NATIONAL MARITIME MUSEUM CORNWALL TRUST

England & Wales · Charity number 1067884

Details

Other names	NATIONAL MARITIME MUSEUM CORNWALL, NMMC
Status	Registered
Legal form	Charitable company
Company number	03446298
Registered	1998-02-02
Register	View on the Charity Commission register

Contact

Address	Discovery Quay Falmouth TR11 3QY
Phone	01326313388
Email	enquiries@nmmc.co.uk
Website	www.nmmc.co.uk

Activities

Objects: TO PROMOTE THE EDUCATION OF THE PUBLIC IN THE MARITIME HISTORY AND CURRENT MARITIME DEVELOPMENTS FOR THE BENEFIT OF THE INHABITANTS OF CORNWALL AND ELSEWHERE IN PARTICULAR. ALSO TO ESTABLISH, OPERATE AND PRESERVE A MUSEUM IN FALMOUTH TO DISPLAY THE NATIONAL BOAT COLLECTION OF THE NATIONAL MARITIME MUSEUM AND THE CORNISH COLLECTION EFFECTIVELY IN A WATERSIDE SITE

Activities: To maintain and develop a museum to advance knowledge and promote an understanding of both small boats and their place in people's lives, and the maritime heritage of Cornwall.

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** FALMOUTH CORNWALL
- Cornwall

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,412,516	£3,042,734	£25,677,660	51
2024-03-31	£4,789,534	£2,975,762	£26,712,864	45
2023-03-31	£2,143,359	£3,237,647	£23,717,763	39
2022-03-31	£2,748,786	£2,353,008	£24,949,683	37
2021-03-31	£2,005,938	£1,926,872	£24,441,049	32

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Trustees

Name	Role	Appointed
Dr Patrick John Newberry	Chair	2025-09-18
Ben Statham-Wilkins		2023-03-23
Coralie Green		2021-03-05
Dame Shan Morgan		2022-12-06
Dr Jo Esra		2024-12-03
Margaret Ellen Winser		2026-03-18
Michael Griffiths		2020-09-24
Michael John Carr		2023-12-28
ROBERT MICHAEL HOLMES		2014-09-17
SIMON CHARLES TREGONING		
Sam Hugh D'Aquilar Hunt		2013-12-17
Susan Mary Bradbury		2023-12-19

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NATIONAL MARITIME MUSEUM CORNWALL TRUST

England & Wales - Charity number 1067884

Accounts

Registered number: 03446298
Charity number: 1067884

NATIONAL MARITIME MUSEUM CORNWALL TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Bishop Fleming

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

President	Mrs A L Bolitho
Trustees	The Rt Hon. Viscount Falmouth DL (resigned 23 August 2024) Mrs S M Bradbury Mr M J Carr Mr P W Davies MBE Dr J Esra (appointed 3 December 2024) Mrs C D Green Mr M J R Griffiths Mr R M Holmes Mr S H D'A Hunt Dame S Morgan Mr S P Sherrard DL, Chair Mr B L Statham-Wilkins Mr S C Tregoning
Company registered number	03446298
Charity registered number	1067884
Registered office	Discovery Quay Falmouth Cornwall TR11 3QY
Company secretary	Mrs H D Jones
Director of the Museum	Mr R M Doughty
Independent auditors	Bishop Fleming Audit Limited Chartered Accountants Statutory Auditors Chy Nyverow Newham Road Truro Cornwall TR1 2DP
Bankers	National Westminster plc 2-4 St Nicholas St Truro Cornwall TR1 2RN
Solicitors	Wolferstans Solicitors Deptford Chambers 60-66 North Hill Plymouth Devon PL4 8EP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report together with the audited financial statements of the National Maritime Museum Cornwall Trust for the year 1 April 2024 to 31 March 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Policies and Objectives

To promote the education of the public in maritime history and current maritime developments for the benefit of the inhabitants of Cornwall and elsewhere and in particular (but without prejudice to the generality of the foregoing) the charity shall seek to:

- establish, operate, and preserve a Museum in Falmouth ("the Museum") to display the national boat collection of the National Maritime Museum and the Cornish collection effectively in a waterside site.
- acquire, lease, or borrow exhibits, static or floating, for the Museum and carry out restoration and research in relation to the same for the purpose of displaying them.
- enhance the national boat collection to provide a systematic representation of the boat tradition of the United Kingdom.
- carry out works for the establishment, improvement, and development of the Museum.
- extend the Museum's reputation as a national centre for boat expertise.
- support research into maritime matters especially in relation to their history, interpret Cornwall's maritime role in a national context and provide a focal point for Cornish maritime research; and
- provide educational and lecturing facilities and tours at the Museum.
- provide a vibrant, dynamic, and welcoming space for all.

Our Mission is to be a place where people come to enrich their understanding of the sea and Cornwall.

Our Vision is to be a nationally significant museum in Cornwall.

Strategies for achieving objectives:

Key strategic projects included meeting the needs and motivations of visitors by:

- planning and implementing a rolling programme of exhibitions and cross-arts activities to improve the visitor experience, drawing on the Museum's collections, expertise, and research.
- refreshing and upgrading our permanent galleries to deliver transformative experiences which have a deep and lasting impact on people's lives.
- fostering collaborative working and encouraging volunteering.
- reducing the Museum's environmental impact by working towards net zero, in line with the government's national strategy and international best practice.

Principal activities of the year

The principal activities of the charity in the year under review were those of the running of the National Maritime Museum Cornwall in Falmouth, together with trading operations carried on by its subsidiary companies, Discovery Quay Enterprises Limited (DQE), Discovery Quay Enterprises (Trading) Limited (DQET) and Discovery Quay Square Limited (DQS). These trading operations with the exception of DQS are to assist in fund raising and income generation through retail, catering and other services for the National Maritime Museum Cornwall Trust.

During the year DQE provided management services at the Museum's satellite site at Ponsharden, DQET provided management, trading, and fund-raising services at the main site and DQS owned and operated a public amenity open square for events adjoining the Museum. During the year the companies (excluding DQS) made gift aid payments of £390,817. Further details regarding these subsidiaries can be found in the notes to the Financial Statements.

The main visible public benefit of the charity's work is the opening of the Museum to the public for 362 days a year, providing an informative and educational experience for the general public, formal and informal learning groups, and our diverse communities of interest. However, for six weeks from 8 January until 16 February 2025, the Museum was closed to enable the high-level windows to be replaced safely, as part of the MEND capital project.

Staff and volunteers

The Museum is run by a team of staff and volunteers led by a Director. The staff are responsible for planning and all business aspects of the charity. The volunteers provide essential support in seven key areas: front of house, galleries, education, boat management, collections, library, and office.

We currently have 140 active volunteers who contributed a total of 17,200 hours in the year. We remain indebted to all our volunteers who have been helping us to build on our success as the most visited Museum in Cornwall. Quite simply we would struggle to operate without their magnificent contribution. Through the work of staff and volunteers, the charity seeks to widen knowledge and appreciation of the maritime heritage in line with its stated aims.

On 8th May Tony Pawlyn, our longest serving Trustee and Head of the Bartlett Maritime Research Centre and Library, died. Tony was one of our original Trustees and previously had been a Trustee of the Cornwall Maritime Museum. Along with Captain George Hogg, he was instrumental in the development and creation of the Museum as we know it today. He was a leading authority on Cornish Maritime History. He was a mine of information and our go to for anything to do with Cornish Maritime Heritage. It is no exaggeration to say he will be greatly missed by all of us at the Museum.

In June, Trustees created a new role of 'Honorary Commodore' to recognise individuals who have made an outstanding contribution to the story of Britain's small boats or who have demonstrated a significant commitment to National Maritime Museum Cornwall. We are thrilled to announce that Ellen Winser, The Rt Hon. Viscount Falmouth DL Evelyn Boscawen, Rodney Pattisson and Kurt Jackson have accepted the invitation to act as our ambassadors, promoting the Museum and extending its influence in the maritime and cultural life of the UK.

In September representatives from the Museum Volunteers attended an event at County Hall in Truro. They were presented with a certificate to commemorate the achievement of being shortlisted for the Kings Award for Voluntary Service 2024.

ACHIEVEMENTS AND PERFORMANCE

Fundraising activities

Everything undertaken by the Trust is done without revenue support from central or local government. Despite having 'national' in our title and being charged to look after the national collection of small boats, we are an independent, regional Museum, relying solely on earned income, project grants and donations.

We drew down a grant of £499,000 from the Arts Council England's Museum Estate and Development Fund towards the cost of replacing the main roof, the replacement of the high-level windows over the café and several other minor works to ventilation systems and steelworks in the main plant room. These approved works were substantially all completed during 2024/25.

The Gosling Foundation awarded a grant of £15,000 towards the costs of reengineering the boat pool.

On 30 October we learnt the Arts Council England had awarded the Museum a £75,000 National Lottery Project Grant towards the cost of mounting the temporary exhibition SURF!

The Museum also benefitted from an anonymous, unrestricted donation of £125k (including gift aid).

Review of achievements and performance during the year

Trustees are proud of the breadth of output and the passion, commitment, energy, and enthusiasm the staff and volunteer teams bring to the Museum every day. They also acknowledge all the hard-working and talented artists, freelancers, writers, actors, dancers, poets, musicians, exhibition designers, graphic designers, and fabricators who help to deliver our ambitious programming. It is their combined ingenuity which underpins all we accomplish whether it be science demonstrations, rock pooling, puppet shows, live theatre performances, 'Make & Take' crafting sessions, trails and guided tours, object handling, quiet sessions or our Minnow Tales storytelling for under 5s.

Exhibitions and Museum Activities

Our first exhibition of the year was mounted in the Bridge Gallery to celebrate the 200th anniversary of the RNLI. We are immensely grateful to Kurt Jackson, one of the UKs leading contemporary artists who agreed to allow us to display a body of work capturing the tireless work of the RNLI around the coastline of Cornwall. The exhibition included several canvases from Kurt's private collection, depicting the interior of the Penlee Lifeboat House. These paintings are a poignant tribute to the crew of the Penlee lifeboat Solomon Browne who lost their lives on 19 December 1981, attempting to rescue the crew and passengers onboard a stricken coaster. Also featured in the show were a series of 18 sketches, which Kurt has made of the small boats which carry the hopes and fears of refugees. Throughout history, boats have provided a lifeline for people desperate to escape oppression or to seek a better life. Today, we face the global challenge of mass migration caused by climate change, war, and economic inequality. Migration is now one of the most important political issues in our country, if not the world. We are grateful to Kurt Jackson for donating this collection of sketches to the museum.

In late March, we took the decision to research and build a replica of a WW2 espionage boat. The suggestion was proposed by Phil Clarke, one of our boat volunteers. Phil has been researching the history of a Special Operations Executive base at Port Navas on the Helford River for several years. The so-called 'surf boat' (so-called because it skimmed over the surf), was designed by Nigel Warrington-Smyth in 1942 to facilitate clandestine operations along the coastline of Brittany. The boat was rowed ashore to drop off supplies and operatives. These boats were also used to evacuate fallen airmen. Work began on the lofting floor in the Museum boat workshop in September.

In April we opened a co-curated exhibition in our Balcony Gallery, to mark the 100th anniversary of the Sunbeam yachts. Museum volunteer, Dave Owens, was appointed as the guest curator and he secured the majority of the loans. Sunbeams are a classic, one-design racing yacht. The class was designed by distinguished naval architect Alfred Westmacott and his boat building company Woodnutts, at Bembridge on the Isle of Wight. Here they built a total of 39 Sunbeams between 1923 and 1938. Most of these yachts were raced at the Hamble River Sailing Club. However, a number of yachtsmen in Falmouth began to show great interest in Westmacott's design and, in 1924, eight new boats, built by Woodnutts, were delivered by train to Falmouth. One of these boats is *Maranui*, which the Museum acquired into its 'wet boat' collection in 2021. We are currently exploring the possibility of a working partnership with the Falmouth Sunbeam Association to keep Maranui in racing condition.

Towards the end of April, we purchased a 1965 VW split-screen camper van, to use as a centre piece in the forthcoming SURF! exhibition. By mid-June we had developed the initial design for the exhibition working closely with Parc Signs, a fabrication company based in St Austell. The exhibitions and curatorial teams have been working on SURF! throughout the year. The show will showcase the art, craft, creativity, culture and community of Cornish wave-riding across 100 years through 100 surfboards, from the 1920s pioneers to 2020s para-surfing World Champions. It will explore how surfing has shaped Cornwall's coastal communities and perceptions of Cornwall's identity, how it is challenging stereotypes of disability and how it is changing

public attitudes to water safety and the marine environment. It will celebrate the rich history and cultural, social and environmental impacts, along with its evolving legacies today, as an innovative form of sustainable leisure, tourism, fashion and blue health.

When the Museum was first established, the National Maritime Museum loaned our institution 104 small boats, all under 30'. Of these, eight belonged to the Royal Collection Trust. Due to limited storage space at our outlying boat storage facilities in Penryn and because we have no plans to display them, the decision was taken to return all the loans belonging to the Royal Collection Trust, when our loan agreement ended. The boats were returned in three batches between May and June, the more delicate seal-skin kayak, being transported by Constantine, art transportation specialists.

While collections will always remain at the heart of what we do as a museum, over recent years we have invested considerable resources in commissioning culturally ambitious programming. We have developed clearly defined themes for family learning performances and activities over every school holiday. These include 'Science and the Sea' during February half-term, 'Cornish Heroes' at Easter, 'Nature, the Cornish Coast', 'Rockpools' and 'Sea-Safety,' over the summer half term, 'Shadows and Silhouettes' during October half-term and 'Lanterns and Lights' at Christmas. Our objective is to encourage repeat visits from specific interest groups, whilst also attracting new audiences interested in different subjects and art forms.

During the Easter holidays this year, we were thrilled to welcome Ed Rowe (aka Kernow King), Jenny Beare and Dan Richards. They performed 'The Cornish Caretakers and the Chest of Cornishness', a hilarious and informative show which brought to life six Cornish men and women from history who changed the world.

For several years we have also invited artists and arts organisations to create thought-provoking artistic responses to our exhibition spaces and narratives. This summer we were delighted to work again with the Illyria theatre company. We commissioned them to produce a family-orientated show called 'Escape from Treasure Island!' to complement our 'Pirates' exhibition. Exit surveys and self-complete questionnaires revealed a very positive public response to this type of programming.

This year's Autumn Lecture Series focused on the theme of 'Women and the Sea'. Speakers included Dr Elaine Murphy, who spoke about Women and the Navy in the Age of Sail, Dr Charlotte MacKenzie on Mary Broad/Bryant – The Creation of a Cornish Legend, Elizabeth Dale, who provided an insight into Forgotten Women of the Cornish Coast and Helen Dale and Sharon Austin who spoke about Risk, Reward, Shipwrecks & Secrets.

In October, we were delighted to host the UK Maritime Heritage Forum Conference. The forum provides an opportunity to bring together colleagues from the UK maritime heritage sector to reflect on those aspects of maritime heritage practice which connect the broad maritime community that care for static collections or operating vessels, whether they represent a large museum or small volunteer team. This year the conference theme, celebrated Britain's Coastal Experience, from small boats to the politics of contemporary collecting. Topics included coastal resilience, the politics of collecting maritime stories such as coastal economies and climate crisis, the challenges of heritage conservation and interpreting the sea; together with new narratives and ways of presenting our maritime heritage.

On 22nd October, the Museum Director signed a contract with Aberdeen Art Gallery to enable them to mount a modified version of Monsters of the Deep: Science Fact and Fiction – as originated by National Maritime Museum Cornwall. The exhibition will form part of a maritime themed offer to coincide with the Tall Ship Races, which will be hosted in Aberdeen from 19th-22nd July 2025.

In late November we opened 'Resilience' in the Bridge Gallery. This project is the first in a series of experimental exhibitions in which we plan to explore different ways to represent Cornish maritime history and heritage, for new and different audiences. These exhibitions will form part of our strategic approach to establishing the diverse range of stories and perspectives which will inform the future re-development of our Cornwall galleries.

'Resilience', was conceived as an experimental academic, artistic and heritage collaboration between the Museum, Exeter University and Bristol-based collective Kaleider Studio. The exhibition comprises of an immersive sound sculpture, incorporating five large glass fishing buoys hanging from the ceiling and dominating the central space. Visitors 'trigger' different sounds, comprising a blend of music, ambient sounds and oral history recordings. In addition to panels and touchscreens, the show includes specially commissioned photographic portraits of featured participants by Cornwall based photographer Steve Tanner. The cost of mounting this exhibition was £62,000 and the full cost was met by the University of Exeter.

Background research for an exhibition on Cornish Smuggling, which will form a major temporary exhibition between 2027-2029, is underway. We have appointed Dr Jo Esra as the guest curator. She is both a literary scholar and a cultural historian, with experience of engaging with all forms of maritime cultural representation and practice. Jo is well placed to ensure the exhibition addresses Cornish language, Cornish identity and place.

Dr Jo Esra is now working with us to develop the structure of the master narrative for the show. We will be fleshing out some of the key issues we want to explore in the exhibition, such as how have stories about smuggling shaped perceptions of the Cornish coastline and what happens when you tax people too much?

We are already working closely with 'MORAK', an academic research group linked to the University of Exeter's Institute of Cornish Studies who investigate Cornwall's cultural heritage and diaspora. However, we also hope to set up a separate advisory group of specialist external readers to inform the development of the exhibition content.

Dr Jenny Lee, our Curator of Special Projects, will be focusing on setting up a database to capture object research, draw up a long list of objects and identify prioritised items for loan requests.

Our initial objective is to produce in depth biographies, complete with links to primary sources, images, and objects, relating to the key historical 'players' in Cornish smuggling and lesser well known or hidden characters across society, and across Cornwall. This will form a key strand in the narrative and provide rich content for other outputs such as catalogues, lectures, on-line materials, press and cultural publications. A start-up meeting to scope the exhibition brief will be held in the new financial year. This will establish what the visitor journey might look and feel like; what will be unique and special about the exhibition; how we are going to deliver experiences, especially in the context of live and recorded performances and how we hope to determine what the key immersive and interactive elements might be.

The temporary exhibition 'Pirates', a coproduction with Royal Museums Greenwich, opened in the Special Exhibitions Gallery in the Sammy Ofer wing of the National Maritime Museum on 28th March 2025

Financial performance and position

The results for the year and financial position of the Trust are presented in the annexed financial statements. The level of group reserves as at 31 March 2025 was £25,702,660 (2024: £26,712,864). The movement on restricted funds is dominated by the depreciation charge on the Museum's building and as such we consider the unrestricted funds position to give a better indicator of our underlying financial position.

In the year, our unrestricted funds decreased by £465,542. £264,559 of this decrease related to net unrealised losses from our listed investments and investment properties. The unrestricted deficit before these sums was £200,893

Reserves and investment policy

It is the intention of the Trustees to ensure that there are sufficient free reserves to:

- allow for the seasonal nature of income and expenditure.
- allow for annual fluctuations in visitor numbers.
- support the investment in future programming; and

- provide financial flexibility and security to face unexpected events.

At 31 March 2025 the charity's consolidated unrestricted reserves stood at £4,114,214 (2024: £4,579,756), whilst free reserves (calculated as unrestricted reserves held excluding amounts represented by fixed assets) stood at an overall deficit of £272,145 (2024: £239,839). The Trustees intend to continue to rebuild free reserves to represent six months' expenditure.

The year-end balance on listed investments stood at £1,375,872 (2024: £1,590,431) and is available to be drawn down if required.

Plans for future periods

Our key priority is to ensure the sustainability of the Museum through a programme of lively and appealing exhibitions, carefully targeted marketing, and the maximisation of benefit from the trading activities and estate. Our approach will therefore continue to be based on making efforts to secure and strengthen existing income streams and by engendering a culture of experimentation to maximise new income generating opportunities.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is registered as a charity company limited by guarantee and was incorporated on 8 October 1997. It is governed by its memorandum and articles of association.

The charity and the group are constituted under a Memorandum of Association dated 8 October 1997 and as amended by Special Resolution dated 20 September 2018 and the Museum is a registered charity number 1067884.

Method of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

The members of the Board of Directors of the charitable company ("the charity") are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees. The Trustees are elected by the Board. A Trustee retiring by rotation is eligible for re-election. The Trustees during the year under review were those listed on page 1. New Trustees are given appropriate guidance about their obligations by the chairman and existing Trustees and by reference to the Charity Commission notes.

Organisational structure and decision making

The Board of Trustees, which must have a minimum of three members but has no maximum and normally meets four times a year. There are three sub-committees to the board:

Audit, Finance & Investments	Mr R Holmes (c), Mr P Davies MBE, Mr S Sherrard DL, Mrs E Winser MBE
Acquisitions	Mrs S. Riddle (c), Mr A. Wyke, Dr Jenny Lee and Mr R Doughty
Nominations	Mr S P Sherrard DL, Dame Shan Morgan

Pay policy for senior staff:

The Trustees are responsible for setting Museum policy and the Senior Management Team are responsible for implementing policy and directing, controlling, and running the operation of the Museum. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other comparable institutions of a similar size run on a voluntary basis. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to a reasonable percentage for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Risk management:

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The process of review is ongoing and risk management is considered as part of the decision-making process.

Information on fundraising practices:

The Museum Director leads the Trust's fundraising efforts supported by other members of the staff team. Our fundraising activities are primarily directed towards trusts and foundations, not individuals. Where we do receive donations from individuals, it will typically be of their own initiative.

FUNDS HELD AS CUSTODIAN

There are no funds held by the Charity on behalf of another charity, other than the funds collected by its subsidiary company Discovery Quay Square (DQS), from its local residents towards the maintenance of the sea wall surrounding Discovery Quay Square. The funds are held by DQS in a separate deposit account.

The Trustees' Report, incorporating a strategic report, was approved by order of the Trustees, as the company directors, and signed on its behalf by:

Mr S P Sherrard DL
Chair of Trustees

Date: 18 September 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2025

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM CORNWALL TRUST

OPINION

We have audited the financial statements of National Maritime Museum Cornwall Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities (incorporating Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM CORNWALL TRUST (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Trustees' Annual Report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Annual Report, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the strategic report and directors report included with the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the industry and sector, control environment and business performance;
- We have considered the results of our enquiries of management and the Board about their own identification and assessment of the risk of irregularities within the group;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation
- For any matters identified we have obtained and reviewed the parent charitable company's documentation of their policies and procedures relating to;
    - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
    - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team, including internal tax specialists, regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the group and parent charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities SORP (FRS 102) - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities Act 2011 and the terms and conditions attaching to material grants received by the Group. In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group and parent charitable company's ability to operate or to avoid a material penalty. These include maritime law, environmental law, compliance with the Food Safety standards, the Landlord and Tenant Act, Trading Standards, data protection regulations, health and safety regulations, licensing acts and employment legislation.

As a result of performing the above procedures, we have cut-off of revenue recognition as a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- Documenting and validating the control environment for income and debtors and carrying out walkthrough testing;
- Undertaking substantive sample-based testing or proof in total calculations on all material revenue streams to ensure revenue has been recognised appropriately and accurately;

- Considering manual income journals as part of our work on fraud risks documented below;
- Reviewing the financial statement disclosures and testing to supporting documentation;
- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement;
- Reading minutes of meetings of those charged with governance; and
- 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.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Bishop Fleming Audit Limited

Alison Oliver FCA CTA (Senior statutory auditor)
for and on behalf of
Bishop Fleming Audit Limited
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date: 19 December 2025

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	4	-	**156,837**	**156,837**	389,614
Charitable activities	5	**156,450**	**973,259**	**1,129,709**	2,077,243
Other trading activities	7	-	**1,017,471**	**1,017,471**	1,228,634
Investments	8	-	**108,499**	**108,499**	80,083
Other income		-	-	-	1,013,960
Total income		**156,450**	**2,256,066**	**2,412,516**	4,789,534
Expenditure on:					
Raising funds		-	**293,717**	**293,717**	382,692
Charitable activities		**870,344**	**1,878,673**	**2,749,017**	2,593,070
Total expenditure		**870,344**	**2,172,390**	**3,042,734**	2,975,762
Net (expenditure)/income before net (losses)/gains on investments		**(713,894)**	**83,676**	**(630,218)**	1,813,772
Net (losses)/gains on investments		**(135,000)**	**(264,559)**	**(399,559)**	1,093,226
Net (expenditure)/income before taxation		**(848,894)**	**(180,883)**	**(1,029,777)**	2,906,998
Taxation		-	**(5,427)**	**(5,427)**	88,103
Net (expenditure)/income after taxation		**(848,894)**	**(186,310)**	**(1,035,204)**	2,995,101
Transfers between funds	22	**304,232**	**(304,232)**	-	-
Net movement in funds		**(544,662)**	**(490,542)**	**(1,035,204)**	2,995,101
Reconciliation of funds:					
Total funds brought forward		**22,133,108**	**4,579,756**	**26,712,864**	23,717,763
Net movement in funds		**(544,662)**	**(490,542)**	**(1,035,204)**	2,995,101
Total funds carried forward		**21,588,446**	**4,089,214**	**25,677,660**	26,712,864

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 45 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	14		**21,126,102**		20,892,941
Investments	16		**1,375,872**		1,590,431
Investment property	15		**3,415,000**		3,850,000
			25,916,974		26,333,372
Current assets					
Stocks	17	**96,992**		92,644	
Debtors	18	**1,003,932**		1,087,320	
Cash at bank and in hand		**538,735**		902,432	
		1,639,659		2,082,396	
Current liabilities					
Creditors: amounts falling due within one year	19	**(1,003,198)**		(818,141)	
Net current assets			**636,461**		1,264,255
Total assets less current liabilities			**26,553,435**		27,597,627
Creditors: amounts falling due after more than one year	20		**(850,775)**		(884,763)
Provisions for liabilities			**(25,000)**		-
Total net assets			**25,677,660**		26,712,864
Charity funds					
Restricted funds	22		**21,588,446**		22,133,108
Unrestricted funds	22		**4,089,214**		4,579,756
Total funds			**25,677,660**		26,712,864

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL
Chair of Trustees
Date: 18 September 2025

The notes on pages 18 to 45 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2025

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	14		**19,326,803**		19,030,118
Investments	16		**1,377,872**		1,592,431
Investment property	15		**3,415,000**		3,850,000
			24,119,675		24,472,549
Current assets					
Debtors	18	**1,083,467**		1,335,786	
Cash at bank and in hand		**112,157**		240,795	
		1,195,624		1,576,581	
Current liabilities					
Creditors: amounts falling due within one year	19	**(610,439)**		(391,766)	
Net current assets			**585,185**		1,184,815
Total assets less current liabilities			**24,704,860**		25,657,364
Creditors: amounts falling due after more than one year	20		**(850,775)**		(884,763)
Provisions for liabilities			**(25,000)**		-
Total net assets			**23,829,085**		24,772,601
Charity funds					
Restricted funds	22		**19,986,114**		22,133,108
Unrestricted funds	22		**3,842,971**		2,639,493
Total funds			**23,829,085**		24,772,601

The Charity's net movement in funds for the year was £(943,516) (2024 - £3,038,837).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL
Chair of Trustees
Date: 18 September 2025

The notes on pages 18 to 45 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	**(728,852)**	104,404
Cash flows from investing activities		
Dividends, interests and rents from investments	**108,499**	80,083
Purchase of tangible fixed assets	**(547,484)**	(267,108)
Proceeds from sale of investments	**250,000**	-
Net cash used in investing activities	**(188,985)**	**(187,025)**
Cash flows from financing activities		
Repayments of borrowing	**(33,988)**	(65,209)
Grants received	**617,950**	311,550
Interest paid	**(29,822)**	(32,482)
Net cash provided by financing activities	**554,140**	**213,859**
Change in cash and cash equivalents in the year	**(363,697)**	**131,238**
Cash and cash equivalents at the beginning of the year	**902,432**	771,194
Cash and cash equivalents at the end of the year	**538,735**	902,432

The notes on pages 18 to 45 form part of these financial statements

1. GENERAL INFORMATION

The Charity is a company limited by guarantee (Company no: 03446298). The registered office Discovery Quay, Falmouth, Cornwall, TR11 3QY. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

National Maritime Museum Cornwall Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. All entities within the group have coterminous year ends and consistent accounting policies.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The Charity has taken advantage of the exemption available in FRS 102 from preparing a charity-only cash flow statement, as consolidated financial statements have been prepared.

The financial statements use British Pounds Sterling as the presentation currency and are rounded to the nearest £1 throughout.

2.2 GOING CONCERN

Financial projections indicate the National Maritime Museum Cornwall Trust can meet its liabilities as they fall due, for the foreseeable future. In reaching this conclusion, the Trustees have carefully considered the financial impact of cost pressures and have assessed the liquidity of assets held and the level of general funds and consider it is reasonable to assume the Museum will have adequate resources to continue to operate for the twelve months following the date of signing of the financial statements and beyond. Therefore, the accounts have been prepared on the basis the Museum is going concern.

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out by the Trust. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2. ACCOUNTING POLICIES (continued)

2.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities upon the completion of the relevant performance-related conditions. Other grants that are not subject to performance-related conditions are credited to the Consolidated statement of financial activities as the grant proceeds are received. Grants received prior to the revenue recognition criteria being satisfied are recognised as a liability.

