reserves held in the Museum's trading subsidiary. The transfer of the trading funds represent the transfer of the profit as Gift Aid to the Charity.

**Restricted Funds** - These funds are subject to specific restrictions imposed by the donor, by the purpose of an appeal or are received for a specific purpose. They consist mainly of the following:

The Acquisitions Fund represents grants and donations received by the museum for specific future heritage asset purchases.

Special Purpose Funds represent grants and donations received by the Museum for specific purposes.

Cutty Sark Preservation Fund includes the transfer of cash funds from the Cutty Sark Trust, the Cutty Sark 150 and Nannie restoration appeals of which is held as a restricted fund for the conservation of the ship *Cutty Sark*.

The Endeavour Galleries Fund represents donations and grants raised for the Endeavour Galleries capital works project.

The Altazimuth Conservation Fund represents donations and grants raised for the Altazimuth Pavilion capital works project.

The National Historic Ships UK Fund supports research, publications, training, recording and similar activities relating to the preservation of historic vessels. This fund includes a grant from HLF for a two year Shipshape Heritage Training Partnership programme.

The Activities Fund represents grants raised for activities based around the Endeavour Galleries, both the Armada acquisition, Maritime Impacts project, Royal Visit to The Fleet Conservation, MA Collect Project and the Exposure Lives at Sea Exhibition.

The Sackler Caird Fund (part of the No.3 Trust Fund) was established to support a research fellowship in areas directly related to the Museum's collections or in particular related subjects.

The Anderson Fund (part of the No.3 Trust Fund) supports a fellowship in naval and maritime history.

The Bosanquet Fund (part of the No.3 Trust Fund) provides funding for the purchase of library books.

The Land and Buildings Fund represents the value of the land and buildings on transfer from the Secretary of State for the Environment to the Trustees of the Museum, the incorporation of the Royal Observatory, Greenwich partly in 1999 and fully in 2004, plus subsequent additions at cost, less depreciation for the year and net of the outstanding loan balance owed to DCMS. The Land and Buildings Fund movement provides for a transfer for additions of land and buildings paid for from the Designated General Fund.

The Revaluation Reserve represents the difference between the original cost and valuation of the land and buildings at year end.

The Collections Capital Fund represents assets either donated or purchased for the Museum's collection and is the value of capitalised heritage assets at the point of accession. The Collections Capital Fund movement provides for the relocation of the purchase of Heritage Assets from the General Fund.

**Endowment Funds** - These comprise funds donated on condition that the capital value of the donation is held in perpetuity, or in the case of expendable endowment, for the long term.

The Caird Fund is a capital sum the income of which is to be used for the purpose and benefit of the Museum and is a permanent endowment.

The Sackler Fund (part of the No.3 Trust Fund) is a capital sum which is used to support a research fellowship in areas directly relating to the history of astronomy and navigational sciences. This has now been transferred to Restricted Funds in agreement with the original donors.

**20 Statement of fund commitments as at 31 March 2020**

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Funds available for spending at Trustee's discretion:</b>				
General Income Funds	3,002	3,106	3,002	3,106
Designated funds (excluding NMM Enterprises Ltd & Asset Funds)	8,025	5,715	8,025	5,715
	11,027	8,821	11,027	8,821
<b>Funds raised for specific purposes:</b>				
Restricted Income Funds	2,130	2,471	2,130	2,471
<b>Total Funds available for spending</b>	<b>13,157</b>	<b>11,292</b>	<b>13,157</b>	<b>11,292</b>
<b>Funds not available for Trustee's spending</b>				
Designated funds - share capital of NMM Enterprises Ltd	221	359	-	-
Endowment Funds	545	470	545	470
Land and Buildings Fund (Incl. Cutty Sark Canopy)	94,926	96,975	94,926	96,975
Revaluation Reserve	81,445	83,992	81,445	83,992
Collections Capital Fund, Heritage Assets	101,731	101,523	101,731	101,523
Tangible & Intangible Asset Fund	10,491	12,157	10,491	12,157
<b>Total Funds not available for spending</b>	<b>289,359</b>	<b>295,476</b>	<b>289,138</b>	<b>295,117</b>
<b>Total Funds in Balance Sheet</b>	<b>302,516</b>	<b>306,768</b>	<b>302,295</b>	<b>306,409</b>

**21.a Analysis of Group Net Assets between Funds**

**Fund balances at 31 March 2021 are represented by:**

Heritage Assets	-	-	101,731	-	101,731
Tangible Fixed assets	10,233	-	181,495	-	191,728
Intangible Assets	258	-	-	-	258
Investments	4,397	-	17	545	4,959
Current assets	7,406	3,002	1,769	-	12,177
Debtors: Amounts falling due after one year	-	-	100	-	100
Creditors: Amounts falling due within one year	(3,557)	-	-	-	(3,557)
Creditors: Amounts falling due after one year	-	-	(4,880)	-	(4,880)
<b>Group Net Assets</b>	<b>18,737</b>	<b>3,002</b>	<b>280,232</b>	<b>545</b>	<b>302,516</b>

Unrealised gains and losses detailed below have been included in the fund balances.