2.6 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 TAXATION

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Given the nature of the Charity, they qualify for Museums and Galleries Exhibition Tax Relief which, when claimed, results in tax credits for the Charity.

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 1% and 2% straight line
Fixtures and fittings	- rates between 10% and 25% straight line
Museum model exhibits	- rates between 5% and 20% straight line

2. ACCOUNTING POLICIES (continued)

2.9 HERITAGE ASSETS

It is the policy of the Board not to capitalise heritage assets in the Museum collection. The Museum's collection consists of a range of objects, boats, art, books and archives.

These items are held in support of the Museum's primary objective of increasing knowledge, understanding and appreciation of the maritime heritage.

The Board considers that financial valuations of heritage assets would be misleading to the value and significance of the material culture involved. In many cases reliable cost information is not available or there are significant costs involved in obtaining a valuation that would outweigh any benefits. Other than a few items that have been purchased, the Museum does not recognise these assets on its balance sheet.

However, it is very important for a Museum to account to the public for the management and care for the collections entrusted to it. High standards of Collections Management are applied to the collections held by the Museum in order to preserve and manage collections on behalf of, and to make it available to, the public. An Accession Register and records are kept on collections, its provenance, and its donors. These are made available for all enquiries and requests, subject to appropriate security and data protection guidelines.

Conservation expenditure incurred on heritage assets is recognised in the Statement of financial activities as incurred.

2.10 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at fair value.

2.11 INVESTMENT PROPERTY

Investment properties are carried at fair value determined annually by the Trustees and derived from the current market rents and investment property yields for comparable real estates, adjusted if necessary for the difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.12 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.13 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. ACCOUNTING POLICIES (continued)

2.14 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.15 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.16 FINANCIAL INSTRUMENTS

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

The Group's financial assets and liabilities consists of cash and cash equivalents, short term investments, trade and other debtors, trade and other creditors, and accrued expenses. The fair value of these items approximates to their carrying value due to their short term value. Unless otherwise stated, the Group is not exposed to significant interest, foreign or credit risks arising from these instruments.

2.17 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.18 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. ACCOUNTING POLICIES (continued)

2.19 FUND ACCOUNTING

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2025 £	Total funds 2025 £
DONATIONS		
Donations and sponsorship	127,529	**127,529**
Members subscriptions	3,971	**3,971**
Founder memberships	9,167	**9,167**
Legacies	16,170	**16,170**
TOTAL 2025	156,837	**156,837**

	Unrestricted funds 2024 £	Total funds 2024 £
DONATIONS		
Donations and sponsorship	129,205	129,205
Members subscriptions	4,242	4,242
Founder memberships	6,167	6,167
Legacies	250,000	250,000
SUBTOTAL	250,000	250,000
TOTAL 2024	389,614	389,614

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Charity incoming resources	156,450	973,259	**1,129,709**

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Charity incoming resources	810,550	1,266,693	2,077,243

6. GRANTS RECEIVED

	2025 £	2024 £
ACE MEND Funding	-	499,000
DCMS/Wolfson - Boat Hall Project	-	272,550
Greenwich - Contribution to 'Pirates'	**65,000**	-
ACE Surf! Funding	**37,500**	-
Other Grants	**53,950**	39,000
	156,450	810,550

7. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £
Trading income	1,017,471	**1,017,471**

	Unrestricted funds 2024 £	Total funds 2024 £
Trading income	1,228,634	1,228,634

8. INVESTMENT INCOME

	Unrestricted funds 2025 £	Total funds 2025 £
Investment income	108,499	**108,499**

	Unrestricted funds 2024 £	Total funds 2024 £
Investment income	80,083	80,083

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Charitable activities	2,255,881	493,136	**2,749,017**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Charitable activities	2,227,570	365,500	2,593,070

ANALYSIS OF SUPPORT COSTS

	Museum 2025 £	**Total funds 2025 £**
Curatorial	455,924	**455,924**
Auditors remuneration	31,555	**31,555**
Accountancy fees	5,657	**5,657**
TOTAL 2025	493,136	**493,136**

	Museum 2024 £	Total funds 2024 £
Curatorial	334,965	334,965
Auditors remuneration	30,250	30,250
Accountancy fees	285	285
TOTAL 2024	365,500	365,500

10. AUDITORS' REMUNERATION

	2025 £	2024 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**28,295**	27,200
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	**3,260**	3,050

11. STAFF COSTS

	Group 2025 £	Group 2024 £	**Charity 2025 £**	Charity 2024 £
Wages and salaries	**912,576**	777,673	**784,997**	669,690
Social security costs	**77,528**	59,348	**68,739**	52,554
Contribution to defined contribution pension schemes	**43,351**	38,098	**37,375**	32,642
	1,033,455	875,119	**891,111**	754,886

The average number of persons employed by the Charity during the year was as follows:

	Group 2025 No.	Group 2024 No.	**Charity 2025 No.**	Charity 2024 No.
Management and administration	**51**	45	**30**	27

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group 2024 No.
In the band £80,001 - £90,000	**1**	1

All Trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration (including employers pension contributions and employers national insurance contributions) in respect of these individuals is £107,153 (2024: £101,404).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, expenses totalling £258 were reimbursed or paid directly to 2 Trustees (2024 - £298 to 3 Trustees).

13. CORPORATION TAXATION

The Charity is exempt from tax on income and gains falling within section 478, 486 and 488 CTA 2010 and s256 TCGA 1992 to the extent that these are applied to its charitable objects. There was no UK Corporation Tax payable by National Maritime Museum Cornwall Trust in 2025.

Given the nature of the Charity, they qualify for Museums and Galleries Exhibition Tax Relief which, when claimed, results in tax credits for the Charity. A claim is likely to be submitted in relation to the 2025 year end and therefore an inflow of benefits is expected to be received in the next financial year.

14. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Long-term leasehold property £	Fixtures, fittings and equipment £	Museum model exhibitions £	Total £
COST OR VALUATION					
At 1 April 2024	**23,505,240**	**3,176,193**	**1,355,770**	**2,008,198**	**30,045,401**
Additions	**499,999**	**-**	**21,123**	**123,259**	**644,381**
At 31 March 2025	**24,005,239**	**3,176,193**	**1,376,893**	**2,131,457**	**30,689,782**
DEPRECIATION					
At 1 April 2024	**4,978,681**	**1,323,370**	**1,047,596**	**1,802,813**	**9,152,460**
Charge for the year	**239,903**	**63,524**	**54,026**	**53,767**	**411,220**
At 31 March 2025	**5,218,584**	**1,386,894**	**1,101,622**	**1,856,580**	**9,563,680**
NET BOOK VALUE					
At 31 March 2025	**18,786,655**	**1,789,299**	**275,271**	**274,877**	**21,126,102**
At 31 March 2024	18,526,559	1,852,823	308,174	205,385	20,892,941

Included in freehold property is freehold land at cost of £15,000 (2024: £15,000), which is not depreciated.

A debenture has been given to the Heritage Lottery Fund to secure the repayment of grants if they should become repayable.

HSBC UK Bank plc hold a fixed charge over some of the land included within freehold property.

14. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Freehold property £	Fixtures, fittings and equipment £	Museum model exhibits £	Total £
COST OR VALUATION				
At 1 April 2024	**23,495,240**	**1,272,815**	**2,008,198**	**26,776,253**
Additions	**499,999**	**21,123**	**123,259**	**644,381**
At 31 March 2025	**23,995,239**	**1,293,938**	**2,131,457**	**27,420,634**
DEPRECIATION				
At 1 April 2024	**4,978,681**	**964,641**	**1,802,813**	**7,746,135**
Charge for the year	**239,903**	**54,026**	**53,767**	**347,696**
At 31 March 2025	**5,218,584**	**1,018,667**	**1,856,580**	**8,093,831**
NET BOOK VALUE				
At 31 March 2025	**18,776,655**	**275,271**	**274,877**	**19,326,803**
At 31 March 2024	18,516,559	308,174	205,385	19,030,118

Included in freehold property is freehold land at cost of £5,000 (2024: £5,000), which is not depreciated.

A debenture has been given to the Heritage Lottery Fund to secure the repayment of grants if they should become repayable.

HSBC UK Bank plc hold a fixed charge over some of the land included within freehold property.

15. INVESTMENT PROPERTY

GROUP

	Freehold investment property £
VALUATION	
At 1 April 2024	3,850,000
Surplus on revaluation	(300,000)
Impairment	(135,000)
At 31 March 2024	3,415,000

CHARITY

	Freehold investment property £
VALUATION	
At 1 April 2024	3,850,000
Surplus on revaluation	(300,000)
Impairment	(135,000)
At 31 March 2025	3,415,000

The 2025 valuations were obtained by trustees from an external valuer, on an open market value for existing use basis.

16. FIXED ASSET INVESTMENTS

GROUP	Listed investments £
COST OR VALUATION	
At 1 April 2024	**1,590,431**
Disposals	**(250,000)**
Revaluations	**35,441**
AT 31 MARCH 2025	**1,375,872**
NET BOOK VALUE	
AT 31 MARCH 2025	**1,375,872**
AT 31 MARCH 2024	1,590,431

CHARITY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2024	**2,000**	**1,590,431**	**1,592,431**
Disposals	**-**	**(250,000)**	**(250,000)**
Revaluations	**-**	**35,441**	**35,441**
AT 31 MARCH 2025	**2,000**	**1,375,872**	**1,377,872**
NET BOOK VALUE			
AT 31 MARCH 2025	**2,000**	**1,375,872**	**1,377,872**
AT 31 MARCH 2024	2,000	1,590,431	1,592,431

16. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Discovery Quay Enterprises (Trading) Limited	03714613	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Running commercial trading operations at the Museum	Ordinary	100%	Yes
Discovery Quay Enterprises Limited	04519567	Discovery Quay, Falmouth, Cornwall, TR11 3QY	To provide boat storage and other facilities for the Museum	Ordinary	100%	Yes
Discovery Quay Square Limited	05856283	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Ownership and operation of a public amenity open square for events adjoining the Museum	Limited by guarantee	100%	Yes
Discovery Quay Property Limited	05867009	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Dormant company	Ordinary	100%	No

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Discovery Quay Enterprises (Trading) Limited	**837,740**	**(490,448)**	**347,292**	**11,404**
Discovery Quay Enterprises Limited	**102,612**	**(65,225)**	**37,387**	**206,443**
Discovery Quay Square Limited	**40,439**	**(68,701)**	**(28,262)**	**13,582**

17. STOCKS

	Group 2025 £	Group 2024 £
Goods for resale	**96,992**	92,644

18. DEBTORS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
DUE WITHIN ONE YEAR				
Trade debtors	**119,204**	124,028	**37,190**	36,310
Amounts owed by group undertakings	**-**	-	**165,892**	338,777
Other debtors	**46,414**	31,221	**42,657**	29,274
Prepayments and accrued income	**838,314**	932,071	**837,728**	931,425
	1,003,932	1,087,320	**1,083,467**	1,335,786

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	**Charity 2025 £**	Charity 2024 £
Bank loan	**65,209**	65,209	**65,209**	65,209
Trade creditors	**234,964**	198,509	**216,519**	179,218
Amounts owed to group undertakings	**-**	-	**26,023**	-
Corporation tax	**5,427**	-	**-**	-
Other taxation and social security	**35,052**	39,465	**18,697**	14,025
Other creditors	**382,889**	339,107	**36,472**	29,795
Accruals and deferred income	**279,657**	175,851	**247,519**	103,519
	1,003,198	818,141	**610,439**	391,766

As per the terms of a Deed of Covenant to maintain the external areas of Discovery Quay Square and to maintain the surrounding sea wall, included in other creditors is service charge reserve fund which represents the balance of service charges levied on the property owners of Discovery Quay less the net service costs incurred. The balance is held in trust for future maintenance of the Square and of the sea wall, as detailed in note 27.

	Group 2025 £	Group 2024 £	**Charity 2025 £**	Charity 2024 £
Deferred income at 1 April 2024	**3,159**	7,114	**900**	2,828
Resources deferred during the year	**1,304**	3,159	**1,304**	900
Amounts released from previous periods	**(3,159)**	(7,114)	**(900)**	(2,828)
	1,304	3,159	**1,304**	900

Included in the Charity deferred income are amounts in relation to admission sales in advance, in addition within the Group deferred income are amounts in relation to the service charge account balance

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2025 £	Group 2024 £	**Charity 2025 £**	Charity 2024 £
Bank loan	**850,775**	884,763	**850,775**	884,763

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2025 £	Group 2024 £	**Charity 2025 £**	Charity 2024 £
Repayable by installments	**589,939**	623,927	**589,939**	623,927
	589,939	623,927	**589,939**	623,927

Included within the above bank loans balance, is one loan repayable over 25 years. For the initial 10 year period interest will be charged on the outstanding balance at a rate of 3.46%. The applicable interest rate after this initial fixed period will be 2.07% per annum above base rate, subject to a review.

The bank loan is secured against the freehold land for which the loan was used to purchase.

21. PROVISIONS

GROUP AND CHARITY

	Provisions £
Additions	**25,000**
	25,000

A claim for unspecified damages was lodged in 2022/2023 in respect of the damage caused and associated issues as a result of a fire that took place in a head-leased property. A provision has been made for a settlement payment in relation to this claim for £25,000, payable after the year end. Additionally, future rent allowances will be made to the lessee.

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
UNRESTRICTED FUNDS						
Net Book Value of unrestricted funded assets	579,164	-	(82,152)	163,474	-	660,486
Net Book Value of Car Park	2,650,000	-	-	-	(300,000)	2,350,000
General Funds	1,083,063	1,275,275	(1,471,291)	(75,189)	35,441	847,299
Trading Subsidiaries' reserves	267,529	980,791	(624,374)	(392,517)	-	231,429
	4,579,756	2,256,066	(2,177,817)	(304,232)	(264,559)	4,089,214

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
RESTRICTED FUNDS						
Project Development Fund	1,663,006	-	-	(56,674)	-	1,606,332
Museum Development Fund - Fixed assets	18,770,771	-	(272,394)	360,906	-	18,859,283
Museum Development Fund - revenue expenditure	1,200,000	-	-	-	(135,000)	1,065,000
Sir Thomas Oats Fund	331	-	-	-	-	331
ACE MEND - Roof Project	499,000	-	(479,000)	-	-	20,000
Greenwich - Contribution to 'Pirates'	-	65,000	(65,000)	-	-	-
ACE Surf!	-	75,000	(37,500)	-	-	37,500
Other Restricted Grants	-	16,450	(16,450)	-	-	-
	22,133,108	156,450	(870,344)	304,232	(135,000)	21,588,446
TOTAL OF FUNDS	26,712,864	2,412,516	(3,048,161)	-	(399,559)	25,677,660

22. STATEMENT OF FUNDS (CONTINUED)

Unrestricted funds
Included in the unrestricted funds are two separate funds to recognise the net book value of fixed assets held by the charity funded by unrestricted funds or from funds whose restriction end upon the acquisition of the asset, and that consequently cannot be easily converted into cash.

A transfer between general funds to net book value of unrestricted funded assets has been made of £136,476 to represent the unrestricted element of fixed assets.

Also included in unrestricted funds is the Charity's trading subsidiaries' reserves.

Restricted funds
The Project development fund represents grants received in relation to the Charity's trading subsidiaries and have been included in those companies' accounts as deferred income. This has been treated as restricted fund grants received for consolidation purposes.

The Museum development fund represents grants received from various sources, including grants received in connection with the construction of the museum and is released to the Statement of Financial Activities on an annual basis in line with depreciation; as well as grants received in the year as detailed in note 6.

Sir Thomas Oates fund represents legacy funding received to fund the purchase of local items for the Cornish Galleries.

ACE MEND fund represents funding granted in relation to the Roof Project.

Greenwich - Contribution to 'Pirates' represents funding from the National Maritime Museum to create a touring exhibition on the subject of Pirates.

ACE Surf! represents funding received from the Arts Council England towards the Museum's Surf! Exhibition.

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
UNRESTRICTED FUNDS						
Net Book Value of unrestricted funded assets	504,394	-	(67,084)	141,854	-	579,164
Net Book Value of Car Park	1,613,362	-	-	-	1,036,638	2,650,000
General Funds	297,555	1,967,164	(1,099,912)	(138,332)	56,588	1,083,063
Trading Subsidiaries' reserves	245,356	1,211,820	(1,189,647)	-	-	267,529
	2,660,667	3,178,984	(2,356,643)	3,522	1,093,226	4,579,756

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
RESTRICTED FUNDS						
Project Development Fund	1,719,680	-	(56,674)	-	-	1,663,006
Museum Development Fund - Fixed assets	18,932,404	-	(280,034)	118,401	-	18,770,771
Museum Development Fund - revenue expenditure	403,522	800,000	-	(3,522)	-	1,200,000
Sir Thomas Oats Fund	1,490	-	(1,159)	-	-	331
DCMS/Wolfson - Boat Hall Project	-	272,550	(154,149)	(118,401)	-	-
ACE MEND - Roof Project	-	499,000	-	-	-	499,000
Other Restricted Grants	-	39,000	(39,000)	-	-	-
	21,057,096	1,610,550	(531,016)	(3,522)	-	22,133,108
TOTAL OF FUNDS	23,717,763	4,789,534	(2,887,659)	-	1,093,226	26,712,864

23. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
General funds	**4,579,756**	**2,256,066**	**(2,177,817)**	**(304,232)**	**(264,559)**	**4,089,214**
Restricted funds	**22,133,108**	**156,450**	**(870,344)**	**304,232**	**(135,000)**	**21,588,446**
	26,712,864	**2,412,516**	**(3,048,161)**	**-**	**(399,559)**	**25,677,660**

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
General funds	2,660,667	3,178,984	(2,356,643)	3,522	1,093,226	4,579,756
Restricted funds	21,057,096	1,610,550	(531,016)	(3,522)	-	22,133,108
	23,717,763	4,789,534	(2,887,659)	-	1,093,226	26,712,864

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	20,465,615	660,487	**21,126,102**
Fixed asset investments	-	1,375,872	**1,375,872**
Investment property	1,065,000	2,350,000	**3,415,000**
Current assets	57,831	1,581,828	**1,639,659**
Creditors due within one year	-	(1,003,198)	**(1,003,198)**
Creditors due in more than one year	-	(850,775)	**(850,775)**
Provisions for liabilities and charges	-	(25,000)	**(25,000)**
TOTAL	21,588,446	4,089,214	**25,677,660**

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	20,313,777	579,164	20,892,941
Fixed asset investments	-	1,590,431	1,590,431
Investment property	1,200,000	2,650,000	3,850,000
Current assets	619,331	1,463,065	2,082,396
Creditors due within one year	-	(818,141)	(818,141)
Creditors due in more than one year	-	(884,763)	(884,763)
TOTAL	22,133,108	4,579,756	26,712,864

25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2025 £	Group 2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(1,035,204)**	2,995,101
ADJUSTMENTS FOR:		
Depreciation charges	**411,220**	410,645
Gains/(losses) on investments	**399,559**	(1,093,226)
Dividends, interests and rents from investments	**(108,499)**	(80,083)
(Increase) in stocks	**(4,348)**	(10,577)
(Increase) in debtors	**(378,112)**	(250,651)
Increase/(decrease) in creditors	**81,334**	(63,027)
Grants received	**(156,450)**	(810,550)
SWRDA release	**-**	(1,025,710)
Interest paid	**31,221**	32,482
Taxation	**5,427**	-
Increase in provisions	**25,000**	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	**(728,852)**	104,404

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2025 £	Group 2024 £
Cash in hand	**538,735**	902,432
TOTAL CASH AND CASH EQUIVALENTS	**538,735**	902,432

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	**902,432**	**(363,697)**	**538,735**
Debt due within 1 year	**(65,209)**	**-**	**(65,209)**
Debt due after 1 year	**(884,763)**	**33,988**	**(850,775)**
	(47,540)	**(329,709)**	**(377,249)**

28. CONTINGENT LIABILITIES

Discovery Quay Square Limited, a subsidiary of the group legally responsible for the ongoing maintenance of the sea wall at Discovery Quay. Following the trial maintenance work on the sea wall in Spring 2022, a full survey of the sea wall for both Discovery Quay Square Limited and National Maritime Museum Cornwall was carried out in February 2023. The results were encouraging, with nothing requiring immediate attention and no further work recommended for the next 5 to 10 years. A service charge reserve fund, as detailed in note 19, is maintained to enable future maintenance programmes of work.

29. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £43,351 (2024: £38,098). Contributions totaling £4,917 (2024: £4,352) were payable to the fund at the balance sheet date and are included in creditors.

30. RELATED PARTY TRANSACTIONS

The consolidated financial statements of National Maritime Museum Cornwall Trust have taken advantage of the exemption in Financial Reporting Standard 102 Section 33.1A in not disclosing intra group transactions with 100% owned subsidiaries.

There are no further related party transactions or balances to disclose.

31. CONTROLLING PARTY

The Charity is controlled by the Board of Trustees.

NATIONAL MARITIME MUSEUM CORNWALL TRUST

England & Wales - Charity number 1067884

Accounts

Registered number: 03446298
Charity number: 1067884

NATIONAL MARITIME MUSEUM CORNWALL TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Bishop Fleming

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

President	Mrs A L Bolitho
Trustees	The Rt Hon. Viscount Falmouth DL (resigned 23 August 2024) Mr R M Holmes Mr S H d'A Hunt Mr A J Pawlyn (resigned 21 September 2023) Mr S P Sherrard DL, Chairman Mrs H A T Stembridge (resigned 21 September 2023) Mr S C Tregoning Mr D Williams (deceased 1 November 2023) Mr M J R Griffiths Mrs C D Green Dame Shan Morgan Mr B L Statham-Wilkins Mrs Susan M Bradbury (appointed 19 December 2023) Mr Michael J Carr (appointed 28 December 2023)
Company registered number	03446298
Charity registered number	1067884
Registered office	Discovery Quay Falmouth Cornwall TR11 3QY
Company secretary	Mr R M Doughty
Director of the museum	Mr R M Doughty
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Chy Nyverow Newham Road Truro Cornwall TR1 2DP
Bankers	National Westminster plc 2-4 St Nicholas St Truro Cornwall TR1 2RN
Solicitors	Wolferstans Solicitors Deptford Chambers 60-66 North Hill Plymouth Devon PL4 8EP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the audited financial statements of the National Maritime Museum Cornwall Trust for the year 1 April 2023 to 31 March 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Policies and objectives

To promote the education of the public in maritime history and current maritime developments for the benefit of the inhabitants of Cornwall and elsewhere and in particular (but without prejudice to the generality of the foregoing) the charity shall seek to:

- establish, operate and preserve a Museum in Falmouth ("the Museum") to display the national boat collection of the National Maritime Museum and the Cornish collection effectively in a waterside site;
- acquire, lease or borrow exhibits, static or floating, for the Museum and carry out restoration and research in relation to the same for the purpose of displaying them;
- enhance the national boat collection to provide a systematic representation of the boat tradition of the United Kingdom;
- carry out works for the establishment, improvement and development of the Museum;
- extend the Museum's reputation as a national centre for boat expertise;
- support research into maritime matters especially in relation to their history, interpret Cornwall's maritime role in a national context and provide a focal point for Cornish maritime research;
- provide educational and lecturing facilities and tours at the Museum; and
- provide a vibrant, dynamic and welcoming space for all.

Our mission is to be a place where people come to enrich their understanding of the sea and Cornwall.

Our vision is to be a nationally significant museum in Cornwall.

Strategies for achieving objectives

Key strategic projects included meeting the needs and motivations of visitors by:

- planning and implementing a rolling programme of exhibitions and cross-arts activities to improve the visitor experience, drawing on the Museum's collections, expertise, and research.
- Refreshing and upgrading our permanent galleries to deliver transformative experiences which have a deep and lasting impact on people's lives.
- fostering collaborative working and encourage volunteering.
- Reducing the Museum's environmental impact by working towards net zero, in line with the government's national strategy and international best practice.

Principal activities of the year

The principal activities of the charity in the year under review were those of the running of the National Maritime Museum Cornwall in Falmouth, together with trading operations carried on by its subsidiary companies, Discovery Quay Enterprises Limited (DQE), Discovery Quay Enterprises (Trading) Limited (DQET) and Discovery Quay Square Limited (DQS). These trading operations with the exception of DQS are to assist in fund raising and income generation through retail, catering and other services for the National Maritime Museum Cornwall Trust.

During the year DQE provided management services at the Museum's satellite site at Ponsharden, DQET provided management, trading, and fund-raising services at the main site and DQS owned and operated a public amenity open square for events adjoining the Museum. During the year the companies (excluding DQS) made gift aid payments of £520,086. Further details regarding these subsidiaries can be found in the notes to the Financial Statements.

The main visible public benefit of the charity's work is the opening of the Museum to the public for 362 days a year, providing an informative and educational experience for the general public, formal and informal learning groups, and our diverse communities of interest. Through this work, the charity seeks to widen knowledge and appreciation of the maritime heritage in line with its stated aims.

Staff and volunteers

The Museum is run by a team of staff and volunteers led by a Director. The staff are responsible for planning and all business aspects of the charity. The volunteers provide essential support in seven key areas: front of house, galleries, education, boat management, collections, library, and office.

We currently have 140 active volunteers. We remain indebted to all our volunteers who have been helping us to build on our success as the most visited Museum in Cornwall. Quite simply we would struggle to operate without their magnificent contribution.

ACHIEVEMENTS AND PERFORMANCE

Fundraising activities

Everything we undertake, we do without revenue support from central or local government. Despite having 'national' in our title and being charged to look after the national collection of small boats, we are an independent, regional Museum, relying solely on earned income, project grants and donations.

We have drawn down a £272,550 improvement fund grant from DCMS and the Wolfson Foundation to help us revitalise the Boat Hall, including a £35,550 uplift grant awarded in early March 2024 to offset increased project costs which have risen by c.10% across the board due to increased material and labour costs and the Red Sea crisis which has necessitated sourcing alternative suppliers.

Arts Council England awarded a Museum Estate and Development Fund grant of £499,000 in late January 2024, towards the cost of replacing the main roof, the replacement of the high-level windows over the café and several other minor works to ventilation systems and steelworks in the main plant room. The timeline for completion of the project falls between 17th April 2024 and 31st March 2027 and Trustees have approved the works to be carried out in 2024/25.

Under the payment schedule agreed with Royal Museums Greenwich for the coproduction of 'Pirates', we received the sum of £35,000 on receipt of the final design package including digital artwork and audio-visual files.

Review of achievements and performance during the year

The Trustees are proud of the breadth of output and the passion, dedication, and enthusiasm that our staff and volunteer teams bring to the Museum each day. It is their commitment, energy and ingenuity which underpin all we accomplish. This year has included many highlights. We welcomed 124,731 visitors and delivered our most ambitious events programme to date. We opened our latest major exhibition 'Pirates', transferred our 'Monsters of the Deep' exhibition to Chatham, launched an online shop, shipped a boat across the world and have completed the transformation of our largest gallery, the Boat Hall and mounted live performances of 'A Pirate's Life for Me!' Throughout the school summer holiday we hosted evenings of music, introduced farmer's markets onto Events Square and created a willow lobster pot Christmas tree which went viral on social media, quickly reaching over 90,000 people within the first 24 hours. These initiatives, alongside all our core activities, underline our commitment to being a vibrant 21st century museum.

In June the Museum was taken over for National Armed Forces Day, becoming the base for Bronze Command, police briefings, VIPs, and the media. The Museum was also used to host the Gala Dinner. The following week Falmouth was the venue for a Tall Ships visit, attracting around 45,000 additional visitors to the town, during which time the Museum became a main source of event information with our dedicated webpages securing thousands of visits. June was also the month when our replica HMS *Bounty* launch completed her mammoth journey to the Bounty Museum on Norfolk Island. It took almost four and a half months to reach her new home.

Working in partnership with TerraVerde Sustainability Limited, we carried out a comprehensive environmental audit to measure our carbon footprint. We found our current carbon intensity per visitor stands at 13.1 kgCO2e. This datum now gives us a baseline, which will form the intensity metric against which our carbon footprint will be tracked and reduced over time.

Exhibitions and Museum Activities

Pirates, our latest major temporary exhibition, coproduced with Royal Museums Greenwich, was opened on Thursday 30 March by Isabel Ryan, youngest daughter of John Ryan, the creator of Captain Pugwash. The exhibition includes loans from National Maritime Museum, British Museum, The National Archives, Rye Town Council, the John Ryan Estate and Rare, a British Xbox game developer, who created the pirate-themed action-adventure game, Sea of Thieves, one of the most streamed games globally, with some 400,000 people currently playing the game every month. Pirates has been very popular with our visitors and has smashed all our previous box office records. This achievement is even more impressive

set against the cost-of-living crisis and Visit Cornwall's estimate that the number of visitors to Cornwall has dropped by 20% this summer. We were also delighted to work with Queer Kernow, a non-profit LGBTQI+ community initiative, in the narrative shaping of the exhibition. The resulting installation, 'Queer Pirate', continues the Museum's commitment to creating exhibitions – and visitor experiences – that include a wider, and more diverse range of stories, perspectives, and identities (at the same time as recognising that we still have much to learn, more to do and more to change). We hope to work with Queer Kernow again in the near future.

Chatham Historic Dockyard Trust opened our 'Monsters of the Deep' on Saturday 1 April 2023. Hiring out the show not only helped us to recover part of our original investment, but it also enabled us to make savings on the cost of dismantling the exhibition and returning objects to loan institutions. By the time the exhibition closed in Chatham at the end of November, our exhibition had been seen by an additional 53,181 visitors, bringing the combined total number of visitors to 'Monsters of the Deep' to 287,181, despite the impact on footfall due to the Coronavirus pandemic.

In April, we published our Tattoo report, A Catalyst for Change, and signed the Grant Agreement to secure a DCMS/ Wolfson Fund grant awarded in their 2022-24 funding round to revitalise the Museum's main gallery. The Boat Hall is one of our biggest 'wows' and is the space in which we introduce visitors to who we are, what our collections are about, and how the building works in terms of physical and intellectual wayfinding. This project, designed to reimagine the presentation of the National Small Boat Collection, is a major undertaking, with structural building work, extremely complex boat moves, AV installations, new interpretation, cases, and boat cradles, not to mention new digital interpretation/ software for the ramp.

The first phase of the project carried out during Q3 was a very complex undertaking involving the coordination of many contractors, working at height, within a confined space within tight time constraints. Our primarily focus was to bring down the existing hanging boats, to clean, repair and scan the boats selected for the re-hang, to suspend the new selection of boats and to replace all the high-level house and halogen spotlights with light emitting diode fixings and lamps. The second phase, completed during Q4, focused on the installation of the ground floor boats, hanging a selection of canoes and kayaks and erecting the new glass balustrade and bench seating.

The vessels on the ground floor are being redisplayed under the banner of 'Small boats, Big stories' (e.g., small boats and…Cornwall, survival, innovation, migration, the will to win, making a living, climate change etc.). Each boat was selected to illustrate a different theme. A flexible and future-proof cradle has been designed to support each boat and every exhibit has a matching panel, hero image and label. In addition, several have touchscreen monitors, and all the cradles have digital strip lighting.

Ednamair also has a new display case, featuring objects from the Robinson family archive, which the Museum holds. We have also created eleven new films based on the *Ednamair* objects, which will allow visitors to engage with this incredible and globally popular story of survival.

We have installed additional up and down spotlights; digital strip lighting to all the ramps; interpretation screens on the ramps and the new orientation 'monolith' panels, which serve partly to interpret the boats and also form part of a new system of wayfinding. We have also added subtitles to twenty-five films, and the ramp machines include new features which will allow visitors to choose different text size, contrast, and aspect ratios to improve visual access. The interpretation has also been updated to be more culturally sensitive and socially relevant. For example, we have addressed unconscious biases in some of the original documentation, such as highlighting the role of women in the stories of some of the boats.

In addition, we have constructed a new learning store underneath the main flight of stairs leading to the quarter deck. Its inward facing wall, together with two panelock walls, define the newly reimagined RNLI Rescue Zone, featuring refurbished RNLI equipment and new safety information about the dangers of water.

The physical reorganisation of the Boat Hall space has provided an opportunity for us to re-establish a boat building gallery for a new future history of boatbuilding and live boat building projects. We are hugely grateful to the Wolfson Foundation and Department of Culture, Media, and Sport for their generous support.

FINANCIAL REVIEW

Financial performance and position

2023/24 has been a very unusual year for the Museum. At first sight our accounts appear to make little sense because of the exceptional surplus. This is due to the timing of some technical accounting adjustments that we are required to make under the Charity SORP. They include the non-cash revaluation of the Maritime Car Park which adds £1,037,000; the non-cash SWRDA liability release which equates to £1,014,000; the timing differences on the award of an Arts Council grant for a project to replace our main roof which has yet to start, and a legacy bequest, which add a further £749,000.

These adjustments collectively total £2,670,000. However, once capital expenditure has been deducted, the reconciliations show the normalised cash surplus for the year is £325,000.

The results for the year and financial position of the Trust are presented in the annexed financial statements. The level of group reserves at 31 March 2024 was £26,671,118 (2023: £23,717,763). The movement on restricted funds is dominated by the depreciation charge on the Museum's building and as such we consider the unrestricted funds position to give a better indicator of our underlying financial position.

In the year, our unrestricted funds increased by £1,877,343. £1,036,638 of this related to a revaluation gain on investment property and £56,588 relation to unrealised gains from our listed investments. The unrestricted surplus before these sums was £784,117.

Reserves and investment policy

It is the intention of the Trustees to ensure that there are sufficient free reserves to:

- allow for the seasonal nature of income and expenditure;
- allow for annual fluctuations in visitor numbers;
- support the investment in future programming; and
- provide financial flexibility and security to face unexpected events.

At 31 March 2024 the charity's consolidated unrestricted reserves stood at £4,538,010 (2023: £2,660,667), whilst free reserves (calculated as unrestricted funds held in the form of current assets less creditors due within one year) stood at £603,178 (2023: £73,379). The Trustees intend to continue to rebuild free reserves to represent six months' expenditure.

The year-end balance on listed investments stood at £1,590,431 (2023: £1,533,843).

Plans for future periods

Our key priority is to ensure the sustainability of the Museum through a programme of lively and appealing exhibitions, carefully targeted marketing, and the maximisation of benefit from the trading activities and estate. Our approach will therefore continue to be based on making efforts to secure and strengthen existing income streams and by engendering a culture of experimentation to maximise new income generating opportunities.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is registered as a charity company limited by guarantee and was incorporated on 8 October 1997. It is governed by its memorandum and articles of association.

The charity and the group are constituted under a Memorandum of Association dated 8 October 1997 and as amended by Special Resolution dated 20 September 2018 and the Museum is a registered charity number 1067884.

Method of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

The members of the Board of Directors of the charitable company ("the charity") are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees. The Trustees are elected by the Board. A Trustee retiring by rotation is eligible for re-election. The Trustees during the year under review were those listed on page 1. New Trustees are given appropriate guidance about their obligations by the chairman and existing Trustees and by reference to the Charity Commission notes.

Organisational structure and decision making

The Board of Trustees, which must have a minimum of three members but has no maximum and normally meets four times a year. There are two sub-committees to the board:

Audit, Finance & Investments	Mr R Holmes (c), Mr P Davies MBE, Mr S P Sherrard DL, Mrs E Winser
Acquisitions	Dr H Doe (c), Mr A Pawlyn, Mr G English, Mr R Doughty, Mrs, S. Riddle, Mr A.Wyke
Nominations	Mr S P Sherrard DL, Dame Shan Morgan

Pay policy for senior staff

The Trustees are responsible for setting Museum policy and the Senior Management Team are responsible for implement policy and directing, controlling, and running the operation of the Museum. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other comparable institutions of a similar size run on a voluntary basis. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to a reasonable percentage for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The process of review is ongoing and risk management is considered as part of the decision-making process.

Information on fundraising practices

The Museum Director leads the Trust's fundraising efforts supported by other members of the staff team. Our fundraising activities are primarily directed towards trusts and foundations, not individuals. Where we do receive donations from individuals, it will typically be of their own initiative.

FUNDS HELD AS CUSTODIAN

There are no funds held by the Charity on behalf of another charity, other than the funds collected by its subsidiary company Discovery Quay Square (DQS), from its local residents towards the maintenance of the sea wall surrounding Discovery Quay Square. The funds are held by DQS in a separate deposit account.

The Trustees' Report, incorporating a strategic report, was approved by order of the Trustees, as the company directors, on 2024 and signed on its behalf by:

Mr S P Sherrard DL
Chair of Trustees

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2024

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM CORNWALL TRUST

OPINION

We have audited the financial statements of National Maritime Museum Cornwall Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows, the Charity Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM CORNWALL TRUST (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;
- We have obtained and reviewed the Charity's documentation of their policies and procedures relating to:
  - Identifying, evaluation 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;
  - The internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included maritime Law, Environmental Law and compliance with the Food Safety standards, the Landlord and Tenant Act and Trading Standards.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of income, specifically grants with a particular focus around year-end cut off; and

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Oliver FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date:

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	**-**	**389,614**	**389,614**	140,788
Charitable activities	5	**810,550**	**1,266,693**	**2,077,243**	937,466
Other trading activities	7	**-**	**1,228,634**	**1,228,634**	986,660
Investments	8	**-**	**80,083**	**80,083**	78,445
Other income	3	**800,000**	**213,960**	**1,013,960**	-
Total income		**1,610,550**	**3,178,984**	**4,789,534**	2,143,359
Expenditure on:					
Raising funds		**-**	**382,692**	**382,692**	309,145
Charitable activities		**531,016**	**2,062,054**	**2,593,070**	2,928,502
Total expenditure		**531,016**	**2,444,746**	**2,975,762**	3,237,647
Net income/(expenditure) before net gains/(losses) on investments		**1,079,534**	**734,238**	**1,813,772**	(1,094,288)
Net gains/(losses) on investments		**-**	**1,093,226**	**1,093,226**	(137,632)
Net income/(expenditure) before taxation		**1,079,534**	**1,827,464**	**2,906,998**	(1,231,920)
Taxation		**-**	**88,103**	**88,103**	-
Net income/(expenditure) after taxation		**1,079,534**	**1,915,567**	**2,995,101**	(1,231,920)
Transfers between funds	21	**(3,522)**	**3,522**	**-**	-
Net movement in funds		**1,076,012**	**1,919,089**	**2,995,101**	(1,231,920)
Reconciliation of funds:					
Total funds brought forward		**21,057,096**	**2,660,667**	**23,717,763**	24,949,683
Net movement in funds		**1,076,012**	**1,919,089**	**2,995,101**	(1,231,920)
Total funds carried forward		**22,133,108**	**4,579,756**	**26,712,864**	23,717,763

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 42 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	14		**20,892,941**		21,036,478
Investments	16		**1,590,431**		1,533,843
Investment property	15		**3,850,000**		2,813,362
			26,333,372		25,383,683
Current assets					
Stocks	17	**92,644**		82,067	
Debtors	18	**1,087,320**		337,669	
Cash at bank and in hand		**902,432**		771,194	
		2,082,396		1,190,930	
Creditors: amounts falling due within one year	19	**(818,141)**		(1,139,297)	
Net current assets			**1,264,255**		51,633
Total assets less current liabilities			**27,597,627**		25,435,316
Creditors: amounts falling due after more than one year	20		**(884,763)**		(1,717,553)
Total net assets			**26,712,864**		23,717,763
Charity funds					
Restricted funds	21		**22,133,108**		21,057,096
Unrestricted funds	21		**4,579,756**		2,660,667
Total funds			**26,712,864**		23,717,763

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL

Date:

The notes on pages 17 to 42 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	14		**19,030,118**		19,110,131
Investments	16		**1,592,431**		1,535,843
Investment property	15		**3,850,000**		2,813,362
			24,472,549		23,459,336
Current assets					
Debtors	18	**1,335,786**		610,183	
Cash at bank and in hand		**240,795**		102,137	
		1,576,581		712,320	
Creditors: amounts falling due within one year	19	**(391,766)**		(720,339)	
Net current assets / liabilites			**1,184,815**		(8,019)
Total assets less current liabilities			**25,657,364**		23,451,317
Creditors: amounts falling due after more than one year	20		**(884,763)**		(1,717,553)
Net assets			**24,772,601**		21,733,764
Total net assets			**24,772,601**		21,733,764
Charity funds					
Restricted funds	21		**22,133,108**		21,044,055
Unrestricted funds	21		**2,639,493**		689,709
Total funds			**24,772,601**		21,733,764

The Charity's net movement in funds for the year was £3,038,837 (2023 - £(1,168,846)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL

Date:

The notes on pages 17 to 42 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	**104,404**	(568,540)
Cash flows from investing activities		
Dividends, interests and rents from investments	**80,083**	78,445
Purchase of tangible fixed assets	**(267,108)**	(197,707)
Net cash used in investing activities	**(187,025)**	**(119,262)**
Cash flows from financing activities		
Repayments of borrowing	**(65,209)**	-
Grants received	**311,550**	-
Interest paid	**(32,482)**	-
Net cash provided by financing activities	**213,859**	**-**
Change in cash and cash equivalents in the year	**131,238**	**(687,802)**
Cash and cash equivalents at the beginning of the year	**771,194**	1,458,996
Cash and cash equivalents at the end of the year	**902,432**	771,194

The notes on pages 17 to 42 form part of these financial statements

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	**118,858**	(328,791)
Cash flows from investing activities		
Dividends, interests and rents from investments	**73,041**	78,445
Purchase of tangible fixed assets	**(267,108)**	(197,707)
(Gains) / Losses on investments	**-**	137,632
Net cash (used in)/provided by investing activities	**(194,067)**	**18,370**
Cash flows from financing activities		
Repayments of borrowing	**(65,209)**	-
Grants received	**311,550**	17,000
Interest paid	**(32,474)**	-
Net cash provided by financing activities	**213,867**	**17,000**
Change in cash and cash equivalents in the year	**138,658**	**(293,421)**
Cash and cash equivalents at the beginning of the year	**102,137**	395,558
Cash and cash equivalents at the end of the year	**240,795**	102,137

The notes on pages 17 to 42 form part of these financial statements

1. GENERAL INFORMATION

The Charity is a company limited by guarantee (Company no: 03446298). The registered office Discovery Quay, Falmouth, Cornwall, TR11 3QY. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

National Maritime Museum Cornwall Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. All entities within the group have coterminous year ends and consistent accounting policies.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements use British Pounds Sterling as the presentation currency and are rounded to the nearest £1 throughout.

2.2 GOING CONCERN

Financial projections indicate the National Maritime Museum Cornwall Trust can meet its liabilities as they fall due, for the foreseeable future. In reaching this conclusion, the Trustees have carefully considered the financial impact of cost pressures and have assessed the liquidity of assets held and the level of general funds and consider it is reasonable to assume the Museum will have adequate resources to continue to operate for the twelve months following the date of signing of the financial statements and beyond. Therefore, the accounts have been prepared on the basis the Museum is going concern.

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset’s use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out by the Trust. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2. ACCOUNTING POLICIES (continued)

2.5 GOVERNMENT GRANTS

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, due to applicable performance conditions, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.6 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 TAXATION

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Given the nature of the Charity, they qualify for Museums and Galleries Exhibition Tax Relief which, when claimed, results in tax credits for the Charity.

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 1% and 2% straight line
Fixtures and fittings	- rates between 10% and 25% straight line
Museum model exhibits	- rates between 5% and 20% straight line

2. ACCOUNTING POLICIES (continued)

2.9 HERITAGE ASSETS

It is the policy of the Board not to capitalise heritage assets in the Museum collection. The Museum's collection consists of a range of objects, boats, art, books and archives.

These items are held in support of the Museum's primary objective of increasing knowledge, understanding and appreciation of the maritime heritage.

The Board considers that financial valuations of heritage assets would be misleading to the value and significance of the material culture involved. In many cases reliable cost information is not available or there are significant costs involved in obtaining a valuation that would outweigh any benefits. Other than a few items that have been purchased, the Museum does not recognise these assets on its balance sheet.

However, it is very important for a Museum to account to the public for the management and care for the collections entrusted to it. High standards of Collections Management are applied to the collections held by the Museum in order to preserve and manage collections on behalf of, and to make it available to, the public. An Accession Register and records are kept on collections, its provenance, and its donors. These are made available for all enquiries and requests, subject to appropriate security and data protection guidelines.

Conservation expenditure incurred on heritage assets is recognised in the Statement of financial activities as incurred.

2.10 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at fair value.

2.11 INVESTMENT PROPERTY

Investment properties are carried at fair value determined annually by the Trustees and derived from the current market rents and investment property yields for comparable real estates, adjusted if necessary for the difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.12 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.13 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. ACCOUNTING POLICIES (continued)

2.14 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.15 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.16 FINANCIAL INSTRUMENTS

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

The Group's financial assets and liabilities consists of cash and cash equivalents, short term investments, trade and other debtors, trade and other creditors, and accrued expenses. The fair value of these items approximates to their carrying value due to their short term value. Unless otherwise stated, the Group is not exposed to significant interest, foreign or credit risks arising from these instruments.

2.17 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.18 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.19 FUND ACCOUNTING

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

In the early years of the Trust it received loan funding in connection with the development of the Museum totalling £1,014,000 This has been deemed repayable at some point in the future. During the year the Trust received third party correspondence that the remaining outstanding sum of £800,000 is no longer believed to be repayable by the Charity and therefore has been released in the financial statements. Registered charges in respect of this sum are in the process of being removed.

Critical areas of judgement:

The liability and contingent liability disclosed in respect of the sea wall include an element of estimation uncertainty due to their nature.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £	Total funds 2024 £
DONATIONS		
Donations and sponsorship	129,205	**129,205**
Members subscriptions	4,242	**4,242**
Founder memberships	6,167	**6,167**
Legacies	250,000	**250,000**
TOTAL 2024	389,614	**389,614**

	Unrestricted funds 2023 £	Total funds 2023 £
DONATIONS		
Donations and sponsorship	130,501	130,501
Members subscriptions	4,120	4,120
Founder memberships	6,167	6,167
TOTAL 2023	140,788	140,788

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Charity incoming resources	810,550	1,266,693	**2,077,243**

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Charity incoming resources	17,000	920,466	937,466

6. GRANTS RECEIVED

	2024 £	2023 £
ACE MEND Funding	**499,000**	-
DCMS/Wolfson - Boat Hall Project	**272,550**	-
Other Grants	**39,000**	17,000
	810,550	17,000

7. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2024 £	**Total funds 2024 £**
Trading income	1,228,634	**1,228,634**

	Unrestricted funds 2023 £	Total funds 2023 £
Trading income	986,660	986,660

8. INVESTMENT INCOME

	Unrestricted funds 2024 £	**Total funds 2024 £**
Investment income	80,083	**80,083**

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	78,445	78,445

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	**Support costs 2024 £**	**Total funds 2024 £**
Charitable activities	2,227,570	365,500	**2,593,070**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	2,252,482	676,020	2,928,502

ANALYSIS OF SUPPORT COSTS

	Museum 2024 £	**Total funds 2024 £**
Curatorial	334,965	**334,965**
Auditors remuneration	30,250	**30,250**
Accountancy fees	285	**285**
TOTAL 2024	365,500	**365,500**

	Museum 2023 £	Total funds 2023 £
Curatorial	617,469	617,469
Auditors remuneration	26,600	26,600
Accountancy fees	31,951	31,951
TOTAL 2023	676,020	676,020

10. AUDITORS' REMUNERATION

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**27,200**	24,750
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	**3,050**	1,850

11. STAFF COSTS

	Group 2024 £	Group 2023 £	**Charity 2024 £**	Charity 2023 £
Wages and salaries	**777,673**	636,033	**669,690**	586,629
Social security costs	**59,348**	56,674	**52,554**	50,708
Contribution to defined contribution pension schemes	**38,098**	33,532	**32,642**	28,803
	875,119	726,239	**754,886**	666,140

The average number of persons employed by the Charity during the year was as follows:

	Group 2024 No.	Group 2023 No.	**Charity 2024 No.**	Charity 2023 No.
Management and administration	**45**	39	**27**	21

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £70,001 - £80,000	**-**	1
In the band £80,001 - £90,000	**1**	-

All Trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is £84,285 for 1 personnel member (2023: £79,285 for 1 personnel member).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totalling £298 were reimbursed or paid directly to 3 Trustees (2023 - £177 to 2 Trustees).

13. CORPORATION TAXATION

The Charity is exempt from tax on income and gains falling within section 478, 486 and 488 CTA 2010 and s256 TCGA 1992 to the extent that these are applied to its charitable objects. There was no UK Corporation Tax payable by National Maritime Museum Cornwall Trust in 2024.

Given the nature of the Charity, they qualify for Museums and Galleries Exhibition Tax Relief which, when claimed, results in tax credits for the Charity. A claim is likely to be submitted in relation to the 2024 year end and therefore an inflow of benefits is expected to be received in the next financial year.

14. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Long-term leasehold property £	Fixtures, fittings and equipment £	Museum model exhibitions £	Total £
COST OR VALUATION					
At 1 April 2023	**23,505,240**	**3,176,193**	**1,200,031**	**1,896,829**	**29,778,293**
Additions	**-**	**-**	**155,739**	**111,369**	**267,108**
At 31 March 2024	**23,505,240**	**3,176,193**	**1,355,770**	**2,008,198**	**30,045,401**
DEPRECIATION					
At 1 April 2023	**4,743,778**	**1,259,846**	**989,414**	**1,748,777**	**8,741,815**
Charge for the year	**234,903**	**63,524**	**58,182**	**54,036**	**410,645**
At 31 March 2024	**4,978,681**	**1,323,370**	**1,047,596**	**1,802,813**	**9,152,460**
NET BOOK VALUE					
At 31 March 2024	**18,526,559**	**1,852,823**	**308,174**	**205,385**	**20,892,941**
At 31 March 2023	18,761,462	1,916,347	210,617	148,052	21,036,478

Included in freehold property is freehold land at cost of £5,000 (2023: £5,000), which is not depreciated.

A debenture has been given to the Heritage Lottery Fund to secure the repayment of grants if they should become repayable.

HSBC UK Bank plc hold a fixed charge over some of the land included within freehold property.

14. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Freehold property £	Fixtures, fittings and equipment £	Museum model exhibits £	Total £
COST OR VALUATION				
At 1 April 2023	**23,495,240**	**1,117,076**	**1,896,829**	**26,509,145**
Additions	**-**	**155,739**	**111,369**	**267,108**
At 31 March 2024	**23,495,240**	**1,272,815**	**2,008,198**	**26,776,253**
DEPRECIATION				
At 1 April 2023	**4,743,778**	**906,459**	**1,748,777**	**7,399,014**
Charge for the year	**234,903**	**58,182**	**54,036**	**347,121**
At 31 March 2024	**4,978,681**	**964,641**	**1,802,813**	**7,746,135**
NET BOOK VALUE				
At 31 March 2024	**18,516,559**	**308,174**	**205,385**	**19,030,118**
At 31 March 2023	18,751,462	210,617	148,052	19,110,131

15. INVESTMENT PROPERTY

GROUP

	Freehold investment property £
VALUATION	
At 1 April 2023	**2,813,362**
Surplus on revaluation	**1,036,638**
At 31 March 2024	**3,850,000**

CHARITY

	Freehold investment property £
VALUATION	
At 1 April 2023	**2,813,362**
Surplus on revaluation	**1,036,638**
At 31 March 2024	**3,850,000**

The 2024 valuations were obtained by trustees from an external valuer, on an open market value for existing use basis.

16. FIXED ASSET INVESTMENTS

GROUP	Listed investments £
COST OR VALUATION	
At 1 April 2023	**1,533,843**
Revaluations	**56,588**
AT 31 MARCH 2024	**1,590,431**
NET BOOK VALUE	
AT 31 MARCH 2024	**1,590,431**
AT 31 MARCH 2023	1,533,843

CHARITY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2023	**2,000**	**1,533,843**	**1,535,843**
Revaluations	**-**	**56,588**	**56,588**
AT 31 MARCH 2024	**2,000**	**1,590,431**	**1,592,431**
NET BOOK VALUE			
AT 31 MARCH 2024	**2,000**	**1,590,431**	**1,592,431**
AT 31 MARCH 2023	2,000	1,533,843	1,535,843

16. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Discovery Quay Enterprises (Trading) Limited	03714613	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Running commercial trading operations at the Museum	Ordinary	100%	Yes
Discovery Quay Enterprises Limited	04519567	Discovery Quay, Falmouth, Cornwall, TR11 3QY	To provide boat storage and other facilities for the Museum	Ordinary	100%	Yes
Discovery Quay Square Limited	05856283	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Ownership and operation of a public amenity open square for events adjoining the Museum	Limited by guarantee	100%	Yes
Discovery Quay Property Limited	05867009	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Dormant company	Ordinary	100%	No

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Net assets £
Discovery Quay Enterprises (Trading) Limited	**964,223**	**(964,691)**	**11,307**
Discovery Quay Enterprises Limited	**131,863**	**(150,968)**	**212,678**
Discovery Quay Square Limited	**100,734**	**(58,988)**	**41,844**
Discovery Quay Property Limited	**15,000**	**(15,000)**	**-**

17. STOCKS

	Group 2024 £	Group 2023 £
Goods for resale	**92,644**	82,067

18. DEBTORS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
DUE WITHIN ONE YEAR				
Trade debtors	**124,028**	126,552	**36,310**	59,829
Amounts owed by group undertakings	**-**	-	**338,777**	371,519
Other debtors	**31,221**	15,503	**29,274**	14,942
Prepayments and accrued income	**932,071**	195,614	**931,425**	163,893
	1,087,320	337,669	**1,335,786**	610,183

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank loan	**65,209**	65,209	**65,209**	65,209
Trade creditors	**198,509**	324,473	**179,218**	264,750
Other taxation and social security	**39,465**	35,453	**14,025**	14,091
Other creditors	**339,107**	485,376	**29,795**	239,828
Accruals and deferred income	**175,851**	228,786	**103,519**	136,461
	818,141	1,139,297	**391,766**	720,339

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Deferred income at 1 April 2023	**7,114**	11,353	**2,828**	1,112
Resources deferred during the year	**3,159**	7,114	**900**	2,828
Amounts released from previous periods	**(7,114)**	(11,353)	**(2,828)**	(1,112)
	3,159	7,114	**900**	2,828

Included in the Charity deferred income are amounts in relation to admission sales in advance, in addition within the Group deferred income are amounts in relation to the service charge account balance

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2024 £	Group 2023 £	**Charity 2024 £**	Charity 2023 £
Bank loan	**884,763**	917,553	**884,763**	917,553
Other creditors	**-**	800,000	**-**	800,000
	884,763	1,717,553	**884,763**	1,717,553

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2024 £	Group 2023 £	**Charity 2024 £**	Charity 2023 £
Repayable by installments	**623,927**	656,717	**623,927**	656,717
Payable or repayable other than by installments	**-**	800,000	**-**	800,000
	623,927	1,456,717	**623,927**	1,456,717

Included within the above bank loans balance, is one loan repayable over 25 years. For the initial 10 year period interest will be charged on the outstanding balance at a rate of 3.46%. The applicable interest rate after this initial fixed period will be 2.07% per annum above base rate, subject to a review.

The bank loan is secured against the freehold land for which the loan was used to purchase.

Included within other creditors in the prior year was a balance of £800,000 which related to historical funding received. See note 3 for further details on this balance.

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
UNRESTRICTED FUNDS						
Net Book Value of unrestricted funded assets	**504,394**	**-**	**(67,084)**	**141,854**	**-**	**579,164**
Net Book Value of Car Park	**1,613,362**	**-**	**-**	**-**	**1,036,638**	**2,650,000**
General Funds	**297,555**	**1,967,164**	**(1,099,912)**	**(138,332)**	**56,588**	**1,083,063**
Trading Subsidiaries' reserves	**245,356**	**1,211,820**	**(1,189,647)**	**-**	**-**	**267,529**
	2,660,667	**3,178,984**	**(2,356,643)**	**3,522**	**1,093,226**	**4,579,756**
RESTRICTED FUNDS						
Project Development Fund	**1,719,680**	**-**	**(56,674)**	**-**	**-**	**1,663,006**
Museum Development Fund - Fixed assets	**18,932,404**	**-**	**(280,034)**	**118,401**	**-**	**18,770,771**
Museum Development Fund - revenue expenditure	**403,522**	**800,000**	**-**	**(3,522)**	**-**	**1,200,000**
Sir Thomas Oats Fund	**1,490**	**-**	**(1,159)**	**-**	**-**	**331**
DCMS/Wolfson - Boat Hall Project	**-**	**272,550**	**(154,149)**	**(118,401)**	**-**	**-**
ACE MEND - Roof Project	**-**	**499,000**	**-**	**-**	**-**	**499,000**
Other Restricted Grants	**-**	**39,000**	**(39,000)**	**-**	**-**	**-**
	21,057,096	**1,610,550**	**(531,016)**	**(3,522)**	**-**	**22,133,108**
TOTAL OF FUNDS	**23,717,763**	**4,789,534**	**(2,887,659)**	**-**	**1,093,226**	**26,712,864**

21. STATEMENT OF FUNDS (CONTINUED)

Unrestricted funds
Included in the unrestricted funds are two separate funds to recognise the net book value of fixed assets held by the charity funded by unrestricted funds or from funds whose restriction end upon the acquisition of the asset, and that consequently cannot be easily converted into cash.

A transfer between general funds to net book value of unrestricted funded assets has been made of £141,854 to represent the unrestricted element of fixed assets.

Also included in unrestricted funds is the Charity's trading subsidiaries' reserves.

Restricted funds
The Project development fund represents grants received in relation to the Charity's trading subsidiaries and have been included in those companies' accounts as deferred income. This has been treated as restricted fund grants received for consolidation purposes.

The Museum development fund represents grants received from various sources, including grants received in connection with the construction of the museum and is released to the Statement of Financial Activities on an annual basis in line with depreciation; as well as grants received in the year as detailed in note 6.

A transfer has been made between the Museum development fixed asset fund and DCMS/Wolfson fund to recognise the in year capital expenditure from this fund.

Sir Thomas Oates fund represents legacy funding received to fund the purchase of local items for the Cornish Galleries.

Garfield Weston Foundation fund represents funding of the Digitisation Education Programme.

DCMS/Wolfson fund represents funding received in relation to the Boat Hall Project.

ACE MEND fund represents funding granted in relation to the Roof Project.

Other restricted funds include a grant received of £35,000 to work together with the National Maritime Museum to create the Pirates exhibition and £4,000 in relation to a scanner.