**Reconciliation of movements**

**in unrealised gains on land and buildings:**

Unrealised gains at 1 April 2020	-	83,992	-	83,992
Net loss arising on revaluation	-	(2,547)	-	(2,547)
Unrealised gains at 31 March 2021	-	81,445	-	81,445

**Reconciliation of movements**

**in unrealised gains on investments:**

Unrealised gains at 1 April 2020	2,075	24	142	2,241
Net gains arising on revaluations	742	2	73	817
Unrealised gains at 31 March 2021	2,817	26	215	3,058

**21.b Analysis of Charity Net Assets between Funds**

**Fund balances at 31 March 2021 are represented by:**

Heritage Assets	-	-	101,731	-	101,731
Tangible Fixed assets	10,233	-	181,495	-	191,728
Intangible Assets	258	-	-	-	258
Investments	4,897	-	17	545	5,459
Current assets	6,491	3,002	1,567	-	11,060
Debtors: Amounts falling due after one year	-	-	100	-	100
Creditors: Amounts falling due within one year	(3,161)	-	0	-	(3,161)
Creditors: Amounts falling due after one year	-	-	(4,880)	-	(4,880)
<b>Charity Net Assets</b>	<b>18,718</b>	<b>3,002</b>	<b>280,030</b>	<b>545</b>	<b>302,295</b>

## **22 Reconciliation of net incoming resources to net cash inflow from operating activities**

		<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(1,705)	(2,758)
Adjustments for:			
Donated Objects	<b>Note 2</b>	(4)	(297)
Depreciation & amortisation charges	<b>Note 10a &amp; b</b>	6,654	6,474
(Gains)/losses on investments		(827)	389
Investment income	<b>Note 5</b>	(64)	(109)
(Increase)/Decrease in stock	<b>Note 15</b>	(44)	17
(Increase)/Decrease in debtors	<b>Note 16</b>	633	377
Increase/(Decrease) in creditors	<b>Note 17</b>	(323)	(212)
Cash inflows from new borrowing	<b>Note 17</b>	-	-
Repayments of borrowing	<b>Note 17</b>	325	329
Loss on Disposal of Fixed Assets & Intangible Assets	<b>Note 10</b>	3	12
Net cash inflow from operating activities		<b>4,648</b>	<b>4,222</b>

## **Reconciliation of increase in cash to movement in net funds**

		<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Increase/(Decrease) in cash in the period		1,369	1,111
Increase/(Decrease) in liquid resources in the period		-	-
Change in net funds resulting from cash flows		1,369	1,111
Net funds at 1 April 2020		8,641	7,530
Net funds at 31 March 2021		<b>10,010</b>	<b>8,641</b>

## **23 Analysis of net funds**

	<b>NMM</b> <b>£'000</b>	<b>Trusts</b> <b>£'000</b>	<b>Charity</b> <b>£'000</b>	<b>NMME</b> <b>£'000</b>	<b>2021</b> <b>Group</b> <b>£'000</b>	<b>2020</b> <b>Group</b> <b>£'000</b>
Held at Commercial Banks	7,193	2,008	<b>9,201</b>	802	<b>10,003</b>	8,625
Petty Cash	1	-	<b>1</b>	-	<b>1</b>	-
Cash in Hand	5	-	<b>5</b>	1	<b>6</b>	16
	<b>7,199</b>	<b>2,008</b>	<b>9,207</b>	<b>803</b>	<b>10,010</b>	8,641
Liquid resources - Short Term Deposit	-	-	-	-	-	-
<b>Net funds</b>	<b>7,199</b>	<b>2,008</b>	<b>9,207</b>	<b>803</b>	<b>10,010</b>	8,641

## **24 Related party transactions**

The National Maritime Museum is a Non-Departmental Public Body whose parent department is the Department for Digital, Culture, Media and Sport.

### **a) The Department for Digital, Culture, Media and Sport**

The Department for Digital, Culture, Media and Sport is regarded as a related party. During the year the Museum had a number of transactions in the normal course of business and at full arm's length with the Department. There were no outstanding balances at the end of the year.