The total of restricted funds balance of £26,671,118 as at the year end reflects the high capital cost of constructing and fitting out of the museum building, as noted above under the headings of the Project development fund and the Museum development fund.

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
UNRESTRICTED FUNDS						
Net Book Value of unrestricted funded assets	124,236	-	(32,150)	412,308	-	504,394
Net Book Value of Car Park	1,613,362	-	-	-	-	1,613,362
General Funds	1,521,704	1,142,036	(1,783,550)	(445,003)	(137,632)	297,555
Trading Subsidiaries' reserves	251,441	984,323	(990,408)	-	-	245,356
	3,510,743	2,126,359	(2,806,108)	(32,695)	(137,632)	2,660,667
RESTRICTED FUNDS						
Project Development Fund	1,797,283	-	(77,603)	-	-	1,719,680
Museum Development Fund - Fixed assets	18,886,163	-	(296,285)	342,526	-	18,932,404
Museum Development Fund - revenue expenditure	713,353	-	-	(309,831)	-	403,522
Garfield Weston Foundation	8,876	-	(8,876)	-	-	-
Sir Thomas Oats Fund	3,265	-	(1,775)	-	-	1,490
Arts Council CRF	30,000	-	(30,000)	-	-	-
Other Grants	-	17,000	(17,000)	-	-	-
	21,438,940	17,000	(431,539)	32,695	-	21,057,096
TOTAL OF FUNDS	24,949,683	2,143,359	(3,237,647)	-	(137,632)	23,717,763

22. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
General funds	**2,660,667**	**3,178,984**	**(2,356,643)**	**3,522**	**1,093,226**	**4,579,756**
Restricted funds	**21,057,096**	**1,610,550**	**(531,016)**	**(3,522)**	**-**	**22,133,108**
	23,717,763	**4,789,534**	**(2,887,659)**	**-**	**1,093,226**	**26,712,864**

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	3,510,743	2,126,359	(2,806,108)	(32,695)	(137,632)	2,660,667
Restricted funds	21,438,940	17,000	(431,539)	32,695	-	21,057,096
	24,949,683	2,143,359	(3,237,647)	-	(137,632)	23,717,763

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	20,313,777	579,164	**20,892,941**
Fixed asset investments	-	1,590,431	**1,590,431**
Investment property	1,200,000	2,650,000	**3,850,000**
Current assets	619,331	1,463,065	**2,082,396**
Creditors due within one year	-	(818,141)	**(818,141)**
Creditors due in more than one year	-	(884,763)	**(884,763)**
TOTAL	22,133,108	4,579,756	**26,712,864**

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	20,532,084	504,394	21,036,478
Fixed asset investments	-	1,533,843	1,533,843
Investment property	1,200,000	1,613,362	2,813,362
Current assets	125,012	1,065,918	1,190,930
Creditors due within one year	-	(1,139,297)	(1,139,297)
Creditors due in more than one year	(800,000)	(917,553)	(1,717,553)
TOTAL	21,057,096	2,660,667	23,717,763

24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2024 £	Group 2023 £	**Charity 2024 £**	Charity 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	**2,995,101**	(1,231,920)	**3,038,837**	(1,168,846)
ADJUSTMENTS FOR:				
Depreciation charges	**410,645**	412,888	**347,121**	349,364
Gains/(losses) on investments	**(1,093,226)**	137,632	**(1,093,226)**	(78,445)
Dividends, interests and rents from investments	**(80,083)**	(78,445)	**(73,041)**	192,527
Disposal proceeds from sale of investments	**-**	192,527	**-**	-
Increase in stocks	**(10,577)**	(19,199)	**-**	247,018
Decrease/(increase) in debtors	**(250,651)**	(34,535)	**(226,603)**	146,591
Increase/(decrease) in creditors	**(63,027)**	52,512	**(82,194)**	(17,000)
Grants received	**(810,550)**	-	**(810,550)**	-
SWRDA release	**(1,025,710)**	-	**(1,013,960)**	-
Interest paid	**32,482**	-	**32,474**	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	**104,404**	(568,540)	**118,858**	(328,791)

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2024	Group 2023	**Charity 2024**	Charity 2023
	£	£	**£**	£
Cash in hand	**902,432**	771,194	**240,795**	102,137
TOTAL CASH AND CASH EQUIVALENTS	**902,432**	771,194	**240,795**	102,137

26. ANALYSIS OF CHANGES IN NET DEBT (GROUP)

	At 1 April 2023	**Cash flows**	**Other non-cash changes**	**At 31 March 2024**
	£	**£**	**£**	**£**
Cash at bank and in hand	**771,194**	**131,238**	**-**	**902,432**
Debt due within 1 year	**(65,209)**	**-**	**-**	**(65,209)**
Debt due after 1 year	**(917,553)**	**32,790**	**-**	**(884,763)**
SWRDA Liability	**(800,000)**	**-**	**800,000**	**-**
	(1,011,568)	**164,028**	**800,000**	**(47,540)**

27. ANALYSIS OF CHANGES IN NET DEBT (CHARITY)

	At 1 April 2023	**Cash Flows**	**Non Cash Flows**	**Total funds**
	£	**£**	**£**	**£**
Cash at bank and in hand	102,137	138,658	-	**240,795**
Debt due within 1 year	(65,209)	-	-	**(65,209)**
Debt due after 1 year	(917,553)	32,790	800,000	**(84,763)**
	(880,625)	171,448	800,000	**90,823**

28. CONTINGENT LIABILITIES

Discovery Quay Square Limited, a trading subsidiary of the Charity, is legally responsible for the ongoing maintenance of the sea wall at Discovery Quay. A survey undertaken in 2016 provided a draft estimate for remedial works required in the short- to medium-term future. An accurate estimate of the cost of meeting this obligation cannot be ascertained at present, and further surveys will be required in order to obtain a more accurate estimate.

A fund has been created to cover these costs. At the year end, a total of £293,730 (2023: £243,159) had been accrued through a Deed of Covenant from entities and residents in the area who benefit from the sea wall. This amount is included within other creditors.

Following the trial maintenance work on the sea wall in Spring 2022, a full survey of the sea wall for both Discovery Quay Square Limited and National Maritime Museum Cornwall was carried out in February 2023. The results were encouraging, with nothing requiring immediate attention and no further work recommended for the next 5 to 10 years. We are now able to strategically plan funding for future programmes of work.

A claim for unspecified damages was lodged in 2022/2023 in respect of the damage caused and associated issues as a result of a fire that took place in a head-leased property. The museum has disclaimed liability and continues to defend the action. Legal advice obtained indicates that any liability is uncertain at this time and, as a result, cannot be quantified.

29. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £38,098 (2023: £33,532). Contributions totaling £4,352 (2023: £4,074) were payable to the fund at the balance sheet date and are included in creditors.

30. RELATED PARTY TRANSACTIONS

The consolidated financial statements of National Maritime Museum Cornwall Trust have taken advantage of the exemption in Financial Reporting Standard 102 Section 33.1A in not disclosing intra group transactions with 100% owned subsidiaries.

There are no further related party transactions or balances to disclose.

31. CONTROLLING PARTY

The Charity is controlled by the Board of Trustees.

NATIONAL MARITIME MUSEUM CORNWALL TRUST

England & Wales - Charity number 1067884

Accounts

Registered number: 03446298
Charity number: 1067884

NATIONAL MARITIME MUSEUM CORNWALL TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Bishop Fleming

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

President	Mrs A L Bolitho
Trustees	The Rt Hon. Viscount Falmouth DL Mr R M Holmes Mr S H d'A Hunt Mr A J Pawlyn Ms S V Pugh (resigned 23 September 2022) Mr S P Sherrard DL, Chairman Mrs H A T Stembridge Mr B D Steward (resigned 23 June 2022) Mr S C Tregoning Mr D Williams Mr M J R Griffiths Mrs C D Green Dame Shan Morgan (appointed 6 December 2022) Mr B L Statham-Wilkins (appointed 23 March 2023)
Company registered number	03446298
Charity registered number	1067884
Registered office	Discovery Quay Falmouth Cornwall TR11 3QY
Company secretary	Mr R M Doughty
Director of the museum	Mr R M Doughty
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Chy Nyverow Newham Road Truro Cornwall TR1 2DP
Bankers	National Westminster plc 2-4 St Nicholas St Truro Cornwall TR1 2RN
Solicitors	Wolferstans Solicitors Deptford Chambers 60-66 North Hill Plymouth Devon PL4 8EP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the National Maritime Museum Cornwall Trust for the year 1 April 2022 to 31 March 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Policies and objectives

To promote the education of the public in maritime history and current maritime developments for the benefit of the inhabitants of Cornwall and elsewhere and in particular (but without prejudice to the generality of the foregoing) the charity shall seek to:

- establish, operate and preserve a Museum in Falmouth ("the Museum") to display the national boat collection of the National Maritime Museum and the Cornish collection effectively in a waterside site;
- acquire, lease or borrow exhibits, static or floating, for the Museum and carry out restoration and research in relation to the same for the purpose of displaying them;
- improve the national boat collection to provide a systematic representation of the boat tradition of the United Kingdom
- carry out works for the establishment, improvement and development of the Museum
- extend the Museum's reputation as a national centre for boat expertise
- support research into maritime matters especially in relation to their history, interpret Cornwall's maritime role in a national context and provide a focal point for Cornish maritime research; and
- provide educational and lecturing facilities and tours at the Museum.

Strategies for achieving objectives

Key strategic projects included meeting the needs and motivations of visitors through:

- the development and implementation of an active exhibition and activities programme drawing on the Museum's collections, expertise and research; and
- fostering collaborative working and encourage volunteering.

Principal activities of the year

The principal activities of the charity in the year under review were those of the running of the National Maritime Museum Cornwall in Falmouth, together with trading operations carried on by its subsidiary companies, Discovery Quay Enterprises Limited (DQE), Discovery Quay Enterprises (Trading) Limited (DQET) and Discovery Quay Square Limited (DQS). These trading operations with the exception of DQS are to assist in fund raising and income generation through retail, catering and other services for the National Maritime Museum Cornwall Trust.

During the year DQE provided management services at the Museum's satellite site at Ponsharden, DQET provided management, trading and fund-raising services at the main site and DQS owned and operated a public amenity open square for events adjoining the Museum. During the year the companies (excluding DQS) made gift aid payments of £375,013. Further details regarding these subsidiaries can be found in the notes to the Financial Statements.

The main visible public benefit of the charity's work is the opening of the Museum to the public for 362 days a year, providing an informative and educational experience for the general public, formal and informal learning groups and our diverse communities of interest. Through this work, the charity seeks to widen knowledge and appreciation of the maritime heritage in line with its stated aims.

Staff and volunteers

The Museum is run by a team of staff and volunteers led by a Director. The staff are responsible for planning and all business aspects of the charity. The volunteers provide essential support in seven key areas: front of house, galleries, education, boat management, collections, library and office.

As a direct consequence of the Coronavirus the number of volunteers at the Museum dropped considerably but thanks to a concerted effort and a focussed recruitment drive, we have started to rebuild our volunteer base and we currently have 143 active volunteers as at the year-end. We remain indebted to all our volunteers who have been helping us to build on our success as the most visited museum in Cornwall. Quite simply we would struggle to operate without their magnificent contribution.

ACHIEVEMENTS AND PERFORMANCE

Fundraising activities

Everything we undertake, we do without revenue support from central or local government. Despite having 'national' in our title and being charged to look after the national collection of small boats, we are an independent, regional Museum, relying solely on earned income, project grants and donations.

2022 finished on a positive note when we learnt our application to DCMS and the Wolfson Foundation for an improvement fund grant had been successful. The Museum was awarded £237,000 to help us revitalise the Boat Hall, another ambitious project we will be undertaking during 2023/24.

Under the payment schedule agreed with Royal Museums Greenwich for the coproduction of '*Pirates*', we received the sum of £17,000 for completing the exhibition concept design in Q4.

We are very grateful for a generous gift-aided donation of £125,000 from an anonymous donor towards the end of the financial year.

Review of achievements and performance during the year

2022 was overshadowed by the sad death of Her Majesty Queen Elizabeth II. Her Majesty was a constant in our lives, and everyone associated with the Museum shares the deep sense of loss at her passing.

Although the formal, royal opening of the Museum was on Monday 14 March 2003, the soft opening took place 100 days earlier on Wednesday, 4th December 2002. Admission charges to the Museum were introduced on 16 February 2003. During the previous 51 days of free entry, we welcomed an astonishing 108,657 people. This equates to an average of 2,130 visitors a day, attendance numbers we now only surpass on wet days during school holidays. Despite this unprecedented level of interest, many local people doubted whether the Museum would bring the cultural and economic regeneration benefits promised. Some even dismissed the Museum as a white elephant, parachuted into Cornwall from London, which would fail to address economic issues facing Falmouth at the time. Consequently, in June 2008, Roger Tym and Partners (RTP) were commissioned by the Southwest Regional Development Agency (SWRDA) to conduct an economic impact assessment (SWRDA had purchased our waterfront site in 1994 and secured planning permission to build the Museum in 1998). RTP calculated the Museum was contributing £6.4m in gross value added (GVA) output to Falmouth's economy and £1.4m to Cornwall's economy. Today, the scale of our contribution is considerably greater. Independent visitor research carried out during the summer and autumn of 2022, by Exeter based research agency Power Marketing, found 42% of our audience travelled to Falmouth specifically to visit National Maritime Museum Cornwall.

We therefore began our anniversary celebrations in December 2022 with the opening of a new temporary exhibition, entitled '*The Museum at 20*' in the Balcony Gallery. This exhibition looked back at some of the highlights and challenges we have faced over the last two decades. For many of our staff and volunteers it seems like only yesterday the Museum was celebrating its tenth anniversary. In 2013, when the then Director, Jonathan Griffin, rightly praised staff, volunteers, and supporters for how much they had achieved with so few resources.

Exhibitions and Museum Activities

In January 2022 we opened an exhibition to mark the 200th birthday of HM Coastguard. This temporary exhibition, funded by the Maritime and Coastguard Agency (MCA) as part of its wider 200th birthday celebrations, told the story of the Coastguard and explored its role as one of the UK's emergency services. Through original objects, evocative images, inspiring stories and interactive touchscreens, the exhibition celebrated the people who have dedicated themselves to saving lives at sea. It also explored the changing technology of the last two centuries and highlighted the continuing contribution of the Coastguard at sea and on land.

This exhibition, developed and co-produced with the National Emergency Services Museum, Sheffield, is a further example of our commitment to work collaboratively with community groups and regional and national partners. The 'Coastguard 200' anniversary presented an exciting opportunity for both museums to work together, sharing skills and

expertise, objects and making cost-effective use of resources, in this case in producing a duplicate or 'clone' set of exhibition panels to display concurrently at both venues, for audiences at either end of the country.

In late February the Museum hosted a visit from Alok Sharma, COP26 President. He attended presentations on the G7 Legacy and the UK City of Culture bid.

As part of our commitment to developing deeper connections, understanding and exchange of cultural and creative expression and collaboration, we were delighted to sign a Memorandum of Understanding (MoU) with Exeter University in May. This initiative will help to create a framework for engagement across education, research, and representation, addressing individual and shared priorities, and extending the reach of culture to those previously not engaged. It is intended this academic partnership will give the Museum access to the latest academic research and support for the content development of future exhibitions. In return the University benefits from reaching a wider and more diverse range of new audiences.

The Trustees of the Weston Culture Fund awarded the Museum a grant in 2020 to improve the Museum's digital capacity and capability. Part of this funding was set aside to upgrade our lecture theatre, to enable us to deliver a variety of talks, performances, and presentations as well as blended lectures to an onsite and online audience. The refurbishment was completed during 2022 and our first blended adult lecture was launched on 15th June. It undoubtedly proved to be one of the highlights of our year. The talk was given by Douglas Robertson to mark the 50th anniversary of his family's incredible survival in a dinghy called *Ednamair*, after their schooner, *Lucette*, had been sunk by three killer whales. Working in partnership with BBC news presenter Jemma Woodman and Storylines, Douglas's talk in our lecture theatre was also made available live online and included a panel discussion and the opportunity to see objects from our Ednamair collection.

The Museum communicates information about its work and collections to different audiences in several ways. This includes our popular programme of exhibitions, lectures, public engagement events, as well as the 'behind the scenes' research and enquiry service of The Bartlett Maritime Research Centre and Library. We also disseminate knowledge through social media and a growing range of popular, academic and specialist publications, both in print and online.

Our main publication during 2022/23 was a richly illustrated report designed to capture the extraordinary impacts and lessons learnt from touring our, ground-breaking exhibition *'Tattoo: British Tattoo Art Revealed'*, and its subsequent three-year national tour. Entitled, '*Tattoo: A Catalyst for Change'*, the report was authored by Mary-Anne Edwards. She has interviewed a truly diverse range of people including academics, collectors, tattoo artists, museum staff, and people from different communities and locations. In doing so Mary-Anne Edwards has demonstrated the considerable cultural achievement of the tour, which grew in response to a genuine need from communities long marginalised by mainstream museums and art galleries.

In total the exhibition was hosted by seven museums over a three-year period, mostly based in coastal communities facing similar challenges. All were ranked in the top percentile of the most deprived areas in the country. As Mary Anne argues, '*all institutions took the opportunity to use Tattoo to attract diverse visitors and to help challenge public perceptions of them as a cultural organisation with host venues using the exhibition as a springboard to create extraordinary artistic and community work, all shaped by their capacity, collections and communities.'*

During 2022, the Museum has continued to consider how we can best implement climate positive measures to address sustainability in our operations, programming, and facilities management. Following an invitation to join a bootcamp, we have begun to use the B Corp framework to help us review our environmental and social actions in all that we do, including our public programming. For example, over the summer we commissioned the Cornwall based theatre company, Illyria, to produce a fun, family show called, '*I SAW A MONSTER'* to complement our '*Monsters of the Deep'* exhibition. The show followed a 'lecture-gone-wrong' format, in which the viewpoints of Cryptozoology and Science were presented. The production ended by highlighting pollution in our oceans and delivered a strong environmental message about the danger of marine plastics. There were four daily, 20-minute performances, seven days a week, throughout the school summer holidays.

In the face of growing economic and energy volatility caused by geopolitical and economic factors NMMCT found itself having to absorb a £100,000 increase in its utility costs for the Museum alone during 2023/24. This was far greater than our budgeted provision and has contributed to our budget deficit. We therefore commissioned Touchstone Integrated Energy Management Solutions to carry out an audit of the Museum's energy profile and provide recommendations. This audit has given the Museum a framework to develop a comprehensive understanding of energy related elements and system inter-relationships and will help us tackle potentially conflicting objectives of reducing energy consumption without degrading environmental conditions at site or the visitor experience.

The Touchstone report identified numerous areas where energy efficiency could be increased. The targets we have set are deliberately aspirational and challenging but our approach seeks to blend the varied needs of visitors, exhibits, building, equipment, plant, and energy efficiency.

We also invested in a condition survey of the Museum, and this has resulted in our implementing a raft of remedial works to both the Museum and the Museum store at Ponsharden. For example, we have replaced the controls, cabling and rails in the tower lift and the rails in the foyer lift. We also carried out fire stopping measures across the Museum and Museum store and serviced all fire doors.

Over the course of the financial year, we have also revised and updated all our health and safety policies and procedures and rolled out an extensive training programme for all staff and volunteers.

In January 2023 we closed the '*Monsters of the Deep'* temporary exhibition. Market research showed, even in its third year, this temporary exhibition remained the main driver for footfall during 2022. This exhibition involved many innovative delivery models which were, by their nature, extremely complex and time-consuming to manage. For example, there were literally hundreds of individual loans, including potentially flammable and explosive spirit-preserved specimens, and huge but fragile hanging skeletons. We were therefore conscious that taking down "*Monsters of the Deep"* would be logistically challenging. Following Chatham Historic Dockyard Trust's decision to hire the substantive part of this exhibition, we were grateful to them for their assistance in dismantling and packing the exhibition, prior to its relocation to Kent, where the exhibition reopened to the public on 31st March.

Over the course of 2022 much of our exhibition and curatorial work was focused on the detailed design of '*Pirates'*, in partnership with Royal Museums Greenwich. Our temporary exhibitions represent a considerable investment of our time and resources and '*Pirates*' was no exception. We worked with a team of highly qualified, external guest curators, consulted a wide circle of academics in the UK, America and the Caribbean and went to considerable expense to bring key national exhibits to Cornwall, borrowing loans from several major institutions, notably the British Museum, the National Archives and Royal Museums Greenwich.

Inevitably the '*Pirates*' exhibition represented a major financial outlay for the Museum. We will recover some of this investment from RMG, who have committed to meet a one third share of the core costs. However, they are making deferred payments, with their final contribution falling due when the exhibition is delivered to Greenwich in January 2025.

FINANCIAL REVIEW

Financial performance and position

The results for the year and financial position of the Trust are presented in the annexed financial statements. The level of group reserves at 31 March 2023 was £23,717,763 (2022: £24,969,683). The movement on restricted funds is dominated by the depreciation charge on the Museum's building and as such we consider the unrestricted funds position to give a better indicator of our underlying financial position.

In the year, our unrestricted funds decreased by £850,076. £137,632 of this related to unrealised losses from our listed investments. The unrestricted deficit before these sums was £712,444.

Reserves and investment policy

It is the intention of the Trustees to ensure that there are sufficient free reserves to:

- allow for the seasonal nature of income and expenditure;
- allow for annual fluctuations in visitor numbers;
- support the investment in future programming; and
- provide financial flexibility and security to face unexpected events.

At 31 March 2023 the charity's consolidated unrestricted reserves stood at £2,660,667 (2022: £3,510,743), whilst free reserves (calculated as unrestricted funds held in the form of current assets less creditors due within one year) stood at -£73,379 (2022: £605,634). The Trustees intend to rebuild free reserves to represent six months' expenditure.

During 2022/23 the Museum withdrew £200,000 from the investment portfolio to replace the pontoon and improve safety in the Museum workshop. £25,000 was spent on feasibility works and the Museum workshop and the Trustees agreed to retain the balance in the bank account rather than reinvest it in the investment fund. The year-end balance on listed investments stood at £1,533,843 (2022: £1,864,002), including a downward revaluation during the year of £137,632 and a disposal of investments at a cost of £192,527 .

Plans for future periods

Our key priority is to ensure the sustainability of the Museum through a programme of lively and appealing exhibitions, carefully targeted marketing and the maximisation of benefit from the trading activities and estate. Our approach will therefore continue to be based on making efforts to secure and strengthen existing income streams and by engendering a culture of experimentation to maximise new income generating opportunities.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is registered as a charity company limited by guarantee and was incorporated on 8 October 1997. It is governed by its memorandum and articles of association.

The charity and the group are constituted under a Memorandum of Association dated 8 October 1997 and as amended by Special Resolution dated 20 September 2018 and the Museum is a registered charity number 1067884.

Method of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

The members of the Board of Directors of the charitable company ("the charity") are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees. The Trustees are elected by the Board. A Trustee retiring by rotation is eligible for re-election. The Trustees during the year under review were those listed on page 1. New Trustees are given appropriate guidance about their obligations by the chairman and existing Trustees and by reference to the Charity Commission notes.

Organisational structure and decision making

The Board of Trustees, which must have a minimum of three members but has no maximum and normally meets four times a year. There are three sub-committees to the board:

Audit, Finance & Investments	Mr R Holmes (c), Mr P Davies MBE, Mr S Sherrard, Mrs E Winser
Nominations	Mr S Sherrard (c), Mrs H. Stembridge
Acquisitions	Dr H Doe (c), Mr A Pawlyn, Mr G English, Mr R Doughty, Mrs, S. Riddle, Mr A.Wyke

Pay policy for senior staff

The Trustees are responsible for setting Museum policy and the Senior Management Team are responsible for implementing policy and directing, controlling, and running the operation of the Museum. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other comparable institutions of a similar size run on a voluntary basis. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to a reasonable percentage for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The process of review is ongoing and risk management is considered as part of the decision-making process.

Information on fundraising practices

The Museum Director leads the Trust's fundraising efforts supported by other members of the staff team. Our fundraising activities are primarily directed towards trusts and foundations, not individuals. Where we do receive donations from individuals, it will typically be of their own initiative.

FUNDS HELD AS CUSTODIAN

There are no funds held by the Charity on behalf of another charity, other than the funds collected by its subsidiary company Discovery Quay Square (DQS), from its local residents towards the maintenance of the sea wall surrounding Discovery Quay Square. The funds are held by DQS in a separate deposit account.

The Trustees' Report, incorporating a strategic report, was approved by order of the Trustees, as the company directors, on _____ and signed on its behalf by:

Mr S P Sherrard DL
Chair of Trustees

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2023

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM CORNWALL TRUST

OPINION

We have audited the financial statements of National Maritime Museum Cornwall Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows, the Charity Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;
- We have obtained and reviewed the Charity's documentation of their policies and procedures relating to:
  - Identifying, evaluation 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;
  - The internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included maritime Law, Environmental Law and compliance with the Food Safety standards, the Landlord and Tennant Act and Trading Standards.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of income, specifically grants with a particular focus around year-end cut off; and

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Oliver FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date:

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	**-**	**140,788**	**140,788**	154,749
Charitable activities	5	**17,000**	**920,466**	**937,466**	1,325,813
Other trading activities	7	**-**	**986,660**	**986,660**	1,192,409
Investments	8	**-**	**78,445**	**78,445**	71,339
Other income	9	**-**	**-**	**-**	4,476
Total income		**17,000**	**2,126,359**	**2,143,359**	2,748,786
Expenditure on:					
Raising funds		**-**	**309,145**	**309,145**	330,919
Charitable activities		**431,539**	**2,496,963**	**2,928,502**	2,022,089
Total expenditure		**431,539**	**2,806,108**	**3,237,647**	2,353,008
Net (expenditure)/income before net (losses)/gains on investments		**(414,539)**	**(679,749)**	**(1,094,288)**	395,778
Net (losses)/gains on investments		**-**	**(137,632)**	**(137,632)**	112,856
Net (expenditure)/income		**(414,539)**	**(817,381)**	**(1,231,920)**	508,634
Transfers between funds	22	**32,695**	**(32,695)**	**-**	-
Net movement in funds		**(381,844)**	**(850,076)**	**(1,231,920)**	508,634
Reconciliation of funds:					
Total funds brought forward		**21,438,940**	**3,510,743**	**24,949,683**	24,441,049
Net movement in funds		**(381,844)**	**(850,076)**	**(1,231,920)**	508,634
Total funds carried forward		**21,057,096**	**2,660,667**	**23,717,763**	24,949,683

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 45 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	15		**21,036,478**		21,251,659
Investments	17		**1,533,843**		1,864,002
Investment property	16		**2,813,362**		2,813,362
			25,383,683		25,929,023
Current assets					
Stocks	18	**82,067**		62,868	
Debtors	19	**337,669**		299,571	
Cash at bank and in hand		**771,194**		1,458,996	
		1,190,930		1,821,435	
Creditors: amounts falling due within one year	20	**(1,139,297)**		(1,050,138)	
Net current assets			**51,633**		771,297
Total assets less current liabilities			**25,435,316**		26,700,320
Creditors: amounts falling due after more than one year	21		**(1,717,553)**		(1,750,637)
Total net assets			**23,717,763**		24,949,683
Charity funds					
Restricted funds	22		**21,057,096**		21,438,940
Unrestricted funds	22		**2,660,667**		3,510,743
Total funds			**23,717,763**		24,949,683

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL

Date:

The notes on pages 18 to 45 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	15		**19,110,131**		19,261,788
Investments	17		**1,535,843**		1,866,002
Investment property	16		**2,813,362**		2,813,362
			23,459,336		23,941,152
Current assets					
Debtors	19	**610,183**		857,201	
Cash at bank and in hand		**102,137**		395,558	
		712,320		1,252,759	
Creditors: amounts falling due within one year	20	**(720,339)**		(540,664)	
Net current (liabilities) / assets			**(8,019)**		712,095
Total assets less current liabilities			**23,451,317**		24,653,247
Creditors: amounts falling due after more than one year	21		**(1,717,553)**		(1,750,637)
Net assets excluding pension asset			**21,733,764**		22,902,610
Total net assets			**21,733,764**		22,902,610
Charity funds					
Restricted funds	22		**21,044,055**		21,358,685
Unrestricted funds	22		**689,709**		1,543,925
Total funds			**21,733,764**		22,902,610

The Charity's net movement in funds for the year was £(1,168,846) (2022 - £562,294).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL

Date:

The notes on pages 18 to 45 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash provided by/(used in) operating activities	**(568,540)**	729,367
Cash flows from investing activities		
Dividends, interests and rents from investments	**78,445**	71,339
Purchase of tangible fixed assets	**(197,707)**	(61,559)
Net cash (used in)/provided by investing activities	**(119,262)**	**9,780**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(687,802)**	**739,147**
Cash and cash equivalents at the beginning of the year	**1,458,996**	719,849
Cash and cash equivalents at the end of the year	**771,194**	1,458,996

The notes on pages 18 to 45 form part of these financial statements

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	**(328,791)**	(79,695)
Cash flows from investing activities		
Dividends, interests and rents from investments	**78,445**	71,339
Purchase of tangible fixed assets	**(197,707)**	(61,559)
(Gains) / Losses on investments	**137,632**	(112,856)
Net cash provided by/(used in) investing activities	**18,370**	**(103,076)**
Cash flows from financing activities		
Grants received	**17,000**	395,427
Net cash provided by financing activities	**17,000**	**395,427**
Change in cash and cash equivalents in the year	**(293,421)**	**212,656**
Cash and cash equivalents at the beginning of the year	**395,558**	182,902
Cash and cash equivalents at the end of the year	**102,137**	395,558

The notes on pages 18 to 45 form part of these financial statements

1. GENERAL INFORMATION

The Charity is a company limited by guarantee (Company no: 03446298). The registered office Discovery Quay, Falmouth, Cornwall, TR11 3QY. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

National Maritime Museum Cornwall Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements use British Pounds Sterling as the presentation currency and are rounded to the nearest £1 throughout.

2.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of National Maritime Museum Cornwall Trust and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

2.3 GOING CONCERN

The trustees anticipate that the charity will continue to operate within its available resources, and be able to tolerate a reasonable level of unforeseen circumstance for a period of at least 12 months from the date of these financial statements. The financial statements have therefore been prepared on a going concern basis.

2. ACCOUNTING POLICIES (continued)

2.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset’s use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out by the Trust. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

2. ACCOUNTING POLICIES (continued)

2.5 EXPENDITURE (CONTINUED)

Charitable activities and governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.7 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 TAXATION

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.9 TANGIBLE FIXED ASSETS AND DEPRECIATION

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 1% and 2% straight line
Fixtures and fittings	- rates between 10% and 25% straight line
Museum model exhibits	- rates between 5% and 20% straight line

2. ACCOUNTING POLICIES (continued)

2.10 HERITAGE ASSETS

It is the policy of the Board not to capitalise heritage assets in the Museum collection. The Museum's collection consists of a range of objects, boats, art, books and archives.

These items are held in support of the Museum's primary objective of increasing knowledge, understanding and appreciation of the maritime heritage.

The Board considers that financial valuations of heritage assets would be misleading to the value and significance of the material culture involved. In many cases reliable cost information is not available or there are significant costs involved in obtaining a valuation that would outweigh any benefits. Other than a few items that have been purchased, the Museum does not recognise these assets on its balance sheet.

However, it is very important for a Museum to account to the public for the management and care for the collections entrusted to it. High standards of Collections Management are applied to the collections held by the Museum in order to preserve and manage collections on behalf of, and to make it available to, the public. An Accession Register and records are kept on collections, its provenance, and its donors. These are made available for all enquiries and requests, subject to appropriate security and data protection guidelines.

Conservation expenditure incurred on heritage assets is recognised in the Statement of financial activities as incurred.

2.11 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at cost less provision for impairment.

2.12 INVESTMENT PROPERTY

Investment properties are carried at fair value determined annually by the Trustees and derived from the current market rents and investment property yields for comparable real estates, adjusted if necessary for the difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.13 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.14 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. ACCOUNTING POLICIES (continued)

2.15 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.16 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.17 FINANCIAL INSTRUMENTS

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

The Group's financial assets and liabilities consists of cash and cash equivalents, short term investments, trade and other debtors, trade and other creditors, and accrued expenses. The fair value of these items approximates to their carrying value due to their short term value. Unless otherwise stated, the Group is not exposed to significant interest, foreign or credit risks arising from these instruments.

2.18 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.19 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.20 FUND ACCOUNTING

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

The liability and contingent liability disclosed in respect of the sea wall include an element of estimation uncertainty due to their nature.

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
DONATIONS			
Donations and sponsorship	-	130,501	**130,501**
Members subscriptions	-	4,120	**4,120**
Founder memberships	-	6,167	**6,167**
TOTAL 2023	-	140,788	**140,788**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
DONATIONS			
Donations and sponsorship	120,000	26,394	146,394
Members subscriptions	-	3,565	3,565
Founder memberships	-	4,790	4,790
TOTAL 2022	120,000	34,749	154,749

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Charity incoming resources	17,000	920,466	**937,466**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Charity incoming resources	135,451	1,190,362	1,325,813

6. GRANTS RECEIVED

	2023 £	2022 £
ACE Funding	-	65,375
Arts Council - Tattoo Commission	-	13,050
Covid Support Grants	-	28,476
Arts Council - Culture Recovery Fund	-	270,000
Other Grants	**17,000**	18,526
	17,000	395,427

7. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2023 £	**Total funds 2023 £**
Trading income	986,660	**986,660**

	Unrestricted funds 2022 £	Total funds 2022 £
Trading income	1,192,409	1,192,409

8. INVESTMENT INCOME

	Unrestricted funds 2023 £	**Total funds 2023 £**
Investment income	78,445	**78,445**

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	71,339	71,339

9. OTHER INCOMING RESOURCES

	Total funds 2023 £
CJRS Income	**-**

	Unrestricted funds 2022 £	Total funds 2022 £
CJRS Income	4,476	4,476

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	**Support costs 2023 £**	**Total funds 2023 £**
Charitable activities	2,252,482	676,020	**2,928,502**

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	1,798,194	223,895	2,022,089

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Museum 2023 £	**Total funds 2023 £**
Curatorial	617,469	**617,469**
Auditors remuneration	26,600	**26,600**
Accountancy fees	31,951	**31,951**
TOTAL 2023	676,020	**676,020**

	Museum 2022 £	Total funds 2022 £
Curatorial	161,332	161,332
Auditors remuneration	24,239	24,239
Accountancy fees	38,324	38,324
TOTAL 2022	223,895	223,895

11. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**24,750**	19,375
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	**1,850**	4,864

12. STAFF COSTS

	Group 2023 £	Group 2022 £	**Charity 2023 £**	Charity 2022 £
Wages and salaries	**636,033**	635,801	**586,629**	545,754
Social security costs	**56,674**	47,574	**50,708**	44,123
Contribution to defined contribution pension schemes	**33,532**	30,536	**28,803**	26,512
	726,239	713,911	**666,140**	616,389

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.	**Charity 2023 No.**	Charity 2022 No.
Management and administration	**39**	37	**21**	21

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £70,001 - £80,000	**1**	1

All Trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is £79,285 for 1 personnel member (2022: £75,785 for 1 personnel member).

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022: £Nil).

During the year ended 31 March 2023, expenses totaling £177 were reimbursed or paid directly to 2 Trustees (2022 - £214 to 2 trustees.).

14. CORPORATION TAXATION

The Charity is exempt from tax on income and gains falling within section 478, 486 and 488 CTA 2010 and s256 TCGA 1992 to the extent that these are applied to its charitable objects. There was no UK Corporation Tax payable by National Maritime Museum Cornwall Trust in 2023.

15. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Long-term leasehold property £	Fixtures, fittings and equipment £	Museum model exhibitions £	Total £
COST OR VALUATION					
At 1 April 2022	**23,466,015**	**3,176,193**	**1,168,452**	**1,769,926**	**29,580,586**
Additions	**39,225**	**-**	**31,579**	**126,903**	**197,707**
At 31 March 2023	**23,505,240**	**3,176,193**	**1,200,031**	**1,896,829**	**29,778,293**
DEPRECIATION					
At 1 April 2022	**4,508,875**	**1,196,322**	**948,695**	**1,675,035**	**8,328,927**
Charge for the year	**234,903**	**63,524**	**40,719**	**73,742**	**412,888**
At 31 March 2023	**4,743,778**	**1,259,846**	**989,414**	**1,748,777**	**8,741,815**
NET BOOK VALUE					
At 31 March 2023	**18,761,462**	**1,916,347**	**210,617**	**148,052**	**21,036,478**
At 31 March 2022	18,957,140	1,979,871	219,757	94,891	21,251,659

Included in freehold property is freehold land at cost of £5,000 (2022: £5,000), which is not depreciated.

A debenture has been given to the Heritage Lottery Fund to secure the repayment of grants if they should become repayable.

BEIS (formerly: South West of England Regional Development Agency) have a fixed charge over an element of the leasehold land and property.

HSBC UK Bank plc hold a fixed charge over some of the land included within freehold property.

15. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Freehold property £	Fixtures, fittings and equipment £	Museum model exhibits £	Total £
COST OR VALUATION				
At 1 April 2022	**23,456,015**	**1,085,497**	**1,769,926**	**26,311,438**
Additions	**39,225**	**31,579**	**126,903**	**197,707**
At 31 March 2023	**23,495,240**	**1,117,076**	**1,896,829**	**26,509,145**
DEPRECIATION				
At 1 April 2022	**4,508,875**	**865,740**	**1,675,035**	**7,049,650**
Charge for the year	**234,903**	**40,719**	**73,742**	**349,364**
At 31 March 2023	**4,743,778**	**906,459**	**1,748,777**	**7,399,014**
NET BOOK VALUE				
At 31 March 2023	**18,751,462**	**210,617**	**148,052**	**19,110,131**
At 31 March 2022	18,947,140	219,757	94,891	19,261,788

16. INVESTMENT PROPERTY

GROUP

	Freehold investment property £
VALUATION	
At 1 April 2022	**2,813,362**
At 31 March 2023	**2,813,362**

CHARITY

	Freehold investment property £
VALUATION	
At 1 April 2022	**2,813,362**
At 31 March 2023	**2,813,362**

The 2023 valuations were made by the trustees, on an open market value for existing use basis.

17. FIXED ASSET INVESTMENTS

GROUP	Listed investments £
COST OR VALUATION	
At 1 April 2022	**1,864,002**
Disposals	**(192,527)**
Revaluations	**(137,632)**
AT 31 MARCH 2023	**1,533,843**
NET BOOK VALUE	
AT 31 MARCH 2023	**1,533,843**
AT 31 MARCH 2022	1,864,002

CHARITY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2022	**2,000**	**1,864,002**	**1,866,002**
Disposals	**-**	**(192,527)**	**(192,527)**
Revaluations	**-**	**(137,632)**	**(137,632)**
AT 31 MARCH 2023	**2,000**	**1,533,843**	**1,535,843**
NET BOOK VALUE			
AT 31 MARCH 2023	**2,000**	**1,533,843**	**1,535,843**
AT 31 MARCH 2022	2,000	1,864,002	1,866,002

17. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Discovery Quay Enterprises (Trading) Limited	03714613	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Running commercial trading operations at the Museum	Ordinary	100%	Yes
Discovery Quay Enterprises Limited	04519567	Discovery Quay, Falmouth, Cornwall, TR11 3QY	To provide boat storage and other facilities for the Museum	Ordinary	100%	Yes
Discovery Quay Square Limited	05856283	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Ownership and operation of a public amenity open square for events adjoining the Museum	Limited by guarantee	-%	Yes
Discovery Quay Property Limited	05867009	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Dormant company	Ordinary	100%	No

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Discovery Quay Enterprises (Trading) Limited	**798,146**	**(798,146)**	**-**	**11,775**
Discovery Quay Enterprises Limited	**133,200**	**(133,200)**	**-**	**231,783**
Discovery Quay Square Limited	**46,713**	**52,498**	**(5,785)**	**98**

18. STOCKS

	Group 2023 £	Group 2022 £
Goods for resale	**82,067**	62,868

19. DEBTORS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
DUE WITHIN ONE YEAR				
Trade debtors	**126,552**	95,654	**59,829**	51,377
Amounts owed by group undertakings	**-**	-	**371,519**	635,282
Other debtors	**15,503**	14,216	**14,942**	10,400
Prepayments and accrued income	**195,614**	189,701	**163,893**	160,142
	337,669	299,571	**610,183**	857,201

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loan	**65,209**	65,209	**65,209**	65,209
Trade creditors	**324,473**	155,743	**264,750**	116,122
Other taxation and social security	**35,453**	28,750	**14,091**	12,225
Other creditors	**485,376**	595,253	**239,828**	234,089
Accruals and deferred income	**228,786**	205,183	**136,461**	113,019
	1,139,297	1,050,138	**720,339**	540,664

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2023 £	Group 2022 £	**Charity 2023 £**	Charity 2022 £
Bank loan	**917,553**	950,637	**917,553**	950,637
Other creditors	**800,000**	800,000	**800,000**	800,000
	1,717,553	1,750,637	**1,717,553**	1,750,637

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2023 £	Group 2022 £	**Charity 2023 £**	Charity 2022 £
Repayable by installments	**656,717**	689,801	**656,717**	689,801
Payable or repayable other than by installments	**800,000**	800,000	**800,000**	800,000
	1,456,717	1,489,801	**1,456,717**	1,489,801

Included within the above bank loans balance, is one loan repayable over 25 years. For the initial 10 year period interest will be charged on the outstanding balance at a rate of 3.46%. The applicable interest rate after this initial fixed period will be 2.07% per annum above base rate, subject to a review.

The bank loan is secured against the freehold land for which the loan was used to purchase.

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
UNRESTRICTED FUNDS						
Net Book Value of unrestricted funded assets	**124,236**	**-**	**(32,150)**	**412,308**	**-**	**504,394**
Net Book Value of Car Park	**1,613,362**	**-**	**-**	**-**	**-**	**1,613,362**
General Funds	**1,521,704**	**1,142,036**	**(1,783,550)**	**(445,003)**	**(137,632)**	**297,555**
Trading Subsidiaries' reserves	**251,441**	**984,323**	**(990,408)**	**-**	**-**	**245,356**
	3,510,743	**2,126,359**	**(2,806,108)**	**(32,695)**	**(137,632)**	**2,660,667**

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
RESTRICTED FUNDS						
Project Development Fund	**1,797,283**	**-**	**(77,603)**	**-**	**-**	**1,719,680**
Museum Development Fund - Fixed assets	**18,886,163**	**-**	**(296,285)**	**342,526**	**-**	**18,932,404**
Museum Development Fund - revenue expenditure	**713,353**	**-**	**-**	**(309,831)**	**-**	**403,522**
Garfield Weston Foundation	**8,876**	**-**	**(8,876)**	**-**	**-**	**-**
Sir Thomas Oats Fund	**3,265**	**-**	**(1,775)**	**-**	**-**	**1,490**
Garfield Weston - Digitisation Education Programme	**30,000**	**-**	**(30,000)**	**-**	**-**	**-**
Other Restricted Grants	**-**	**17,000**	**(17,000)**	**-**	**-**	**-**
	21,438,940	**17,000**	**(431,539)**	**32,695**	**-**	**21,057,096**
TOTAL OF FUNDS	**24,949,683**	**2,143,359**	**(3,237,647)**	**-**	**(137,632)**	**23,717,763**

22. STATEMENT OF FUNDS (CONTINUED)

Unrestricted funds
Included in the unrestricted funds are two separate funds to recognise the net book value of fixed assets held by the charity funded by unrestricted funds or from funds whose restriction end upon the acquisition of the asset, and that consequently cannot be easily converted into cash.

A transfer between general funds to net book value of unrestricted funded assets has been made of £412,308 to represent the unrestricted element of fixed assets.

Also included in unrestricted funds is the Charity's trading subsidiaries' reserves.

Restricted funds
The Project development fund represents grants received in relation to the Charity's trading subsidiaries and have been included in those companies' accounts as deferred income. This has been treated as restricted fund grants received for consolidation purposes.

The Museum development fund represents grants received from various sources, including grants received in connection with the construction of the museum and is released to the Statement of Financial Activities on an annual basis in line with depreciation; as well as grants received in the year as detailed in note 6.

A transfer between general funds and the Museum development fund of £32,695 has been made to represent prior year additions which were classified as restricted.

Additionally, a transfer between the Museum development fixed asset fund and the revenue expenditure fund of £309,831 has been made to show the impairment recognised on the investment property in the financial year ending 2021.

Sir Thomas Oates fund represents legacy funding received to fund the purchase of local items for the Cornish Galleries.

Garfield Weston Foundation fund represents funding of the Digitisation Education Programme.

Other restricted funds include a grant received of £17,000 to work together with the National Maritime Museum to create the Pirates exhibition.

The total of restricted funds balance of £21,057,096 as at the year end reflects the high capital cost of constructing and fitting out of the museum building, as noted above under the headings of the Project development fund and the Museum development fund.

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS						
Net Book Value of unrestricted funded assets	147,268	-	(23,032)	-	-	124,236
Net Book Value of Car Park	1,613,362	-	-	-	-	1,613,362
General Funds	576,674	1,083,711	(836,149)	584,612	112,856	1,521,704
Trading Subsidiaries' reserves	262,758	1,154,124	(580,829)	(584,612)	-	251,441
Other Unrestricted Grants	-	255,500	(255,500)	-	-	-
	2,600,062	2,493,335	(1,695,510)	-	112,856	3,510,743

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
RESTRICTED FUNDS						
Project Development Fund	1,853,957	-	(56,674)	-	-	1,797,283
Museum Development Fund - Fixed assets	19,082,762	120,000	(316,599)	-	-	18,886,163
Museum Development Fund - revenue expenditure	713,353	-	-	-	-	713,353
Garfield Weston Foundation	40,000	-	(31,124)	-	-	8,876
Sir Thomas Oats Fund	3,265	-	-	-	-	3,265
Arts Council CRF	-	48,500	(48,500)	-	-	-
Garfield Weston - Digitisation Education Programme	117,650	-	(117,650)	-	-	-
Exhibition Funding	30,000	-	-	-	-	30,000
ACE Funding	-	65,375	(65,375)	-	-	-
Other Restricted Grants	-	17,100	(17,100)	-	-	-
CJRS	-	4,476	(4,476)	-	-	-
	21,840,987	255,451	(657,498)	-	-	21,438,940
TOTAL OF FUNDS	24,441,049	2,748,786	(2,353,008)	-	112,856	24,949,683

23. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	**3,510,743**	**2,126,359**	**(2,806,108)**	**(32,695)**	**(137,632)**	**2,660,667**
Restricted funds	**21,438,940**	**17,000**	**(431,539)**	**32,695**	**-**	**21,057,096**
	24,949,683	**2,143,359**	**(3,237,647)**	**-**	**(137,632)**	**23,717,763**

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	2,600,062	2,493,335	(1,695,510)	-	112,856	3,510,743
Restricted funds	21,840,987	255,451	(657,498)	-	-	21,438,940
	24,441,049	2,748,786	(2,353,008)	-	112,856	24,949,683

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	20,532,084	504,394	**21,036,478**
Fixed asset investments	-	1,533,843	**1,533,843**
Investment property	1,200,000	1,613,362	**2,813,362**
Current assets	125,012	1,065,918	**1,190,930**
Creditors due within one year	-	(1,139,297)	**(1,139,297)**
Creditors due in more than one year	(800,000)	(917,553)	**(1,717,553)**
TOTAL	21,057,096	2,660,667	**23,717,763**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	20,563,446	688,213	21,251,659
Fixed asset investments	-	1,864,002	1,864,002
Investment property	1,509,831	1,303,531	2,813,362
Current assets	165,663	1,655,772	1,821,435
Creditors due within one year	-	(1,050,138)	(1,050,138)
Creditors due in more than one year	(800,000)	(950,637)	(1,750,637)
TOTAL	21,438,940	3,510,743	24,949,683

25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £	Group 2022 £	**Charity 2023 £**	Charity 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(1,231,920)**	508,634	**(1,168,846)**	562,294
ADJUSTMENTS FOR:				
Depreciation charges	**412,888**	403,156	**349,364**	339,632
(Gains)/Losses on investments	**137,632**	(112,856)	**-**	-
Dividends, interests and rents from investments	**(78,445)**	(71,339)	**(78,445)**	(71,339)
Disposal proceeds from sale of investments	**192,527**	-	**192,527**	-
Increase in stocks	**(19,199)**	(6,440)	**-**	-
Decrease/(increase) in debtors	**(34,535)**	74,372	**247,018**	(491,176)
Increase/ (decrease) in creditors	**52,512**	(66,160)	**146,591**	(28,155)
Grants received	**-**	-	**(17,000)**	(390,951)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	**(568,540)**	729,367	**(328,791)**	(79,695)

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £	**Charity 2023 £**	Charity 2022 £
Cash in hand	**771,194**	1,458,996	**102,137**	395,558
TOTAL CASH AND CASH EQUIVALENTS	**771,194**	1,458,996	**102,137**	395,558

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2022 £	**Cash flows £**	**At 31 March 2023 £**
Cash at bank and in hand	**1,458,996**	**(687,802)**	**771,194**
Debt due within 1 year	**(65,209)**	**-**	**(65,209)**
Debt due after 1 year	**(950,637)**	**33,084**	**(917,553)**
	443,150	**(654,718)**	**(211,568)**

28. CONTINGENT LIABILITIES

Discovery Quay Square Limited, a trading subsidiary of the Charity, is legally responsible for the ongoing maintenance of the sea wall at Discovery Quay. A survey undertaken in 2016 provided a draft estimate for remedial works required in the short- to medium-term future. An accurate estimate of the cost of meeting this obligation cannot be ascertained at present, and further surveys will be required in order to obtain a more accurate estimate.

A fund has been created to cover these costs. At the year end, a total of £243,159 (2022: £358,950) had been accrued through a Deed of Covenant from entities and residents in the area who benefit from the sea wall. This amount is included within other creditors.

Following the trial maintenance work on the sea wall in Spring 2022, a full survey of the sea wall for both Discovery Quay Square Limited and National Maritime Museum Cornwall was carried out in February 2023. The results were encouraging, with nothing requiring immediate attention and no further work recommended for the next 5 to 10 years. We are now able to strategically plan funding for future programmes of work.

A claim for unspecified damages was lodged in 2022/2023 in respect of the damage caused and associated issues as a result of a fire that took place in a head-leased property. The museum has disclaimed liability and continues to defend the action. Legal advice obtained indicates that any liability is uncertain at this time and, as a result, cannot be quantified.

29. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £33,532 (2022: £30,535). Contributions totaling £4,074 (2022: £3,537) were payable to the fund at the balance sheet date and are included in creditors.

30. RELATED PARTY TRANSACTIONS

The consolidated financial statements of National Maritime Museum Cornwall Trust have taken advantage of the exemption in Financial Reporting Standard 102 Section 33.1A in not disclosing intra group transactions with 100% owned subsidiaries.

There are no further related party transactions or balances to disclose.

31. CONTROLLING PARTY

The Charity is controlled by the Board of Trustees.

NATIONAL MARITIME MUSEUM CORNWALL TRUST

England & Wales - Charity number 1067884

Accounts

Registered number: 03446298
Charity number: 1067884

NATIONAL MARITIME MUSEUM CORNWALL TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Bishop Fleming

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees	The Rt Hon. Viscount Falmouth DL Mr P W Davies MBE DL Mr R M Holmes Mr S Hunt Mr A J Pawlyn Ms S V Pugh (resigned 23 September 2022) Mr S P Sherrard DL Mrs H Stembridge Mr B Steward (resigned 23 June 2022) Mr S Tregoning Mr D Williams Mr M Griffiths Mrs C Green
Company registered number	03446298
Charity registered number	1067884
Registered office	Discovery Quay Falmouth Cornwall TR11 3QY
Company secretary	Mr R M Doughty
Director of the museum	Mr R M Doughty
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Chy Nyverow Newham Road Truro Cornwall TR1 2DP
Bankers	National Westminster plc 2-4 St Nicholas St Truro Cornwall TR1 2RN
Solicitors	Wolferstans Solicitors Deptford Chambers 60-66 North Hill Plymouth Devon PL4 8EP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the National Maritime Museum Cornwall Trust for the year 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Policies and objectives

To promote the education of the public in maritime history and current maritime developments for the benefit of the inhabitants of Cornwall and elsewhere and in particular (but without prejudice to the generality of the foregoing) the charity shall seek to:

- establish, operate and preserve a Museum in Falmouth ("the Museum") to display the national boat collection of the National Maritime Museum and the Cornish collection effectively in a waterside site;
- acquire, lease or borrow exhibits, static or floating, for the Museum and carry out restoration and research in relation to the same for the purpose of displaying them;
- improve the national boat collection to provide a systematic representation of the boat tradition of the United Kingdom
- carry out works for the establishment, improvement and development of the Museum
- extend the Museum's reputation as a national centre for boat expertise
- support research into maritime matters especially in relation to their history, interpret Cornwall's maritime role in a national context and provide a focal point for Cornish maritime research; and
- provide educational and lecturing facilities and tours at the Museum.

Strategies for achieving objectives

Key strategic projects included meeting the needs and motivations of visitors through:

- the development and implementation of an active exhibition and activities programme drawing on the Museum's collections, expertise and research; and
- fostering collaborative working and encourage volunteering.

Principal activities of the year

The principal activities of the charity in the year under review were those of the running of the National Maritime Museum Cornwall in Falmouth, together with trading operations carried on by its subsidiary companies, Discovery Quay Enterprises Limited (DQE), Discovery Quay Enterprises (Trading) Limited (DQET) and Discovery Quay Square Limited (DQS). These trading operations with the exception of DQS are to assist in fund raising and income generation through retail, catering and other services for the National Maritime Museum Cornwall Trust.

During the year DQE provided management services at the Museum's satellite site at Ponsharden, DQET provided management, trading and fund-raising services at the main site and DQS owned and operated a public amenity open square for events adjoining the Museum. During the year the companies (excluding DQS) made gift aid payments of £584,612. Further details regarding these subsidiaries can be found in the notes to the Financial Statements.

The main visible public benefit of the charity's work is the opening of the Museum to the public for 362 days a year, providing an informative and educational experience for the general public, formal and informal learning groups and our diverse communities of interest. Through this work, the charity seeks to widen knowledge and appreciation of the maritime heritage in line with its stated aims.

Staff and volunteers

The Museum is run by a team of staff and volunteers led by a Director. The staff are responsible for planning and all business aspects of the charity. The volunteers provide essential support in seven key areas: front of house, galleries, education, boat management, collections, library and office.

As a direct consequence of the Coronavirus the number of volunteers at the Museum has dropped by 28%. We currently have 130 active volunteers plus a small number who might return if cases reduce. A recruitment drive has been implemented in a concerted effort to rebuild our volunteer base. We remain indebted to all our volunteers who have been helping us to build on our success as the most visited museum in Cornwall. Quite simply we would struggle to operate without their magnificent contribution.

ACHIEVEMENTS AND PERFORMANCE

Fundraising activities

We have been extremely fortunate to secure significant funding through the UK Government's Culture Recovery Fund (CRF) programme to help us meet our overheads during the national lockdowns. In particular we would like to acknowledge the Cultural Recovery Fund, administered by Arts Council England, the Weston Culture Fund, the Coastal Communities Fund and the Headley Trust. Collectively these grants have not only enabled the Museum to maintain its operations but have enabled us to re-think how the Museum engages people with its collections; not just during the pandemic but for the new ways in which we will work in future.

In early April 2021 we were notified that our application for a round two ACE grant had been successful and we had been awarded £221,500 to help cover the Museum's overheads for three months, from April until June. The Museum also received £32,240, the final instalment of a Coastal Communities grant and DQS received a £3k restart grant.

In May 2021 the Headley Trust awarded the Museum a further grant of £10,000. The Museum also received a £18k restart grant and DQET was awarded £2,400. The following month we received the first instalment of our Culture Recovery Fund Round 2 grant of £155,050 (70% of the total award).

In November we received the final £48k payment from the ACE round one grant and in December the Museum was awarded an ACE Lottery Fund project grant of £13,050 to enable the Museum to commission new work by 14 tattoo artists of colour, as part of a deeper conversation around the complex social, cultural, personal and artistic issues they face in the UK today. On a strategic level, this funding represented a significant endorsement, by ACE, of the artistic quality, social relevance and cultural ambition of the Museum's programming.

In January 2022 we received the second and final instalment of the ACE round two grant, which amounted to £66k and the following month the Museum Trust was awarded an additional omicron restriction grant for hospitality and leisure businesses in the amount of £6,000 and DQET was allocated £2,667.

Finally, in March 2022 the Museum received a Maritime and Coastguard Agency grant for £4,050 towards the cost of mounting the Coastguard 200 exhibition.

Review of achievements and performance during the year

At the start of the financial year the Museum had already been closed for two weeks as part of the third national lockdown. The Museum remained closed until 17th May 2021 and reopened with most of the safety measures introduced during the pandemic retained. These precautions included online booking, contactless payments, visitor routing, a reduced catering offer, deep cleaning of toilets and play areas as well as touchpoints throughout the Museum, extra barriers (to establish protected routes); safety screens (in the reception), hygiene stations and additional directional signage. In addition, staff and volunteers were encouraged to wear face masks and were asked to continue to take twice weekly lateral flow testing. Finally we continued social distancing and restricted the number of visitors admitted into the Museum at any one time. Many of these restrictions were gradually relaxed from late June onwards. Unlike many other local

venues, the Museum remained fully operation, seven days a week throughout the summer. This was no mean achievement, set against a backdrop of rising covid cases, the 'pingdemic' and the mandatory requirement for self-isolation. With far fewer volunteers to call on, the staff team went over and above to cover long working weeks and weekend rotas in a bid to ensure the Museum could be safely evacuated at all times. Trustees would like to express their gratitude to all volunteers and staff for their enthusiasm and hard work.

Cornwall proved to be a very popular holiday destination during the summer and the Museum benefitted from staycations, with visitor numbers exceeding 2019, which was far better than we had hoped for. The spend-per–visit was higher than budget, due to a greater proportion of paying visitors rather than people returning on their annual ticket. Retail also performed strongly, presumably due to relatively higher levels of disposable income following Covid. The café, which was perhaps most effected by the Covid restrictions, saw spend-per-visit improve substantially on the previous year, but was still well below 2019 levels.