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Grant in Aid received	16,019	13,815
Capital Grant in Aid received	3,815	2,725
Capital Grant in Aid received - Restricted	-	58
Total received from DCMS	<b>19,834</b>	<b>16,598</b>

### **b) The Heritage Lottery Fund**

The National Maritime Museum received lottery grants from the Heritage Lottery Fund in the year of £Nil (£Nil - 2020). The HLF shares the same parent Department (DCMS) and is therefore a related party. There was an outstanding balance of £113,583 (£428,368 - 2020) of accrued grants at the end of the year.

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Restricted Grants received from the Heritage Lottery Fund	-	-
Capital Grants received from the Heritage Lottery Fund	-	-
<b>Total Heritage Lottery Grants</b>	<b>-</b>	<b>-</b>

**c) The Trustees, Staff and Other Related Parties**

During the year the National Maritime Museum has had various material transactions with other entities, as set out below:

<b>Related Party</b>	<b>Nature of Relationship</b>	<b>value of income received during the year £'000</b>	<b>Value of expenditure during the year £'000</b>	<b>Nature of transaction</b>
Royal Museums Greenwich Foundation	Jeremy Penn, Trustee for the related party, served as Trustee during the year.	-	243	Grants made to the Foundation
Royal Museums Greenwich Foundation	Jeremy Penn, Trustee for the related party, served as Trustee during the year.	6	-	Grants received & supplies/services
Royal Borough of Greenwich Destination Management Company	E Harris, Director for the related party, served as a Director during the year.	-	37	Costs in relation to destination marketing
		<b>6</b>	<b>280</b>	

At the year end there is a debtor balance of £222,000 with the Lloyds Register Foundation (A Marsh, a director of the Lloyds Register Group served as a Trustee during the year).

At the year end there is a creditor balance of £243,000 with the above related parties.

There were additional related party transactions conducted with various parties which fall below our materiality threshold (£1,000). These transactions resulted in income of £ Nil and expenditure of £2,606.

Additional information on key management remuneration is provided in the Remuneration Report on page 32.

**25 Contingent Liabilities**

The Museum had no contingent liabilities at the year end.

**26 Control of the Consolidated Entities**

The charity accounts consist of the National Maritime Museum. The consolidated group accounts consist of the National Maritime Museum and the results of a trading subsidiary, National Maritime Museum Enterprises Limited. The Museum controls NMME through ownership of 100% of its issued share capital. Monitoring of the performances of NMME is undertaken by the Trustees of the National Maritime Museum through quarterly Trustee Board, and Audit Committee meetings. Day to day control is operated through the financial and management arrangements of the executive offices of the Museum. Accountability is to the Trustees of the Museum and to the Department for Digital, Culture, Media and Sport.

The Royal Museums Greenwich Foundation is a separate charitable company, run by its own board of Trustees and therefore is not consolidated into the Museum's accounts.

**27 Post Balance Sheet Events**

The Annual Report and Accounts were approved by the Accounting Officer and Trustees on 8 July 2021 and authorised for issue on the date they were certified by the Comptroller and Auditor General