Unfortunately many of the planned events, such as Falmouth's Sea Shanty Festival, a planned visit from the Tall Ships and the Oyster Festival, were cancelled at short notice due to the high levels of covid infections. One of the highlights of the summer was a Museum take-over for the G7 Summit in June. The Museum, Events Square and Maritime Car Park were utilised as the International Media Centre, providing accommodation for up to 2,000 journalists from around the world. During the summit the Museum also hosted a visit from Prime Minister Boris Johnson.

During the summer holidays the Museum was delighted to welcome back Yskynna Vertical Dance Company. Building on the success of their '*Into the Blue'* (2020), Yskynna performed a unique and breath-taking aerial dance production entitled *'Into the Deep Blue'* during the school summer holidays. This production part of the programming implemented to complement the *'Monsters of the Deep: Science Fact and Fiction'* exhibition in the Hold gallery.

Exhibitions

'Monsters of the Deep: Science Fact and Fiction' 2021/22 is the second year of our major temporary exhibition in the Hold gallery.

Hegarty's Boatyard (May – September 2021) Premiered Hegarty's Boatyard, an amazing photographic record by Kevin O'Farrell which captures three generations at work in Ireland's last surviving traditional boatyard. The exhibition was due to have toured Ireland in 2020 but, due to the pandemic, NMMC was the first venue to exhibit the exhibition

Tattoo (from mid-October 2021) Having completed its three-year UK-wide tour, '*Tattoo: British Tattoo Art Revealed*', was partially reinstated and, thanks to an ACE National Lottery project grant, was refreshed with new commissions which help to explore tattooing in the context of black history and representation, including an artist-led response to the challenging historical and contemporary cultural issues surrounding tattooing on black and brown skin.

Memories of Falmouth (from May-November 2021) Drawn on local knowledge and maritime expertise to mount Memories of Falmouth, a community co-curated exhibition, showcasing important Weller Collection, held in the Museum's Bartlett Library. Participants provided a wealth of fascinating personal insights to breathe life and colour into the town's history during the 1950's and 1960's.

Coastguard 200 (from January 2022) This exhibition, designed to celebrate HM Coastguard's 200th anniversary, a coproduction between HM Maritime Coastguard Agency, the National Emergency Services Museum and the NMMC

Learning
Over the course of the year the learning team has developed and introduced new online methods of formal learning and informal engagement, including school holiday activities such as free 'Make-and-Take' workshops on Facebook Live and YouTube, outdoor trails utilising QR codes and a new 'blended' lecture programme which enables physical and virtual audiences to listen and engage with

the principal guest curators who worked behind the scenes on our current major temporary exhibition, 'Monsters of the Deep: Science Fact and Fiction'.

With funding from the Weston Culture Fund, the 'Curator's Cupboard', a digital learning studio, has been established to create a visually exciting backdrop of shelves full of weird and wonderful objects from which lessons can be delivered. We are now able to broadcast high-quality content live to schools and homes using popular video conferencing platforms such as Zoom, Microsoft Teams or Facebook live.

This process has been challenging but very positive. The learning team has had to get to grips with a whole range of new skills including directing, recording and editing new video content, using live editing software and video conferencing platforms, and learning how to present and deliver in a whole new way.

Cornish Voices Film Project

As part of our response to the pandemic we have been re-thinking the ways we deliver our stories and services. Welcoming visitors through our doors will always be at the heart of what we do but we are working on two principal approaches to safeguard our future operations. The Cornish Voices Film Project was based on our well-established living history programme which celebrates the Cornish people's historic and enduring relationship with the sea and will use actor-led performances to bring to life the human stories behind the objects held in Cornwall's maritime collections.

Based on detailed research, written by a local author Pauline Sheppard, 'Cornish Voices' gives powerful, dramatic and authentic voice to the lived experiences of Cornish people in the past and their legacy today. Two productions have been scripted for the Museum: *'Hevva! Hevva!'* - which focuses on Cornwall's 19th century pilchard fishing industry; and *'Voyage of the Mystery'*, the true story of seven Cornish fishermen who, in 1854, sailed their lugger from Newlyn to the gold fields of Australia.

Awards

The Museum was awarded its third successive Sandford Award for Heritage Education. The Judge's Report commended our Learning Team, noting programmes are 'firmly rooted in the collections, making a visit to the museum relevant to every school pupil in Cornwall.' This is the only scheme in existence able to provide independent quality assurance to sites which run formal learning programmes. It is a nationally recognised award and a 'kite mark' for high quality education provision.

The Museum was awarded silver in the Large Visitor Attraction Cornwall Tourism Awards.

FINANCIAL REVIEW

Financial performance and position

The results for the year and financial position of the Trust are presented in the annexed financial statements. The level of group reserves at 31 March 2022 was £24,950,553 (2021: £24,441,049). The movement on restricted funds is dominated by the depreciation charge on the museum's building and as such we consider the unrestricted funds position to give a better indicator of our underlying financial position.

In the year, our unrestricted funds increased by £871,806. £112,856 of this related to unrealised gains from our listed investments The unrestricted surplus before these sums was £758,950.

Reserves and investment policy

It is the intention of the Trustees to ensure that there are sufficient free reserves to:

- allow for the seasonal nature of income and expenditure;
- allow for annual fluctuations in visitor numbers;
- support the investment in future programming; and
- provide financial flexibility and security to face unexpected events.

At 31 March 2022 the charity's consolidated unrestricted reserves stood at £3,471,868 (2021: £2,600,062), whilst free reserves (calculated as unrestricted funds held in the form of current assets less creditors due within one year) stood at £566,759 (2021: minus £129,319). It is reassuring to see this figure recover from what was a far more precarious position at the previous year end, in part due to support provided through the ACE Culture Recovery Fund. The Trustees intend to continue to rebuild free reserves to represent six months' expenditure.

During 2021/22 the museum was able to return to the investment fund the amounts that had been fortuitously withdrawn just prior to the Outbreak of Covid-19. We benefitted from having a relatively low amount invested during the market downturn but being fully invested during the subsequent recovery and growth. Consequently, the year-end balance on listed investments stood at £1,864,002 (2021: £1,751,146), including a revaluation during the year of £112,856.

Post year end events

Royal Museums Greenwich

Between April and July 2022, the Museum worked closely with Royal Museums Greenwich (RGM) to develop a business case to co-produce a major temporary exhibition on Pirates. In August 2021, both parties entered into an agreement to jointly design a major Pirates exhibition. The exhibition will focus on perceptions and the reality of the 'golden age' of piracy (roughly 1680 to 1720) and will consider how the current popular image of pirates developed and how that compares with what we know of the reality. The exhibition will premiere in Falmouth in March 2023 and will open in Greenwich in 2025.

One of the most exciting aspects of this project is the opportunity to look at piracy, both historical and contemporary, through the lens of modern identity politics. We therefore aim to include a mix of voices from wide and diverse backgrounds and specialisms, not just in the initial concept development, but with the aim that they would help shape the narrative as well as contribute content, alongside other guest curators and practitioners. This approach is something we have already experimented with when developing 'Tattoo: British Tattoo Art Revealed' and most recently with 'Monsters of the Deep: Fact and Fiction'.

Royal Museums Greenwich have committed £117,000 towards the cost of mounting the exhibition and are allocating curatorial and exhibition staff time to help with the development of the exhibition content.

Chatham Historic Dockyard Trust

In June 2022, Chatham Historic Dock Yard, one of the venues to have hosted Tattoo on its three-year UK tour, entered into a contract to host 'Monsters of the Deep' from March 2023. Given the logistical complexity of mounting 'Monsters', in terms of digital and AV installations, loans and spirit preserved specimens, there were a huge number of challenges to overcome in re-developing a major, critically acclaimed temporary exhibition with another regional museum. This was a major undertaking, and the successful resolution of these problems is an excellent example of the Museum's ability to demonstrate both commercial and cultural innovation in its exhibition development and delivery model.

The wider context

As we emerge from the pandemic, two museum reports published in June 2022 reveal income and footfall are slowly starting to recover. In 2021/22, surveys found income had fallen to 38%, of pre-Covid levels on average, while visitor numbers were just a quarter of what they had been in 2019-20. However, looking ahead geo-political uncertainty caused by the Ukrainian invasion has put financial markets in turmoil and UK inflation is predicted to hit 11% during 2022. This will have a significant impact on disposal income and is likely to hit the leisure and hospitality industries hard.

Plans for future periods

Our key priority is to ensure the sustainability of the Museum through a programme of lively and appealing exhibitions, carefully targeted marketing and the maximisation of benefit from the trading activities and estate. Our approach will therefore continue to be based on making efforts to secure and strengthen existing income streams and by engendering a culture of experimentation to maximise new income generating opportunities.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is registered as a charity company limited by guarantee and was incorporated on 8 October 1997. It is governed by its memorandum and articles of association.

The charity and the group are constituted under a Memorandum of Association dated 8 October 1997 and as amended by Special Resolution dated 20 September 2018 and the Museum is a registered charity number 1067884.

Method of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

The members of the Board of Directors of the charitable company ("the charity") are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees. The Trustees are elected by the Board. A Trustee retiring by rotation is eligible for re-election. The Trustees during the year under review were those listed on page 1. New Trustees are given appropriate guidance about their obligations by the chairman and existing Trustees and by reference to the Charity Commission notes.

Organisational structure and decision making

The Board of Trustees, which must have a minimum of three members but has no maximum and normally meets four times a year. There are three sub-committees to the board:

Audit, Finance & Investments	Mr R Holmes (c), Mr P Davies MBE, Mr S Sherrard, Mrs E Winser
Nominations	Mr S Sherrard (c), Mrs H. Stembridge
Acquisitions	Dr H Doe (c), Mr A Pawlyn, Mr G English, Mr R Doughty, Mrs, S. Riddle, Mr A.Wyke

Pay policy for senior staff

The Trustees are responsible for setting Museum policy and the Senior Management Team are responsible for implement policy and directing, controlling, and running the operation of the Museum. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other comparable institutions of a similar size run on a voluntary basis. The remuneration bench-mark is the mid-point of the range paid for similar roles adjusted for a weighting of up to a reasonable percentage for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The process of review is ongoing and risk management is considered as part of the decision making process.

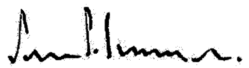
Information on fundraising practices

The Museum Director leads the Trust's fundraising efforts supported by other members of the staff team. Our fundraising activities are primarily directed towards trusts and foundations, not individuals. Where we do receive donations from individuals, it will typically be of their own initiative.

FUNDS HELD AS CUSTODIAN

There are no funds held by the Charity on behalf of another charity, other than the funds collected by its subsidiary company Discovery Quay Square (DQS), from its local residents towards the maintenance of the sea wall surrounding Discovery Quay Square. The funds are held by DQS in a separate deposit account.

The Trustees' Report, incorporating a strategic report, was approved by order of the Trustees, as the company directors, on 6 December 2022 and signed of its behalf by:



Mr S P Sherrard DL
Chair of Trustees

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM CORNWALL TRUST

OPINION

We have audited the financial statements of National Maritime Museum Cornwall Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows, the Charity Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM CORNWALL TRUST (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;
- We have obtained and reviewed the Charity's documentation of their policies and procedures relating to:
  - Identifying, evaluation 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;
  - The internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included maritime Law, Environmental Law and compliance with the Food Safety standards, the Landlord and Tennant Act and Trading Standards.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of income, specifically grants with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates

are indicative of potential bias and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alison Oliver FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date: 20 December 2022

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	**120,000**	**34,749**	**154,749**	15,648
Charitable activities	5	**135,451**	**1,190,362**	**1,325,813**	1,246,453
Other trading activities	7	**-**	**1,192,409**	**1,192,409**	499,419
Investments	8	**-**	**71,339**	**71,339**	31,553
Other income	9	**-**	**4,476**	**4,476**	212,865
Total income		**255,451**	**2,493,335**	**2,748,786**	2,005,938
Expenditure on:					
Raising funds		**-**	**330,919**	**330,919**	97,566
Charitable activities	10	**657,498**	**1,364,591**	**2,022,089**	1,829,306
Total expenditure		**657,498**	**1,695,510**	**2,353,008**	1,926,872
Net (expenditure)/income before net gains/(losses) on investments		**(402,047)**	**797,825**	**395,778**	79,066
Net gains/(losses) on investments		**-**	**112,856**	**112,856**	(134,402)
Net (expenditure)/income before taxation		**(402,047)**	**910,681**	**508,634**	(55,336)
Taxation		**-**	**-**	**-**	80,000
Net movement in funds		**(402,047)**	**910,681**	**508,634**	24,664
Reconciliation of funds:					
Total funds brought forward		**21,840,987**	**2,600,062**	**24,441,049**	24,416,385
Net movement in funds		**(402,047)**	**910,681**	**508,634**	24,664
Total funds carried forward		**21,438,940**	**3,510,743**	**24,949,683**	24,441,049

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 46 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	15		**21,251,659**		21,593,256
Investments	17		**1,864,002**		1,751,146
Investment property	16		**2,813,362**		2,813,362
			25,929,023		26,157,764
Current assets					
Stocks	18	**62,868**		56,428	
Debtors	19	**299,571**		373,943	
Cash at bank and in hand		**1,458,996**		719,849	
		1,821,435		1,150,220	
Creditors: amounts falling due within one year	20	**(1,050,138)**		(1,085,102)	
Net current assets			**771,297**		65,118
Total assets less current liabilities			**26,700,320**		26,222,882
Creditors: amounts falling due after more than one year	21		**(1,750,637)**		(1,781,833)
Total net assets			**24,949,683**		24,441,049
Charity funds					
Restricted funds	22		**21,438,940**		21,840,987
Unrestricted funds	22		**3,510,743**		2,600,062
Total funds			**24,949,683**		24,441,049

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL

Date: 6 December 2022

The notes on pages 19 to 46 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	15		**19,261,788**		19,539,861
Investments	17		**1,866,002**		1,753,146
Investment property	16		**2,813,362**		2,813,362
			23,941,152		24,106,369
Current assets					
Debtors	19	**857,201**		366,025	
Cash at bank and in hand		**395,558**		182,902	
		1,252,759		548,927	
Creditors: amounts falling due within one year	20	**(540,664)**		(537,623)	
Net current assets			**712,095**		11,304
Total assets less current liabilities			**24,653,247**		24,117,673
Creditors: amounts falling due after more than one year	21		**(1,750,637)**		(1,781,833)
Net assets excluding pension asset			**22,902,610**		22,335,840
Total net assets			**22,902,610**		22,335,840
Charity funds					
Restricted funds	22		**21,358,685**		22,510,818
Unrestricted funds	22		**1,543,925**		(174,978)
Total funds			**22,902,610**		22,335,840

The Charity's net movement in funds for the year was £562,294 (2021 - £(66,971)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL

Date: 6 December 2022

The notes on pages 19 to 46 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash provided by/(used in) operating activities	**729,367**	(630,327)
Cash flows from investing activities		
Dividends, interests and rents from investments	**71,339**	112,658
Purchase of tangible fixed assets	**(61,559)**	(69,999)
Purchase of investments	**-**	(1,028,675)
Net cash provided by/(used in) investing activities	**9,780**	**(986,016)**
Cash flows from financing activities		
Repayments of borrowing	**-**	(27,240)
Grants received	**-**	1,084,250
Net cash provided by financing activities	**-**	**1,057,010**
Change in cash and cash equivalents in the year	**739,147**	**(559,333)**
Cash and cash equivalents at the beginning of the year	**719,849**	1,279,182
Cash and cash equivalents at the end of the year	**1,458,996**	719,849

The notes on pages 19 to 46 form part of these financial statements

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	**(79,695)**	(634,832)
Cash flows from investing activities		
Dividends, interests and rents from investments	**71,339**	112,658
Purchase of tangible fixed assets	**(61,559)**	(69,999)
Purchase of investments	**-**	(1,052,429)
Losses on investments	**(112,856)**	175,429
Net cash used in investing activities	**(103,076)**	**(834,341)**
Cash flows from financing activities		
Repayments of borrowing	**-**	(28,552)
Grants received	**395,427**	906,326
Net cash provided by financing activities	**395,427**	**877,774**
Change in cash and cash equivalents in the year	**212,656**	**(591,399)**
Cash and cash equivalents at the beginning of the year	**182,902**	774,301
Cash and cash equivalents at the end of the year	**395,558**	182,902

The notes on pages 19 to 46 form part of these financial statements

1. GENERAL INFORMATION

The Charity is a company limited by guarantee (Company no: 03446298). The registered office Discovery Quay, Falmouth, Cornwall, TR11 3QY. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

National Maritime Museum Cornwall Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements use British Pounds Sterling as the presentation currency and are rounded to the nearest £1 throughout.

2.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of National Maritime Museum Cornwall Trust and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

2.3 GOING CONCERN

The trustees anticipate that the charity will continue to operate within its available resources, and be able to tolerate a reasonable level of unforeseen circumstance for a period of at least 12 months from the date of these financial statements. The financial statements have therefore been prepared on a going concern basis.

2. ACCOUNTING POLICIES (continued)

2.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset’s use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out by the Trust. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

2. ACCOUNTING POLICIES (continued)

2.5 EXPENDITURE (CONTINUED)

Charitable activities and governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.7 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 TAXATION

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.9 TANGIBLE FIXED ASSETS AND DEPRECIATION

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 1% and 2% straight line
Fixtures and fittings	- rates between 10% and 25% straight line
Museum model exhibits	- rates between 10% and 25% straight line

2. ACCOUNTING POLICIES (continued)

2.10 HERITAGE ASSETS

It is the policy of the Board not to capitalise heritage assets in the Museum collection. The Museum's collection consists of a range of objects, boats, art, books and archives.

These items are held in support of the Museum's primary objective of increasing knowledge, understanding and appreciation of the maritime heritage.

The Board considers that financial valuations of heritage assets would be misleading to the value and significance of the material culture involved. In many cases reliable cost information is not available or there are significant costs involved in obtaining a valuation that would outweigh any benefits. Other than a few items that have been purchased, the Museum does not recognise these assets on its balance sheet.

However, it is very important for a Museum to account to the public for the management and care for the collections entrusted to it. High standards of Collections Management are applied to the collections held by the Museum in order to preserve and manage collections on behalf of, and to make it available to, the public. An Accession Register and records are kept on collections, its provenance, and its donors. These are made available for all enquiries and requests, subject to appropriate security and data protection guidelines.

Conservation expenditure incurred on heritage assets is recognised in the Statement of financial activities as incurred.

2.11 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at cost less provision for impairment.

2.12 INVESTMENT PROPERTY

Investment properties are carried at fair value determined annually by the Trustees and derived from the current market rents and investment property yields for comparable real estates, adjusted if necessary for the difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.13 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.14 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. ACCOUNTING POLICIES (continued)

2.15 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.16 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.17 FINANCIAL INSTRUMENTS

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

The Group's financial assets and liabilities consists of cash and cash equivalents, short term investments, trade and other debtors, trade and other creditors, and accrued expenses. The fair value of these items approximates to their carrying value due to their short term value. Unless otherwise stated, the Group is not exposed to significant interest, foreign or credit risks arising from these instruments.

2.18 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.19 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.20 FUND ACCOUNTING

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

The liability and contingent liability disclosed in respect of the sea wall include an element of estimation uncertainty due to their nature.

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
DONATIONS			
Donations and sponsorship	120,000	26,394	**146,394**
Members subscriptions	-	3,565	**3,565**
Founder memberships	-	4,790	**4,790**
TOTAL 2022	120,000	34,749	**154,749**

	Unrestricted funds 2021 £	Total funds 2021 £
DONATIONS		
Donations and sponsorship	13,686	13,686
Members subscriptions	1,962	1,962
Founder memberships	-	-
TOTAL 2021	15,648	15,648

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Charity incoming resources	135,451	1,190,362	**1,325,813**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Charity incoming resources	806,010	440,443	1,246,453

6. GRANTS RECEIVED

	2022 £	2021 £
ACE Funding	**65,375**	-
Coastal Communities (DCLG)	**-**	32,240
Arts Council - Monsters of the Deep	**-**	4,995
Exhibition Funding	**-**	30,000
Arts Council - Tattoo Commission	**13,050**	-
Garfield Weston Foundation	**-**	117,650
Covid Support Grants	**28,476**	173,335
HLF Covid Emergency Funding	**-**	250,000
Arts Council - Culture Recovery Fund	**270,000**	436,500
Other Grants	**18,526**	12,816
	395,427	1,057,536

7. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2022 £	**Total funds 2022 £**
Trading income	1,192,409	**1,192,409**

	Unrestricted funds 2021 £	Total funds 2021 £
Trading income	499,419	499,419

8. INVESTMENT INCOME

	Unrestricted funds 2022 £	**Total funds 2022 £**
Investment income	71,339	**71,339**

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	31,553	31,553

9. OTHER INCOMING RESOURCES

	Unrestricted funds 2022 £	Total funds 2022 £
CJRS Income	4,476	**4,476**

	Unrestricted funds 2021 £	Total funds 2021 £
CJRS Income	212,865	212,865

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	1,798,194	223,895	**2,022,089**

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	1,673,974	155,332	1,829,306

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Museum 2022 £	**Total funds 2022 £**
Curatorial	161,332	**161,332**
Auditors remuneration	24,239	**24,239**
Accountancy fees	38,324	**38,324**
TOTAL 2022	223,895	**223,895**

	Museum 2021 £	Total funds 2021 £
Curatorial	95,680	95,680
Auditors remuneration	17,845	17,845
Accountancy fees	41,807	41,807
TOTAL 2021	155,332	155,332

11. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**19,375**	17,845
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	**4,864**	-

12. STAFF COSTS

	Group 2022 £	Group 2021 £	**Charity 2022 £**	Charity 2021 £
Wages and salaries	**635,801**	595,735	**545,754**	502,474
Social security costs	**47,574**	40,605	**44,123**	40,605
Contribution to defined contribution pension schemes	**30,536**	26,391	**26,512**	26,391
	713,911	662,731	**616,389**	569,470

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	Group 2021 No.	**Charity 2022 No.**	Charity 2021 No.
Management and administration	**37**	52	**21**	32

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £70,001 - £80,000	**1**	1

All Trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is £75,785 for 1 personnel member (2021: £72,828 for 1 personnel member).

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £Nil).

During the year ended 31 March 2022, expenses totaling £NIL were reimbursed or paid directly to 1 Trustee (2021 - £NIL).

14. CORPORATION TAXATION

The Charity is exempt from tax on income and gains falling within section 478, 486 and 488 CTA 2010 and s256 TCGA 1992 to the extent that these are applied to its charitable objects. There was no UK Corporation Tax payable by National Maritime Museum Cornwall Trust in 2022.

15. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Long-term leasehold property £	Fixtures, fittings and equipment £	Museum model exhibitions £	Total £
COST OR VALUATION					
At 1 April 2021	**23,466,015**	**3,176,193**	**1,106,893**	**1,769,926**	**29,519,027**
Additions	**-**	**-**	**61,559**	**-**	**61,559**
At 31 March 2022	**23,466,015**	**3,176,193**	**1,168,452**	**1,769,926**	**29,580,586**
DEPRECIATION					
At 1 April 2021	**4,274,365**	**1,132,798**	**911,383**	**1,607,225**	**7,925,771**
Charge for the year	**234,510**	**63,524**	**37,312**	**67,810**	**403,156**
At 31 March 2022	**4,508,875**	**1,196,322**	**948,695**	**1,675,035**	**8,328,927**
NET BOOK VALUE					
At 31 March 2022	**18,957,140**	**1,979,871**	**219,757**	**94,891**	**21,251,659**
At 31 March 2021	19,191,650	2,043,395	195,510	162,701	21,593,256

Included in freehold property is freehold land at cost of £5,000 (2021: £5,000), which is not depreciated.

A debenture has been given to the Heritage Lottery Fund to secure the repayment of grants if they should become repayable.

BEIS (formerly: South West of England Regional Development Agency) have a fixed charge over an element of the leasehold land and property.

HSBC UK Bank plc hold a fixed charge over some of the land included within freehold property.

15. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Freehold property £	Fixtures, fittings and equipment £	Museum model exhibits £	Total £
COST OR VALUATION				
At 1 April 2021	**23,456,015**	**1,023,938**	**1,769,926**	**26,249,879**
Additions	**-**	**61,559**	**-**	**61,559**
At 31 March 2022	**23,456,015**	**1,085,497**	**1,769,926**	**26,311,438**
DEPRECIATION				
At 1 April 2021	**4,274,365**	**828,428**	**1,607,225**	**6,710,018**
Charge for the year	**234,510**	**37,312**	**67,810**	**339,632**
At 31 March 2022	**4,508,875**	**865,740**	**1,675,035**	**7,049,650**
NET BOOK VALUE				
At 31 March 2022	**18,947,140**	**219,757**	**94,891**	**19,261,788**
At 31 March 2021	19,181,650	195,510	162,701	19,539,861

16. INVESTMENT PROPERTY

GROUP

	Freehold investment property £
VALUATION	
At 1 April 2021	**2,813,362**
At 31 March 2022	**2,813,362**

CHARITY

	Freehold investment property £
VALUATION	
At 1 April 2021	**2,813,362**
At 31 March 2022	**2,813,362**

The 2022 valuations were made by the trustees, on an open market value for existing use basis.

17. FIXED ASSET INVESTMENTS

GROUP	Listed investments £
COST OR VALUATION	
At 1 April 2021	**1,751,146**
Revaluations	**112,856**
AT 31 MARCH 2022	**1,864,002**
NET BOOK VALUE	
AT 31 MARCH 2022	**1,864,002**
AT 31 MARCH 2021	1,751,146

CHARITY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2021	**2,000**	**1,751,146**	**1,753,146**
Revaluations	**-**	**112,856**	**112,856**
AT 31 MARCH 2022	**2,000**	**1,864,002**	**1,866,002**
NET BOOK VALUE			
AT 31 MARCH 2022	**2,000**	**1,864,002**	**1,866,002**
AT 31 MARCH 2021	2,000	1,751,146	1,753,146

17. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Discovery Quay Enterprises (Trading) Limited	03714613	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Running commercial trading operations at the Museum	Ordinary	100%	Yes
Discovery Quay Enterprises Limited	04519567	Discovery Quay, Falmouth, Cornwall, TR11 3QY	To provide boat storage and other facilities for the Museum	Ordinary	100%	Yes
Discovery Quay Square Limited	05856283	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Ownership and operation of a public amenity open square for events adjoining the Museum	Limited by guarantee	-%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Discovery Quay Enterprises (Trading) Limited	**1,000,412**	**(445,702)**	**554,710**	**12,775**
Discovery Quay Enterprises Limited	**130,210**	**(100,308)**	**29,902**	**232,783**
Discovery Quay Square Limited	**22,646**	**(23,493)**	**(847)**	**5,883**

18. STOCKS

	Group 2022 £	Group 2021 £
Goods for resale	**62,868**	56,428

19. DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
DUE WITHIN ONE YEAR				
Trade debtors	**95,654**	196,984	**51,377**	31,645
Amounts owed by group undertakings	**-**	-	**635,282**	196,216
Other debtors	**14,216**	12,869	**10,400**	11,552
Prepayments and accrued income	**189,701**	164,090	**160,142**	126,612
	299,571	373,943	**857,201**	366,025

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	**65,209**	65,209	**65,209**	65,209
Payments received on account	**-**	3,522	**-**	-
Trade creditors	**155,743**	132,686	**116,122**	100,797
Other taxation and social security	**28,750**	33,279	**12,225**	10,264
Other creditors	**595,253**	640,298	**234,089**	291,577
Accruals and deferred income	**205,183**	210,108	**113,019**	69,776
	1,050,138	1,085,102	**540,664**	537,623

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2022 £	Group 2021 £	**Charity 2022 £**	Charity 2021 £
Bank loans	**950,637**	981,833	**950,637**	981,833
Other creditors	**800,000**	800,000	**800,000**	800,000
	1,750,637	1,781,833	**1,750,637**	1,781,833

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2022 £	Group 2021 £	**Charity 2022 £**	Charity 2021 £
Repayable by installments	**689,801**	720,997	**689,801**	720,997
Payable or repayable other than by installments	**800,000**	800,000	**800,000**	800,000
	1,489,801	1,520,997	**1,489,801**	1,520,997

Included within the above bank loans balance, is one loan repayable over 25 years. For the initial 10 year period interest will be charged on the outstanding balance at a rate of 3.46%. The applicable interest rate after this initial fixed period will be 2.07% per annum above base rate, subject to a review.

The bank loan is secured against the freehold land for which the loan was used to purchase.

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS						
Net Book Value of unrestricted funded assets	**147,268**	**-**	**(23,032)**	**-**	**-**	**124,236**
Net Book Value of Car Park	**1,613,362**	**-**	**-**	**-**	**-**	**1,613,362**
General Funds	**576,674**	**1,083,711**	**(836,149)**	**584,612**	**112,856**	**1,521,704**
Trading Subsidiaries' reserves	**262,758**	**1,154,124**	**(580,829)**	**(584,612)**	**-**	**251,441**
Other Unrestricted Grants	**-**	**255,500**	**(255,500)**	**-**	**-**	**-**
	2,600,062	**2,493,335**	**(1,695,510)**	**-**	**112,856**	**3,510,743**

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
RESTRICTED FUNDS						
Project Development Fund	**1,853,957**	**-**	**(56,674)**	**-**	**-**	**1,797,283**
Museum Development Fund - Fixed assets	**19,082,762**	**120,000**	**(316,599)**	**-**	**-**	**18,886,163**
Museum Development Fund - revenue expenditure	**713,353**	**-**	**-**	**-**	**-**	**713,353**
Garfield Weston Foundation	**40,000**	**-**	**(31,124)**	**-**	**-**	**8,876**
Sir Thomas Oats Fund	**3,265**	**-**	**-**	**-**	**-**	**3,265**
Arts Council CRF	**-**	**48,500**	**(48,500)**	**-**	**-**	**-**
Garfield Weston - Digitisation Education Programme	**117,650**	**-**	**(117,650)**	**-**	**-**	**-**
Exhibition Funding	**30,000**	**-**	**-**	**-**	**-**	**30,000**
ACE Funding	**-**	**65,375**	**(65,375)**	**-**	**-**	**-**
Other Restricted Grants	**-**	**17,100**	**(17,100)**	**-**	**-**	**-**
CJRS	**-**	**4,476**	**(4,476)**	**-**	**-**	**-**
	21,840,987	**255,451**	**(657,498)**	**-**	**-**	**21,438,940**
TOTAL OF FUNDS	**24,441,049**	**2,748,786**	**(2,353,008)**	**-**	**112,856**	**24,949,683**

22. STATEMENT OF FUNDS (CONTINUED)

Unrestricted funds
Included in the unrestricted funds are two separate funds to recognise the net book value of fixed assets held by the charity funded by unrestricted funds or from funds whose restriction end upon the acquisition of the asset, and that consequently cannot be easily converted into cash.

Also included in unrestricted funds is the Charity's trading subsidiaries' reserves.

Restricted funds
The Project development fund represents grants received in relation to the Charity's trading subsidiaries and have been included in those companies' accounts as deferred income. This has been treated as restricted fund grants received for consolidation purposes.

The Museum development fund represents grants received from various sources, including grants received in connection with the construction of the museum and is released to the Statement of Financial Activities on an annual basis in line with depreciation; as well as grants received in the year as detailed in note 6.

Sir Thomas Oates fund represents legacy funding received to fund the purchase of local items for the Cornish Galleries.

Garfield Weston Foundation fund represents funding of the Digitisation Education Programme.

The Arts Council England Culture Recovery Fund (CRF) represents grants offered as a financial support measure to cultural organisations during the Covid-19 pandemic.

The Exhibition Funding relates to income received to assist in the delivery of the museum exhibitions.

The total of restricted funds balance of £21,470,064 as at the year end reflects the high capital cost of constructing and fitting out of the museum building, as noted above under the headings of the Project development fund and the Museum development fund.

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS							
Net Book Value of unrestricted funded assets	138,100	29,961	(20,793)	-	-	-	147,268
Net Book Value of Car Park	1,613,362	-	-	-	-	-	1,613,362
General Funds	58,268	462,402	(199,425)	80,000	-	175,429	576,674
Trading Subsidiaries' reserves	269,522	521,414	(528,178)	-	-	-	262,758
Other unrestricted grants	-	186,151	(186,151)	-	-	-	-
	2,079,252	1,199,928	(934,547)	80,000	-	175,429	2,600,062

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
RESTRICTED FUNDS							
Project Development Fund	1,910,631	-	(56,674)	-	-	-	1,853,957
Museum Development Fund - Fixed assets	19,665,884	-	(313,329)	-	40,038	(309,831)	19,082,762
Museum Development Fund - revenue expenditure	713,353	-	-	-	-	-	713,353
Tanner Trust	4,000	-	(4,000)	-	-	-	-
Garfield Weston Foundation	40,000	-	-	-	-	-	40,000
Sir Thomas Oats Fund	3,265	-	-	-	-	-	3,265
DCLG re Boat Trips	-	32,240	(14,990)	-	(17,250)	-	-
Arts Council - Monsters of the Deep	-	4,995	(4,995)	-	-	-	-
HLF Covid Emergency Funding	-	250,000	(250,000)	-	-	-	-
Arts Council CRF	-	371,125	(348,337)	-	(22,788)	-	-
Garfield Weston - Digitisation Education Programme	-	117,650	-	-	-	-	117,650
Exhibition Funding	-	30,000	-	-	-	-	30,000
	22,337,133	806,010	(992,325)	-	-	(309,831)	21,840,987
TOTAL OF FUNDS	24,416,385	2,005,938	(1,926,872)	80,000	-	(134,402)	24,441,049

23. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	**2,600,062**	**2,493,335**	**(1,695,510)**	**-**	**112,856**	**3,510,743**
Restricted funds	**21,840,987**	**255,451**	**(657,498)**	**-**	**-**	**21,438,940**
	24,441,049	**2,748,786**	**(2,353,008)**	**-**	**112,856**	**24,949,683**

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	2,079,252	1,199,928	(934,547)	80,000	-	175,429	2,600,062
Restricted funds	22,337,133	806,010	(992,325)	-	-	(309,831)	21,840,987
	24,416,385	2,005,938	(1,926,872)	80,000	-	(134,402)	24,441,049

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	20,563,446	688,213	**21,251,659**
Fixed asset investments	-	1,864,002	**1,864,002**
Investment property	1,509,831	1,303,531	**2,813,362**
Current assets	165,663	1,655,772	**1,821,435**
Creditors due within one year	-	(1,050,138)	**(1,050,138)**
Creditors due in more than one year	(800,000)	(950,637)	**(1,750,637)**
TOTAL	21,438,940	3,510,743	**24,949,683**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	20,936,719	656,537	21,593,256
Fixed asset investments	-	1,751,146	1,751,146
Investment property	1,509,831	1,303,531	2,813,362
Current assets	194,437	955,783	1,150,220
Creditors due within one year	-	(1,085,102)	(1,085,102)
Creditors due in more than one year	(800,000)	(981,833)	(1,781,833)
TOTAL	21,840,987	2,600,062	24,441,049

25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2022 £	Group 2021 £	**Charity 2022 £**	Charity 2021 £
Net income for the year (as per Statement of Financial Activities)	**508,634**	24,664	**562,294**	(66,971)
ADJUSTMENTS FOR:				
Depreciation charges	**403,156**	397,646	**339,632**	334,122
(Gains)/Losses on investments	**(112,856)**	134,402	**-**	134,402
Dividends, interests and rents from investments	**(71,339)**	(112,658)	**(71,339)**	(112,658)
Decrease/(increase) in stocks	**(6,440)**	14,365	**-**	-
Decrease/(increase) in debtors	**74,372**	(86,853)	**(491,176)**	12,358
Increase/ (decrease) in creditors	**(66,160)**	16,982	**(28,155)**	(95,134)
Grants received	**-**	(1,018,875)	**(390,951)**	(840,951)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	**729,367**	(630,327)	**(79,695)**	(634,832)

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £	**Charity 2022 £**	Charity 2021 £
Cash in hand	**1,458,996**	719,849	**395,558**	182,902
TOTAL CASH AND CASH EQUIVALENTS	**1,458,996**	719,849	**395,558**	182,902

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £	**Cash flows £**	**At 31 March 2022 £**
Cash at bank and in hand	**719,849**	**739,147**	**1,458,996**
Debt due within 1 year	**(65,209)**	**-**	**(65,209)**
Debt due after 1 year	**(981,833)**	**31,196**	**(950,637)**
	(327,193)	**770,343**	**443,150**

28. CONTINGENT LIABILITIES

Discovery Quay Square Limited, a trading subsidiary of the Charity, is legally responsible for the ongoing maintenance of the sea wall at Discovery Quay. A survey undertaken in 2016 provided a draft estimate for remedial works required in the short- to medium-term future. An accurate estimate of the cost of meeting this obligation cannot be ascertained at present, and further surveys will be required in order to obtain a more accurate estimate.

A fund has been created to cover these costs. At the year end, a total of £358,950 (2021: £329,629) had been accrued through a Deed of Covenant from entities and residents in the area who benefit from the sea wall. This amount is included within other creditors.

During Spring 2022, a coating product was trialled on one section of the sea wall. If shown to be successful, this will allow a rolling programme of works to be implemented that may significantly reduce the cost of remedial works required and may make the annual contributions to the fund a viable solution for funding the ongoing maintenance of the sea wall.

A claim for unspecified damages was lodged post year end against a subsidiary in respect of damages caused as a result of a fire that took place post year end in a headleased property and associated issues. The subsidiary has disclaimed liability and is defending the action. Legal advice obtained indicates that any liability is uncertain at this time and, as a result, cannot be quantified.

29. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £26,512 (2021 - £26,391). Contributions totaling £3,078 (2021: £3,087) were payable to the fund at the balance sheet date and are included in creditors.

30. RELATED PARTY TRANSACTIONS

The consolidated financial statements of National Maritime Museum Cornwall Trust have taken advantage of the exemption in Financial Reporting Standard 102 Section 33.1A in not disclosing intra group transactions with 100% owned subsidiaries.

There are no further related party transactions or balances to disclose.

31. CONTROLLING PARTY

The Charity is controlled by the Board of Trustees.

NATIONAL MARITIME MUSEUM CORNWALL TRUST

England & Wales - Charity number 1067884

Accounts

Registered number: 03446298
Charity number: 1067884

NATIONAL MARITIME MUSEUM CORNWALL TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Bishop Fleming

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	The Hon. E A H Boscawen DL Mr J D W Cunliffe (resigned 5 March 2021) Mr P W Davies MBE DL Mr R M Holmes Mr S Hunt Mrs T R Mann (resigned 5 March 2021) Mr A J Pawlyn Ms S V Pugh Mr P Searle (resigned 31 March 2021) Mr S P Sherrard DL Mrs H Stembridge Mr B Steward Mr S Tregoning Mr D Williams (appointed 24 September 2020) Mr M Griffiths (appointed 24 September 2020) Ms C Green (appointed 5 March 2021)
Company registered number	03446298
Charity registered number	1067884
Registered office	Discovery Quay Falmouth Cornwall TR11 3QY
Company secretary	Mr R M Doughty
Director of the museum	Mr R M Doughty
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Chy Nyverow Newham Road Truro Cornwall TR1 2DP
Bankers	National Westminster plc 29/30 Market Street Falmouth Cornwall TR11 3AT
Solicitors	Wolferstans Solicitors Deptford Chambers 60-66 North Hill Plymouth Devon PL4 8EP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the National Maritime Museum Cornwall Trust for the year 1 April 2020 to 31 March 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Policies and objectives

To promote the education of the public in maritime history and current maritime developments for the benefit of the inhabitants of Cornwall and elsewhere and in particular (but without prejudice to the generality of the foregoing) the charity shall seek to:

- establish, operate and preserve a Museum in Falmouth ("the Museum") to display the national boat collection of the National Maritime Museum and the Cornish collection effectively in a waterside site;
- acquire, lease or borrow exhibits, static or floating, for the Museum and carry out restoration and research in relation to the same for the purpose of displaying them;
- improve the national boat collection to provide a systematic representation of the boat tradition of the United Kingdom
- carry out works for the establishment, improvement and development of the Museum
- extend the Museum's reputation as a national centre for boat expertise
- support research into maritime matters especially in relation to their history, interpret Cornwall's maritime role in a national context and provide a focal point for Cornish maritime research; and
- provide educational and lecturing facilities and tours at the Museum.

Strategies for achieving objectives

Key strategic projects included meeting the needs and motivations of visitors through:

- the development and implementation of an active exhibition and activities programme drawing on the Museum's collections, expertise and research; and
- fostering collaborative working and encourage volunteering.

Principal activities of the year

The principal activities of the charity in the year under review were those of the running of the National Maritime Museum Cornwall in Falmouth, together with trading operations carried on by its subsidiary companies, Discovery Quay Enterprises Limited (DQE), Discovery Quay Enterprises (Trading) Limited (DQET) and Discovery Quay Square Limited (DQS). These trading operations with the exception of DQS are to assist in fund raising and income generation through retail, catering and other services for the National Maritime Museum Cornwall Trust.

During the year DQE provided management services at the Museum's satellite site at Ponsharden, DQET provided management, trading and fund raising services at the main site and DQS owned and operated a public amenity open square for events adjoining the Museum. During the year the companies (excluding DQS) made gift aid payments of £142,577. Further details regarding these subsidiaries can be found in the notes to the Financial Statements.

The main visible public benefit of the charity's work is the opening of the Museum to the public for 362 days a year, providing an informative and educational experience for the general public, formal and informal learning groups and our diverse communities of interest. Through this work, the charity seeks to widen knowledge and appreciation of the maritime heritage in line with its stated aims.

Staff and volunteers

The Museum is run by a team of staff and volunteers led by a Director. The staff are responsible for planning and all business aspects of the charity. The volunteers provide essential support in seven key areas: front of house, galleries, education, boat management, collections, library and office.

The number of volunteers at the Museum has remained static at around 180 for several years but Coronavirus has had an effect with many of our volunteers understandably deciding to stay away from the Museum until the risk of covid transmission has diminished. At the time of writing it remains difficult to assess the full impact of the pandemic on our volunteer workforce but our HR Manager estimates about 14% of volunteers may not return. However, we remain indebted to all our volunteers who have been helping us to build on our success as the most visited museum in Cornwall. Quite simply we would struggle to operate without their magnificent contribution.

We are most grateful to our volunteers and staff for all their enthusiasm and hard work.

ACHIEVEMENTS AND PERFORMANCE

Fundraising activities

The pandemic brought unprecedented challenges and uncertainty, impacting the Museum in profound and previously unimaginable ways. By mid-May, after furloughing the majority of staff, to take advantage of the Coronavirus Job Retention Scheme, claiming business rate relief (our rates bill amounting to £67,072 was cancelled for 2020/21) and paring back all other costs to a minimum, we were still forecasting heavy losses. However, we were extremely fortunate to secure significant funding through the UK Government's Culture Recovery Fund (CRF) programme which supported cultural organisations in England at risk of becoming financially unviable as a result of national lockdown restrictions.

In 2020/21 we had £51,000 left to claim in the final year of our three-year funded Coastal Community Fund (CCF) project. The balance of this grant was designated to subsidise the cost of operating heritage boat tours. Unfortunately owing to social distancing the tours had to be cancelled. Consequently as we were going into lockdown in March 2020, we requested that the remainder of the grant be rolled over into 2021/22. Unfortunately, we were advised this would not be possible but we were able to broaden the scope of our eligible expenditure so we could use the majority of the available funding to support an infrastructure project that would support our heritage boat tours over the longer term.

In April the government announced that emergency funding to support the cultural sector would be distributed via two agencies, the National Lottery Heritage Fund [NLHF] and Arts Council England [ACE]. The NLHF's grant scheme, capped at £50,000, was geared towards supporting digital engagement and staff training, whilst the guidance for the ACE Emergency Response Fund, which had a lower cap of £35,000, indicated grants would be made available to help organisations outside the National Portfolio cover core staff salaries and meet other running costs during the period of museum closure. The Museum submitted an application to ACE for the maximum grant available and received notification in May that its bid had been successful. However, within 24 hours the National Lottery Heritage Fund announced it was introducing an additional, higher band, for organisations which had previously received significant lottery funding and could demonstrate the vital contribution they make to their local communities. This new scheme increased the grant limit to £250,000. However, the guidance stipulated institutions already in receipt of emergency funding were ineligible to apply. Fortunately, following a period of intense lobbying, we were advised we could make an application to NLHF on condition we declined the £35,000 grant which had been offered by ACE.

Following our formal withdrawal from the ACE Emergency Response Fund scheme and having submitted an application to NLHF, we were extremely grateful when we received notification in early June that the Museum had been awarded the maximum grant of £250,000 from the Heritage Emergency Fund. This sum was paid in full to help the museum meet its immediate costs over a four month period and to assist our longer-term recovery. These funds proved to be a real game-changer for our institution. They not only helped us to cover

our overhead costs and make the museum covid-safe, they gave us the confidence to reopen to the public when restrictions were eased.

In addition to this government funding the Museum also applied to a number of Trusts and Foundations for assistance. In May 2020 we were privileged to be awarded £10,000 from the Headley Trust and the following month received £2,800 from the Lois Cumbers Foundation.

In July, the Chancellor Rishi Sunak announced details of the first round of the Culture Recovery Fund, which was designed to give organisations the best chance to be in a position to continue to operate once the Covid19 emergency eased. Once again NLHF and ACE were identified as the distributors of the fund but, as an accredited Museum not in receipt of regular funding, we were only eligible to apply to ACE's Culture Recovery Fund. We submitted an application in mid-August, detailing the impact of Covid on the Museum, explaining how we would use a grant, describing the nature of our work, outlining the steps being taken to improve diversity and devolve cultural decision-making and setting out a breakdown of our operational costs over a six month period.

Also in July we received the first instalment of £10,000 from the HMAV Bounty Museum, Queensland, Australia, towards their purchase of the replica of the Bounty launch, built in our Museum workshop during 2017/18 for the temporary exhibition, 'Captain Bligh: Myth, Man, Mutiny'. The price agreed for the boat was £30,000 excluding all costs associated with transporting the boat to Norfolk Island, Australia.

In October we were advised our application to ACE had been successful and the Museum had been allocated £485,000. We would like to record our grateful thanks to ACE for recognising the quality of the artistically ambitious programming our Museum is delivering in the South West. This funding was specifically aimed at supporting the operation of the Museum through the winter months, enabling us to make investments which helped us to operate more effectively during the crisis. For example, we were able to purchase laptops to support home working, install remote environmental monitoring systems and make improvements to our security systems. We were advised the grant would be paid in three staged payments, with 10% retained until a final report had been submitted to account for how the grant had been spent. We received the first payment of £242,500 (50%) in late November and the second payment of £194,000 (40%) in December.

During October we also submitted a bid to the Weston Culture Fund to support our learning offer, including refurbishing the lecture theatre projection system to enable the Museum to host webinars and virtual lectures and fit-out a new digital learning space to facilitate live streaming to schools. The Weston family set aside £25 million to support the cultural sector following the impact of Covid-19. However, the fund was heavily over-subscribed, with over 350 applications with requests totalling almost £130 million. We were therefore very fortunate to receive notification in late February that we had been awarded a grant of £117,650.

In December 2020 it was announced that there would be a second round of the CRF to support cultural organisations transitioning back to a viable and sustainable operating model during April-June 2021. In this month we also received a second instalment of £5,000 from Australia as part of the staged-payments for the Bounty launch.

The third lockdown came into force in late December 2020 and the following month the Museum submitted its second round CRF application to ACE in the amount of £242,500 (capped at 50% of our round one award) to cover the first three months of the new financial year. In this application we were required to set out how we had managed the impact of Covid-19 to date; explain why we were unable to transition to viability and sustainability from 1 July 2021 without additional support; detail how we would use a grant to support our cultural operation between April-June 2021 in a way that represented value for money; explain the steps we would take to adapt our plans if restrictions do not ease during the period as set out in the assumptions; evidence a plan to ensure our viability and sustainability for the period 1 July 2021 - 31 March 2022. We were also required to describe our organisation's work and explain how it is considered to be culturally significant and describe how we will open up access by improving the diversity of our audiences, visitors, participants, workforce and governance.

In February we received £80,000 of Museum and Galleries Exhibition Tax Relief for our 'Monsters of the Deep' temporary exhibition.

In March, following the success of our bid to the Garfield Weston Foundation, ACE deducted £21,000 from our potential CRF round two award to avoid any possible duplication of funding since our application included an element that was to support the Museums' digital learning offer.

In March 2021, after protracted discussions with the CCF team we were eventually authorised to claim £32,240 towards abortive staff costs, the refurbishment of the Edwardian steam launch Emma and the enhancement of boat handling facilities at our Ponsharden workshop.

During Q3 and Q4 we also submitted bids for four separate local business support grants administered by Cornwall Council, receiving a total of £21,749.71.

Post year end fundraising activities - 2021/22

In early April 2021 we were notified our application for a round two ACE grant had been successful and we had been awarded £221,500 to help cover the Museum's overheads for three months, from April until June.

In May 2021 the Headley Trust awarded the Museum a further grant of £10,000 and we received a third instalment of £5,000 from the Bounty Museum for their purchase of the replica Bounty launch.

In June we received the first instalment of our Culture Recovery Fund round 2 grant of £155,050, being 70% of the total award.

Review of achievements and performance during the year

At the start of the financial year the Museum had already been closed for two weeks. From the outset of the new financial year the Museum undertook a rigorous process of financial risk assessment and modelling to help us plan for different eventualities arising from the lockdown. Consequently we took proactive steps to reduce expenditure, furloughing the majority of staff and where possible rescheduling and renegotiating contracts and activity commitments. Given the uncertainty over changing tier levels and periods of lockdown, we tried to remain as flexible as possible with our public programming, to save costs where possible whilst also continuing to deliver services to the public when possible. In late June we began a consultation process to reduce staff hours and implement a measured restructure across our operations and administrative teams, resulting in a 15% reduction of our workforce.

During the first lockdown our facilities team took advantage of the Museums' closure by catching up on a raft of outstanding maintenance tasks. Works included the installation of two replacement condensing boilers, new pipework, pumps, flue system and thermal insulation, the refurbishment of the hot water system serving public and staff toilets, the replacement of emergency lighting controls and battery packs throughout the Museum and a complete refit of the Waterfront boating pool and new operating controls.

A skeletal operations team was brought back in mid-July to implement new safety measures and to reconfigure the visitor experience, enabling us to reopen the Museum to the public on 27 July 2020.
It was considered imperative our new temporary exhibition, 'Monsters of the Deep – Science Fact and Fiction' [MOTD] be opened immediately after the first lockdown ended. We were determined to fulfil our strategic ambition to bring world class artefacts from national collections to Cornwall and to present them in a novel and widely-engaging manner, combining the latest academic research about underwater discovery with a theatrical approach to display. Visitor feedback for both this exhibition and the overall visitor experience was extremely encouraging. Media reviews were also very positive. Following on from articles in the FT Magazine and the Daily Telegraph, The Times (31st July 2020) gave MOTD a lengthy four-star accolade. 'This is a show to plumb the imagination. For the adults it might be as philosophical as it is fun for the kids.' [The Times]

In July 2020 we responded to an enquiry to hire the Museum and car park in the early summer of 2021. Following protracted negotiations and site visits, the Museum eventually secured the contract to act as the International Media Centre for the G7 summit in June 2021.

In September Her Royal Highness The Princess Royal visited the Museum to celebrate the most ambitious exhibition in the Museum's history, Monsters of the Deep: Science Fact and Fiction.
The visit didn't have the usual fanfare due to the pandemic. However, we were still deeply honoured to provide HRH with a guided tour of the exhibition. During her visit HRH met the team responsible for the restoration of Emma, a 1912 steam launch. This vessel will form part of the Museum's wet boat collection and will undergo sea trials in 2021 so that it can be used for boat trips and charter.

As a result of the COVID-19 secure measures our trading was far weaker than a normal summer season and in late September we were forced to close our doors again. As this second lockdown was imposed we were therefore faced with the prospect of heading into winter, when we always operate at a deficit, with significantly reduced reserves. However, in October 2020 we received the fantastic news that we had been successful in our application for funding from ACE's Culture Recovery Fund.

Our approach over the year was not based on any one thing that brought us through the pandemic crisis. It was characterised by flexibility, creativity and agility. For example, our achievements, of which we can be justly proud, not only included the unveiling of 'Monsters of the Deep' - the most ambitious temporary exhibition we have ever mounted, but was characterised by our re-imagining the content of our cross-arts and science programming. As such we were able to deliver some amazing digital alternatives; complete our national touring programme for 'Tattoo'; take over the Ponsharden park-and-ride operation; upgrade our boat storage facility at Ponsharden, negotiate the sale of the Bounty replica launch, built in the museum workshop for our Bligh exhibition, to a museum in NSW, Australia for £30k and all whilst managing to protect our investments and remain solvent.

Throughout the year the Museum executive team was agile in looking for opportunities. As further lockdowns were imposed, planned supporting events had to be re-purposed to maintain our reputation as a popular, family-friendly, exciting and culturally surprising place. For example, an aerial dance company's 'swimming' performance programmed for school holidays was filmed and delivered via YouTube. 'Aliens of the Deep' live science demonstrations by Explorer Dome scheduled for February 2021 half-term (as part of our 'Science and the Sea' family programme) were repurposed as a digital trail and a free-to-view webinar, capitalising on public interest in NASA's Mars mission, attracting 792,800 views on Facebook and over 8,000 responses. The Zoom-based show enabled 565 families to put questions to two space scientists.

We also managed to complete our national touring programme for Tattoo, opening at three venues, each located in the top percentile of 'most deprived area in the UK'. All used the exhibition to create extraordinary projects relevant to their capacity, collections and community and in December 2020 'Tattoo on Tour' was shortlisted for the MA's 'Museums Change Lives' award and featured in the BBC's 'Culture in Quarantine' series, reaching a new, international audience.

FINANCIAL REVIEW

Financial performance and position

The results for the year and financial position of the Trust are presented in the annexed financial statements. The level of group reserves at 31 March 2021 was £24,441,049 (2020: £24,416,385). The movement on restricted funds is dominated by the depreciation charge on the museum's building and as such we consider the unrestricted funds position to give a better indicator of our underlying financial position.

In the year our funds increased by £24,664. This included an £80,000 Corporation Tax credit under the Museums and Galleries Exhibition Tax Relief scheme, relating to the expenditure in 2019/20 on Monsters of the Deep. Before this credit the financial statements showed a deficit of £55,336.

Prior to the outbreak of Covid-19 we had anticipated a significant surplus in the year as we sought to recoup the £500k investment made in Monsters of the Deep in the previous year. So, while this surplus was a fantastic result given the circumstances, it was still significantly less than needed to breakeven over our two year exhibition cycle.

Reserves and investment policy

It is the intention of the Trustees to ensure that there are sufficient free reserves to:

- allow for the seasonal nature of income and expenditure;
- allow for annual fluctuations in visitor numbers;
- support the investment in future programming; and
- provide financial flexibility and security to face unexpected events.

At 31 March 2021 the charity's consolidated unrestricted reserves stood at £2,600,062 (2020: £2,079,252), whilst free reserves (calculated as unrestricted funds held in the form of current assets less creditors due within one year) stood at minus £129,319 (2019: £583,532). Being a negative figure is not a comfortable position and highlights the cash flow pressures faced by the museum at the year end. This has subsequently eased following the £155,050 ACE CRF round two receipt in June 2021 followed by income generated by the summer trading season.

During the year the museum was able to return to the investment fund the amounts that had been fortuitously withdrawn just prior to the Outbreak of Covid-19. We benefitted from having a relatively low amount invested during the market downturn but being fully invested during the subsequent recovery and growth. Consequently, the year-end balance on listed investments stood at £1,751,146 (2020: £548,717), including a revaluation during the year of £173,754.

Post year end events

We had a strong, successful business before the pandemic but the last 12 months has forced us to re-think the ways we deliver our stories and services. Welcoming visitors through our doors will always be at the heart of what we do but we are working up two principal strategies to safeguard our future operations. The first is to increase our digital provision and capability, refocussing our business model to incorporate smarter and innovative ways of working. This will not only support our programmes but in the event of another lockdown will enable us to continue to deliver these programmes in an alternative form.

As we learn from the changes Covid-19 forced us to implement we have adopted an agile and blended approach to delivery, enriching our online presence and extending our reach to engage new and wider audiences who may be unable or reluctant to make a physical visit to the Museum. Examples of how we are adapting plans include: Yskynna, who were due to showcase aerial dance at Easter 2021. They have re-designed their production 'Into the Blue' for an extended 2021 summer season and we have removed the Victorian Thames steam launch 'Waterlily' from the main hall to maximise space for the audience. Similarly 'Cornish Voices', our programme of living history drama performances, have been filmed so that they can be delivered as part of our live-streaming to schools.

The Museums' investment in 'Monsters of the Deep' has underlined the need to reduce the financial exposure which a major exhibition entails. Our vision, to be a nationally significant museum in Cornwall, remains undiminished. However, we are keen to investigate the possibility of reducing the risk through collaboration. Therefore in July 2020 the Director approached a national institution and proposed a bold plan to co-produce our next major temporary exhibition on 'Pirates'. The potential benefits are clear – not just in practical terms (a more sustainable business model that reduces expenditure through sharing costs, expertise and collections) but also in terms of genuinely devolving and diversifying cultural production and decision-making from a 'national' to a truly joint enterprise with an independent 'regional' museum.

Plans for future periods

Despite being badly affected by the pandemic and lockdowns, when we have been able to open, visitors have really liked our public offer. However, while public confidence in visiting enclosed spaces is diminished, it is likely attendances will suffer, which will reduce our income and restrict our ability to invest in future plans. Consequently our key priority is to ensure the sustainability of the Museum through a programme of lively and appealing exhibitions, carefully targeted marketing and the maximisation of benefit from the trading activities and estate. Our approach will therefore continue to be based on making efforts to secure and strengthen existing income streams and by engendering a culture of experimentation to maximise new income generating opportunities.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is registered as a charity company limited by guarantee and was incorporated on 8 October 1997. It is governed by its memorandum and articles of association.

The charity and the group are constituted under a Memorandum of Association dated 8 October 1997 and as amended by Special Resolution dated 20 September 2018 and the Museum is a registered charity number 1067884.