**28.a Prior Year Consolidated Statement of Financial Activities for the year ended 31 March 2020**

		Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2019 £'000
<b>Income and Endowments</b>	<b>Note</b>				
<b>Donations and Legacies</b>					
- Grant in Aid		16,540	58	-	16,598
- Other		308	1,551	-	1,859
<b>Total Donations and Legacies</b>	<b>2.a</b>	<b>16,848</b>	<b>1,609</b>	<b>-</b>	<b>18,457</b>
<b>Other Trading Activities</b>					
- Trading Income	<b>3</b>	5,217	202	-	5,419
- Other	<b>4</b>	938	-	-	938
<b>Total Other Trading Activities</b>		<b>6,155</b>	<b>202</b>	<b>-</b>	<b>6,357</b>
<b>Income from Investments</b>	<b>5</b>	101	1	7	109
<b>Income from Charitable Activities</b>					
Putting Visitors First and creating inspiring experiences		7,761	-	-	7,761
Valuing our Heritage, caring for and developing our unique collection		273	-	-	273
Extending our Reputation, reach and impact		316	-	-	316
<b>Total Income from Charitable Activities</b>	<b>6</b>	<b>8,350</b>	<b>-</b>	<b>-</b>	<b>8,350</b>
<b>Total Income and Endowments</b>		<b>31,454</b>	<b>1,812</b>	<b>7</b>	<b>33,273</b>
<b>Expenditure</b>					
<b>Expenditure on Raising Funds</b>					
Costs of Raising Donations and Legacies		498	-	-	498
Costs of Other Trading Activities					
- Trading Costs	<b>3</b>	3,497	0	-	3,497
- Cost of Activities for Generating Funds, other		4,440	231	-	4,671
Total Cost of Other Trading Activities	<b>7</b>	<b>7,937</b>	<b>231</b>	<b>-</b>	<b>8,168</b>
<b>Total Expenditure on Raising Funds</b>		<b>8,435</b>	<b>231</b>	<b>-</b>	<b>8,666</b>
Investment Management Costs		59	-	2	61
<b>Expenditure on Charitable Activities</b>					
Putting Visitors First and creating inspiring experiences		6,683	201	-	6,884
Valuing our Heritage, caring for and developing our unique collection		13,266	4,307	-	17,573
Extending our Reputation, reach and impact		2,227	213	18	2,458
<b>Total Expenditure</b>	<b>7</b>	<b>30,670</b>	<b>4,952</b>	<b>20</b>	<b>35,642</b>
Net Gains/(Losses) on Investments	<b>13</b>	(352)	(4)	(33)	(389)
<b>Net Income/(Expenditure)</b>		<b>432</b>	<b>(3,144)</b>	<b>(46)</b>	<b>(2,758)</b>
<b>Transfers</b>					
Transfers between funds	<b>19.a</b>	89	74	(163)	-
<b>Net Income/(Expenditure) before other Recognised Gains and Losses</b>		<b>521</b>	<b>(3,070)</b>	<b>(209)</b>	<b>(2,758)</b>
<b>Other Recognised Gains and Losses</b>					
Gains/(Losses) on Revaluation of Fixed Assets	<b>10.a</b>	-	13,521	-	13,521
<b>Total Net Movement in Funds</b>	<b>9</b>	<b>521</b>	<b>10,451</b>	<b>(209)</b>	<b>10,763</b>
<b>Reconciliation of Funds</b>					
Funds balance brought forward at 1 April 2019		20,816	274,510	679	296,005
<b>Funds balance at 31 March 2020</b>	<b>19.a</b>	<b>21,337</b>	<b>284,961</b>	<b>470</b>	<b>306,768</b>

**28.b Prior Year Charity Statement of Financial Activities for the year ended 31 March 2020**

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endow-ment Funds £'000	Total 2019 £'000
<b>Donations and Legacies</b>					
- Grant in Aid	2.a	16,540	58	-	16,598
- Other	2.a	308	1,551	-	1,859
- Gift Aid donation from NMME	3	1,438	-	-	1,438
- Recharges NMME		189	-	-	189
<b>Total Donations and Legacies</b>		18,475	1,609	-	20,084
<b>Other Trading Activities</b>					
- Trading Income		-	-	-	-
- Other		992	-	-	992
<b>Total Other Trading Activities</b>		992	-	-	992
<b>Income from Investments</b>		96	1	7	104
<b>Income from Charitable Activities</b>					
Putting Visitors First and creating inspiring experiences		7,761	-	-	7,761
Valuing our Heritage, caring for and developing our unique collection		273	-	-	273
Extending our Reputation, reach and impact		316	-	-	316
<b>Total Income from Charitable Activities</b>	6	8,350	-	-	8,350
<b>Total Income and Endowments</b>		27,913	1,610	7	29,530
<b>Expenditure</b>					
<b>Expenditure on Raising Funds</b>					
Costs of Raising Donations and Legacies		498	-	-	498
Costs of Other Trading Activities		-	-	-	-
- Trading Costs		-	-	-	-
- Cost of Activities for Generating Funds, other		4,494	231	-	4,725
Total Cost of Other Trading Activities		4,494	231	-	4,725
<b>Total Expenditure on Raising Funds</b>		4,992	231	-	5,223
<b>Investment Management Costs</b>		59	-	2	61
<b>Expenditure on Charitable Activities</b>					
Putting Visitors First and creating inspiring experiences		6,683	201	-	6,884
Valuing our Heritage, caring for and developing our unique collection		13,266	4,307	-	17,573
Extending our Reputation, reach and impact		2,227	213	18	2,458
<b>Total Expenditure</b>		27,227	4,952	20	32,199
Net Gains/(Losses) on Investments	13	(352)	(4)	(33)	(389)
<b>Net Income/(Expenditure)</b>		334	(3,346)	(46)	(3,058)
<b>Transfers</b>					
Transfers between funds	19.b	89	74	(163)	-
<b>Net Income/(Expenditure) before other Recognised Gains and Losses</b>		423	(3,272)	(209)	(3,058)
<b>Other Recognised Gains and Losses</b>					
Gains/(Losses) on Revaluation of Fixed Assets	10.a	-	13,521	-	13,521
<b>Total Net Movement in Funds</b>	9	423	10,249	(209)	10,463
<b>Reconciliation of Funds</b>					
Funds balance brought forward at 1 April 2019		20,757	274,510	679	295,946
<b>Funds balance at 31 March 2020</b>	19.b	21,180	284,759	470	306,409

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