Method of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

The members of the Board of Directors of the charitable company ("the charity") are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees. The Trustees are elected by the Board. A Trustee retiring by rotation is eligible for re-election. The Trustees during the year under review were those listed on page 1. New Trustees are given appropriate guidance about their obligations by the chairman and existing Trustees and by reference to the Charity Commission notes.

Organisational structure and decision making

The Board of Trustees, which must have a minimum of three members but has no maximum and normally meets four times a year. There are three sub-committees to the board:

Audit, Finance & Investments	Mr R Holmes (c), Mr P Davies MBE, Mr S Sherrard, Mrs E Winser
Nominations	Mr S Sherrard (c), Mrs H. Stembridge
Acquisitions	Dr H Doe (c), Mr A Pawlyn, Mr G English

Pay policy for senior staff

The Trustees are responsible for setting Museum policy and the Senior Management Team are responsible for implement policy and directing, controlling, and running the operation of the Museum. All Trustees give of

their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other comparable institutions of a similar size run on a voluntary basis. The remuneration bench-mark is the mid-point of the range paid for similar roles adjusted for a weighting of up to a reasonable percentage for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The process of review is ongoing and risk management is considered as part of the decision making process.

Information on fundraising practices

The Museum Director leads the Trust's fundraising efforts supported by other members of the staff team. Our fundraising activities are primarily directed towards trusts and foundations, not individuals. Where we do receive donations from individuals, it will typically be of their own initiative.

FUNDS HELD AS CUSTODIAN

There are no funds held by the Charity on behalf of another charity, other than the funds collected by its subsidiary company Discovery Quay Square (DQS), from its local residents towards the maintenance of the sea wall surrounding Discovery Quay Square. The funds are held by DQS in a separate deposit account.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 5/10/2021..... and signed on its behalf by:

Mr S P Sherrard DL
Chair of Trustees

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM CORNWALL TRUST

Opinion

We have audited the financial statements of National Maritime Museum Cornwall Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows, the Charity Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;
- We have obtained and reviewed the Charity's documentation of their policies and procedures relating to:
  - Identifying, evaluation 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;
  - The internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included maritime Law, Environmental Law and compliance with the Food Safety standards, the Landlord and Tennant Act and Trading Standards.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of income, specifically grants with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates

are indicative of potential bias and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

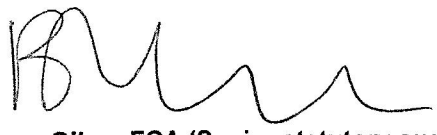
We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alison Oliver FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date: 8/10/2021

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	-	15,648	15,648	217,717
Charitable activities	4	806,010	440,443	1,246,453	1,109,954
Other trading activities	6	-	499,419	499,419	875,103
Investments	7	-	31,553	31,553	30,526
Other income	8	-	212,865	212,865	-
Total income		806,010	1,199,928	2,005,938	2,233,300
Expenditure on:					
Raising funds		-	98,566	98,566	224,718
Charitable activities		992,325	835,981	1,828,306	2,485,138
Total expenditure		992,325	934,547	1,926,872	2,709,856
Net (expenditure)/income before net (losses)/gains on investments		(186,315)	265,381	79,066	(476,556)
Net (losses)/gains on investments		(309,831)	175,429	(134,402)	(89,965)
Net (expenditure)/income before taxation		(496,146)	440,810	(55,336)	(566,521)
Taxation		-	80,000	80,000	-
Net movement in funds		(496,146)	520,810	24,664	(566,521)
Reconciliation of funds:					
Total funds brought forward		22,337,133	2,079,252	24,416,385	24,982,906
Net movement in funds		(496,146)	520,810	24,664	(566,521)
Total funds carried forward		21,840,987	2,600,062	24,441,049	24,416,385

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 47 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	14		**21,593,256**		21,920,903
Investments	16		**1,751,146**		548,717
Investment property	15		**2,813,362**		3,123,193
			26,157,764		25,592,813
Current assets					
Stocks	17	**56,428**		70,793	
Debtors	18	**373,943**		287,089	
Cash at bank and in hand		**719,849**		1,279,182	
		1,150,220		1,637,064	
Creditors: amounts falling due within one year	19	**(1,085,102)**		(1,002,745)	
Net current assets			**65,118**		634,319
Total assets less current liabilities			**26,222,882**		26,227,132
Creditors: amounts falling due after more than one year	20		**(1,781,833)**		(1,810,747)
Net assets excluding pension asset			**24,441,049**		24,416,385
Total net assets			**24,441,049**		24,416,385
Charity funds					
Restricted funds	22		**21,840,987**		22,337,133
Unrestricted funds	22		**2,600,062**		2,079,252
Total funds			**24,441,049**		24,416,385

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL

Date: 5/10/2021

The notes on pages 20 to 47 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	14		**19,539,861**		19,803,984
Investments	16		**1,753,146**		550,717
Investment property	15		**2,813,362**		3,123,193
			24,106,369		23,477,894
Current assets					
Debtors	18	**366,025**		378,383	
Cash at bank and in hand		**182,902**		774,301	
		548,927		1,152,684	
Creditors: amounts falling due within one year	19	**(537,623)**		(568,230)	
Net current assets			**11,304**		584,454
Total assets less current liabilities			**24,117,673**		24,062,348
Creditors: amounts falling due after more than one year	20		**(1,781,833)**		(1,810,747)
Net assets excluding pension asset			**22,335,840**		22,251,601
Total net assets			**22,335,840**		22,251,601
Charity funds					
Restricted funds	22		**22,510,818**		20,426,502
Unrestricted funds	22		**(174,978)**		1,825,099
Total funds			**22,335,840**		22,251,601

The Charity's net movement in funds for the year was £(66,971) (2020 - £(500,609)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr S P Sherrard DL

Date: 5/10/2021

The notes on pages 20 to 47 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	**(630,327)**	(213,364)
Cash flows from investing activities		
Dividends, interests and rents from investments	**112,658**	124,558
Purchase of tangible fixed assets	**(69,999)**	(112,566)
Proceeds from sale of investments	**-**	1,376,959
Purchase of investments	**(1,028,675)**	(779,759)
Net cash (used in)/provided by investing activities	**(986,016)**	**609,192**
Cash flows from financing activities		
Repayments of borrowing	**(27,240)**	-
Grants received	**1,084,250**	250,491
Net cash provided by financing activities	**1,057,010**	**250,491**
Change in cash and cash equivalents in the year	**(559,333)**	**646,319**
Cash and cash equivalents at the beginning of the year	**1,279,182**	632,863
Cash and cash equivalents at the end of the year	**719,849**	1,279,182

The notes on pages 20 to 47 form part of these financial statements

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	**(634,832)**	(19,506)
Cash flows from investing activities		
Dividends, interests and rents from investments	**112,658**	124,558
Purchase of tangible fixed assets	**(69,999)**	(109,584)
Proceeds from sale of investments	**-**	1,249,281
Purchase of investments	**(1,052,429)**	(779,759)
Purchase of fixed assets investments	**-**	(2,982)
Losses on investments	**175,429**	(89,965)
Net cash (used in)/provided by investing activities	**(834,341)**	**391,549**
Cash flows from financing activities		
Repayments of borrowing	**(28,552)**	(28,345)
Grants received	**906,326**	250,491
Net cash provided by financing activities	**877,774**	**222,146**
Change in cash and cash equivalents in the year	**(591,399)**	**594,189**
Cash and cash equivalents at the beginning of the year	**774,301**	180,112
Cash and cash equivalents at the end of the year	**182,902**	774,301

The notes on pages 20 to 47 form part of these financial statements

1. General information

The charity is a company limited by guarantee (Company no: 03446298). The registered office Discovery Quay, Falmouth, Cornwall, TR11 3QY. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2. Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

National Maritime Museum Cornwall Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements use British Pounds Sterling as the presentation currency and are rounded to the nearest £1 throughtout.

2.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of National Maritime Museum Cornwall Trust and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

2.3 GOING CONCERN

The trustees anticipate that the charity will continue to operate within its available resources, and be able to tolerate a reasonable level of unforeseen circumstance for a period of at least 12 months from the date of these financial statements. The financial statements have therefore been prepared on a going concern basis.

2. Accounting policies (continued)

2.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out by the Trust. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

2. Accounting policies (continued)

2.5 EXPENDITURE (CONTINUED)

Charitable activities and governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.7 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 TAXATION

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.9 TANGIBLE FIXED ASSETS AND DEPRECIATION

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 1% and 2% on cost
Fixtures and fittings	- rates between 10% and 25% on cost
Museum model exhibits	- rates between 10% and 25% on cost

2. Accounting policies (continued)

2.10 HERITAGE ASSETS

It is the policy of the Board not to capitalise heritage assets in the Museum collection. The Museum's collection consists of a range of objects, boats, art, books and archives.

These items are held in support of the Museum's primary objective of increasing knowledge, understanding and appreciation of the maritime heritage.

The Board considers that financial valuations of heritage assets would be misleading to the value and significance of the material culture involved. In many cases reliable cost information is not available or there are significant costs involved in obtaining a valuation that would outweigh any benefits. Other than a few items that have been purchased, the Museum does not recognise these assets on its balance sheet.

However, it is very important for a Museum to account to the public for the management and care for the collections entrusted to it. High standards of Collections Management are applied to the collections held by the Museum in order to preserve and manage collections on behalf of, and to make it available to, the public. An Accession Register and records are kept on collections, its provenance, and its donors. These are made available for all enquiries and requests, subject to appropriate security and data protection guidelines.

Conservation expenditure incurred on heritage assets is recognised in the Statement of financial activities as incurred.

2.11 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at cost less provision for impairment.

2.12 INVESTMENT PROPERTY

Investment properties are carried at fair value determined annually by the trustees and derived from the current market rents and investment property yields for comparable real estates, adjusted if necessary for the difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.13 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.14 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. Accounting policies (continued)

2.15 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.16 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.17 FINANCIAL INSTRUMENTS

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

The Group's financial assets and liabilities consists of cash and cash equivalents, short term investments, trade and other debtors, trade and other creditors, and accrued expenses. The fair value of these items approximates to their carrying value due to their short term value. Unless otherwise stated, the Group is not exposed to significant interest, foreign or credit risks arising from these instruments.

2.18 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.19 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.20 FUND ACCOUNTING

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
DONATIONS			
Donations and sponsorship	-	13,686	**13,686**
Members subscriptions	-	1,962	**1,962**
Founder memberships	-	-	-
Donations	-	-	-
TOTAL 2021	-	15,648	**15,648**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
DONATIONS			
Donations and sponsorship	-	17,808	17,808
Members subscriptions	-	7,076	7,076
Founder memberships	-	5,333	5,333
Donations	187,500	-	187,500
SUBTOTAL	187,500	-	187,500
TOTAL 2020	187,500	30,217	217,717

4. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Charity incoming resources	806,010	440,443	**1,246,453**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Charity incoming resources	250,491	859,463	1,109,954

5. Grants Received

	2021 £	2020 £
DCMS - Walling & Lighting Project	-	96,500
Coastal Communities (DCLG)	**32,240**	46,986
Arts Council - Monsters of the Deep	**4,995**	44,955
Royal Museums Greenwich Foundation	**30,000**	30,000
Sir John Fisher Foundation	-	17,985
Eden Project	-	9,065
Tanner Trust	-	5,000
Garfield Weston Foundation	**117,650**	-
Covid Support Grants	**173,335**	-
HLF Covid Emergency Funding	**250,000**	-
Arts Council - Culture Recovery Fund	**436,500**	-
Other Grants	**12,816**	-
	1,057,536	250,491

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Trading income	499,419	**499,419**

	Unrestricted funds 2020 £	Total funds 2020 £
Trading income	875,103	875,103

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	31,553	**31,553**

	Unrestricted funds 2020 £	Total funds 2020 £
Investment income	30,526	30,526

8. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
CJRS Income	212,865	**212,865**	-

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	1,672,974	155,332	**1,828,306**

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Charitable activities	1,900,715	584,423	2,485,138

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	**657,915**	761,713
Depreciation	**397,646**	394,033
Insurance	**52,713**	49,719
Maintenance & cleaning	**159,600**	121,444
Rent, rates and water	**23,532**	102,262
Light and heat	**37,268**	52,558
IT costs	**48,099**	40,646
Postage	**2,424**	3,233
Volunteer and Trustee expenses	**1,148**	11,862
Promotional and marketing expenses	**134,307**	132,201
Stationary	**2,596**	7,653
Telephone	**16,013**	13,481
Staff training and uniforms	**32,919**	7,663
Travel	**1,531**	6,596
Consultancy	**9,559**	13,696
Professional charges	**1,733**	4,499
Unrecoverable VAT	**48,939**	120,490
Bank charges	**44,610**	52,913
General expenses	**422**	1,058
Loss on disposal	**-**	2,995
TOTAL 2021	**1,672,974**	1,900,715

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Museum 2021 £	Total funds 2021 £
Curatorial	95,680	**95,680**
Auditors remuneration	17,845	**17,845**
Accountancy fees	41,807	**41,807**
TOTAL 2021	155,332	**155,332**

	Museum 2020 £	Total funds 2020 £
Staff costs	12,547	12,547
Curatorial	511,863	511,863
Auditors remuneration	16,520	16,520
Accountancy fees	43,493	43,493
TOTAL 2020	584,423	584,423

10. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**17,845**	15,620
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	-	900

11. Staff costs

	Group 2021 £	Group 2020 £	**Charity 2021 £**	Charity 2020 £
Wages and salaries	**589,919**	698,507	**502,474**	575,918
Social security costs	**40,605**	46,243	**40,605**	46,243
Contribution to defined contribution pension schemes	**26,391**	29,510	**26,391**	29,510
	656,915	774,260	**569,470**	651,671

Enter details of redundancy or termination payments here...

The average number of persons employed by the Charity during the year was as follows:

	Group 2021 No.	Group 2020 No.	**Charity 2021 No.**	Charity 2020 No.
Management and administration	**52**	52	**32**	32

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £70,001 - £80,000	**1**	1

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £Nil)

During the year ended 31 March 2021, expenses totalling £30 were reimbursed or paid directly to 1 Trustee (2020 - £NIL).

13. Corporation taxation

The Charity is exempt from tax on income and gains falling within section 478, 486 and 488 CTA 2010 and s256 TCGA 1992 to the extent that these are applied to its charitable objects. There was no UK Corporation Tax payable by National Maritime Museum Cornwall Trust in 2020 or 2019.

14. Tangible fixed assets

GROUP

	Freehold property £	Fixtures, fittings and equipment £	Museum model exhibitions £	Total £
COST OR VALUATION				
At 1 April 2020	**26,624,958**	**1,054,144**	**1,769,926**	**29,449,028**
Additions	**17,250**	**52,749**	**-**	**69,999**
At 31 March 2021	**26,642,208**	**1,106,893**	**1,769,926**	**29,519,027**
DEPRECIATION				
At 1 April 2020	**5,109,129**	**879,581**	**1,539,415**	**7,528,125**
Charge for the year	**298,034**	**31,802**	**67,810**	**397,646**
At 31 March 2021	**5,407,163**	**911,383**	**1,607,225**	**7,925,771**
NET BOOK VALUE				
At 31 March 2021	**21,235,045**	**195,510**	**162,701**	**21,593,256**
At 31 March 2020	21,515,829	174,563	230,511	21,920,903

Included in land and buildings is freehold land at cost of £5,000 (2020: £5,000), which is not depreciated.

14. Tangible fixed assets (continued)

CHARITY

	Freehold property £	Fixtures, fittings and equipment £	Museum model exhibits £	Total £
COST OR VALUATION				
At 1 April 2020	**23,438,765**	**971,189**	**1,769,926**	**26,179,880**
Additions	**17,250**	**52,749**	**-**	**69,999**
At 31 March 2021	**23,456,015**	**1,023,938**	**1,769,926**	**26,249,879**
DEPRECIATION				
At 1 April 2020	**4,039,855**	**796,626**	**1,539,415**	**6,375,896**
Charge for the year	**234,510**	**31,802**	**67,810**	**334,122**
At 31 March 2021	**4,274,365**	**828,428**	**1,607,225**	**6,710,018**
NET BOOK VALUE				
At 31 March 2021	**19,181,650**	**195,510**	**162,701**	**19,539,861**
At 31 March 2020	19,398,910	174,563	230,511	19,803,984

A debenture has been given to the Heritage Lottery Fund to secure the repayment of grants if they should become repayable.

HSBC UK Bank plc hold a fixed charge over some of the land included within Freehold property.

15. Investment property

GROUP

	Freehold investment property £
VALUATION	
At 1 April 2020	3,123,193
Impairment	(309,831)
At 31 March 2021	2,813,362

CHARITY

	Freehold investment property £
VALUATION	
At 1 April 2020	3,123,193
Impairment	(309,831)
At 31 March 2021	2,813,362

The 2021 valuations were made by the trustees, on an open market value for existing use basis.

16. Fixed asset investments

GROUP	Listed investments £	Cash held at investments £	Total £
COST OR VALUATION			
At 1 April 2020	**398,717**	**150,000**	**548,717**
Additions	**1,178,675**	**-**	**1,178,675**
Disposals	**-**	**(150,000)**	**(150,000)**
Revaluations	**173,754**	**-**	**173,754**
At 31 March 2021	**1,751,146**	**-**	**1,751,146**
NET BOOK VALUE			
At 31 March 2021	**1,751,146**	**-**	**1,751,146**
AT 31 MARCH 2020	398,717	150,000	548,717

CHARITY	Investments in subsidiary companies £	Listed investments £	Cash held at investments £	Total £
COST OR VALUATION				
At 1 April 2020	**2,000**	**398,717**	**150,000**	**550,717**
Additions	**-**	**1,178,675**	**-**	**1,178,675**
Disposals	**-**	**-**	**(150,000)**	**(150,000)**
Revaluations	**-**	**173,754**	**-**	**173,754**
At 31 March 2021	**2,000**	**1,751,146**	**-**	**1,753,146**
NET BOOK VALUE				
At 31 March 2021	**2,000**	**1,751,146**	**-**	**1,753,146**
AT 31 MARCH 2020	2,000	398,717	150,000	550,717

16. Fixed asset investments (continued)

Principal subsidiaries

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Discovery Quay Enterprises (Trading) Limited	03714613	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Running commercial trading operations at the Museum	Ordinary	100%	Yes
Discovery Quay Enterprises Limited	04519567	As above	To provide boat storage and other facilities for the Museum	Ordinary	100%	Yes
Discovery Quay Square Limited	05856283	As above	Ownership and operation of a public amenity open square for events adjoining the Museum	Limited by guarantee	-%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Net assets £
Discovery Quay Enterprises (Trading) Limited	**386,485**	**386,485**	**11,775**
Discovery Quay Enterprises Limited	**129,350**	**129,350**	**232,783**
Discovery Quay Square Limited	**4,800**	**4,800**	**6,730**

17. Stocks

	Group 2021 £	Group 2020 £
Goods for resale	**56,428**	70,793

18. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
DUE WITHIN ONE YEAR				
Trade debtors	**196,984**	74,060	**31,645**	31,007
Amounts owed by group undertakings	**-**	-	**196,216**	169,982
Other debtors	**12,869**	24,106	**11,552**	17,908
Prepayments and accrued income	**164,090**	188,923	**126,612**	159,486
	373,943	287,089	**366,025**	378,383

19. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	**65,209**	66,057	**65,209**	66,057
Payments received on account	**3,522**	3,649	**-**	-
Trade creditors	**132,686**	258,027	**100,797**	189,080
Other taxation and social security	**33,279**	27,873	**10,264**	12,155
Other creditors	**640,298**	532,147	**291,577**	223,735
Accruals and deferred income	**210,108**	114,992	**69,776**	77,203
	1,085,102	1,002,745	**537,623**	568,230

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

	Group 2021 £	Group 2020 £	**Charity 2021 £**	Charity 2020 £
Bank loans	**981,833**	1,010,747	**981,833**	1,010,747
Other creditors	**800,000**	800,000	**800,000**	800,000
	1,781,833	1,810,747	**1,781,833**	1,810,747

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2021 £	Group 2020 £	**Charity 2021 £**	Charity 2020 £
Repayable by instalments	**720,997**	746,516	**720,997**	746,516
Payable or repayable other than by instalments	**800,000**	800,000	**800,000**	800,000
	1,520,997	1,546,516	**1,520,997**	1,546,516

Included within the above bank loans balance, is one loan repayable over 25 years. For the initial 10 year period interest will be charged on the outstanding balance at a rate of 3.46%. The applicable interest rate after this initial fixed period will be 2.07% per annum above base rate, subject to a review.

The bank loan is secured against the freehold land for which the loan was used to purchase.

21. Financial instruments

	Group 2021 £	Group 2020 £	**Charity 2021 £**	Charity 2020 £
FINANCIAL ASSETS				
Financial assets measured at fair value through income and expenditure	**719,849**	1,279,182	**182,902**	774,301

22. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS							
Net Book Value of unrestricted funded assets	138,100	29,961	(20,793)	-	-	-	147,268
Net Book Value of Car Park	1,613,362	-	-	-	-	-	1,613,362
General Funds	58,268	462,402	(199,425)	80,000	-	175,429	576,674
Trading Subsidiaries' reserves	269,522	521,414	(528,178)	-	-	-	262,758
Other unrestricted grants	-	186,151	(186,151)	-	-	-	-
	2,079,252	1,199,928	(934,547)	80,000	-	175,429	2,600,062
RESTRICTED FUNDS							
Project Development Fund	1,910,631	-	(56,674)	-	-	-	1,853,957
Museum Development Fund - Fixed assets	19,665,884	-	(313,329)	-	40,038	(309,831)	19,082,762
Museum Development Fund - revenue expenditure	713,353	-	-	-	-	-	713,353
Tanner Trust	4,000	-	(4,000)	-	-	-	-
Garfield Weston Foundation	40,000	-	-	-	-	-	40,000
Sir Thomas Oats Fund	3,265	-	-	-	-	-	3,265
DCLG re Boat Trips	-	32,240	(14,990)	-	(17,250)	-	-
Arts Council - Monsters of the Deep	-	4,995	(4,995)	-	-	-	-
HLF Covid Emergency Funding	-	250,000	(250,000)	-	-	-	-
Arts Council CRF	-	371,125	(348,337)	-	(22,788)	-	-

22. **Statement of funds (continued)**

Statement of funds - current year (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Garfield Weston - Digitisation Education Programme	-	117,650	-	-	-	-	117,650
Royal Museum Greenwich - Monsters of the Deep	-	30,000	-	-	-	-	30,000
	22,337,133	806,010	(992,325)	-	-	(309,831)	21,840,987
TOTAL OF FUNDS	**24,416,385**	**2,005,938**	**(1,926,872)**	**80,000**	**-**	**(134,402)**	**24,441,049**

22. Statement of funds (continued)

Unrestricted funds
Included in the unrestricted funds are two separate funds to recognise the net book value of fixed assets held by the charity funded by unrestricted funds or from funds whose restriction end upon the acquisition of the asset, and that consequently cannot be easily converted into cash.

Also included in unrestricted funds is the Charity's trading subsidiaries' reserves.

Restricted funds
The Project development fund represents grants received in relation to the Charity's trading subsidiaries and have been included in those companies' accounts as deferred income. This has been treated as restricted fund grants received for consolidation purposes.

The Museum development fund represents grants received from various sources, including grants received in connection with the construction of the museum and is released to the Statement of Financial Activities on an annual basis in line with depreciation; as well as grants received in the year as detailed in note 6.

Sir Thomas Oates fund represents legacy funding received to fund the purchase of local items for the Cornish Galleries.

Garfield Weston Foundation fund represent grants received in 2021 to contribute towards the funding of the Digitisation Education Programme.

The Heritage Emergency fund represents grants received in 2021 as a support measure for those in the Heritage sector impacted by the Covid-19 pandemic.

The Arts Council England Culture Recovery Fund (CRF) represents grants offered as a financial support measure to cultural organisations during the Covid-19 pandemic.

The total of restricted funds balance of £22,150,818 as at the year end reflects the high capital cost of constructing and fitting out of the museum building, as noted above under the headings of the Project development fund and the Museum development fund. Note 20 provides a further analysis of the funds.

22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
UNRESTRICTED FUNDS						
Net Book Value of unrestricted funded assets	155,769	-	(25,172)	7,503	-	138,100
Net Book Value of Car Park	1,610,380	-	-	2,982	-	1,613,362
General Funds	307,177	920,206	(1,251,530)	172,380	(89,965)	58,268
Trading Subsidiaries' reserves	269,522	875,103	(875,103)	-	-	269,522
	2,342,848	1,795,309	(2,151,805)	182,865	(89,965)	2,079,252
RESTRICTED FUNDS						
Project Development Fund	1,967,305	-	(56,674)	-	-	1,910,631
Museum Development Fund - Fixed assets	19,872,135	284,946	(308,332)	(182,865)	-	19,665,884
Museum Development Fund - revenue expenditure	713,353	148,045	(148,045)	-	-	713,353
Tanner Trust	4,000	5,000	(5,000)	-	-	4,000
Garfield Weston Foundation	80,000	-	(40,000)	-	-	40,000
Sir Thomas Oats Fund	3,265	-	-	-	-	3,265
	22,640,058	437,991	(558,051)	(182,865)	-	22,337,133

22. Statement of funds (continued)

TOTAL OF FUNDS	24,982,906	437,991	(2,709,856)	-	(89,965)	24,416,385

23. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	**2,079,252**	**1,199,928**	**(934,547)**	**80,000**	**-**	**175,429**	**2,600,062**
Restricted funds	**22,337,133**	**806,010**	**(992,325)**	**-**	**-**	**(309,831)**	**21,840,987**
	24,416,385	**2,005,938**	**(1,926,872)**	**80,000**	**-**	**(134,402)**	**24,441,049**

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
General funds	2,342,848	1,795,309	(2,151,805)	182,865	(89,965)	2,079,252
Restricted funds	22,640,058	437,991	(558,051)	(182,865)	-	22,337,133
	24,982,906	2,233,300	(2,709,856)	-	(89,965)	24,416,385

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	20,936,719	656,537	**21,593,256**
Fixed asset investments	-	1,751,146	**1,751,146**
Investment property	1,509,831	1,303,531	**2,813,362**
Current assets	194,437	955,783	**1,150,220**
Creditors due within one year	-	(1,085,102)	**(1,085,102)**
Creditors due in more than one year	(800,000)	(981,833)	**(1,781,833)**
TOTAL	21,840,987	2,600,062	**24,441,049**

Analysis of net assets between funds - prior year

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	21,576,515	344,388	21,920,903
Fixed asset investments	-	548,717	548,717
Investment property	1,509,831	1,613,362	3,123,193
Current assets	50,787	1,586,277	1,637,064
Creditors due within one year	-	(1,002,745)	(1,002,745)
Creditors due in more than one year	(800,000)	(1,010,747)	(1,810,747)
TOTAL	22,337,133	2,079,252	24,416,385

25. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**24,664**	(566,521)	**(66,971)**	(500,609)
ADJUSTMENTS FOR:				
Depreciation charges	**397,646**	387,033	**334,122**	330,509
(Gains)/Losses on investments	**134,402**	(89,965)	**134,402**	89,965
Dividends, interests and rents from investments	**(112,658)**	(124,558)	**(112,658)**	(124,558)
Loss on the sale of fixed assets	**-**	2,995	**-**	2,995
Decrease in stocks	**14,365**	2,012	**-**	-
Decrease/(increase) in debtors	**(86,853)**	319,300	**12,358**	282,287
Increase/ (decrease) in creditors	**16,982**	133,454	**(95,134)**	150,396
Grants received	**(1,018,875)**	(250,491)	**(840,951)**	(250,491)
NET CASH USED IN OPERATING ACTIVITIES	**(630,327)**	(186,741)	**(634,832)**	(19,506)

26. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash in hand	**719,849**	1,279,182	**182,902**	774,301
TOTAL CASH AND CASH EQUIVALENTS	**719,849**	1,279,182	**182,902**	774,301

27. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	**1,279,182**	**(559,333)**	**719,849**
Debt due within 1 year	**(66,057)**	**848**	**(65,209)**
Debt due after 1 year	**(1,010,747)**	**28,914**	**(981,833)**
	202,378	**(529,571)**	**(327,193)**

28. Contingent liabilities

SEA WALL
Discovery Quay Square, a trading subsidiary of The Trust, is legally responsible for the ongoing maintenance of the sea wall at Discovery Quay. An accurate estimate of the cost of meeting this obligation cannot be ascertained at present though a draft estimate has been set in the region of £3,000,000 for maintenance works to be carried out in the next 5 to 10 years, though further surveys will be required in order to obtain a more accurate estimate. A fund has been created to cover these costs. At the year end, a total of £329,629 (2020: £291,370) had been accrued, from entities and residents in the area who benefit from the sea wall.

29. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £26,391 (2020 - £29,510). Contributions totalling £3,087 (2020: £3,849) were payable to the fund at the balance sheet date and are included in creditors.

30. Related party transactions

National Maritime Museum Cornwall Trust (the Trust) charged Discovery Quay Enterprises (Trading) Limited (DQET) (subsidiary company) a management charge of £15,000 (2020: £15,000) and a licence fee of £110,000 (2020: £30,000). DQET made a gift aid donation to the Trust of £106,206 (2020: £364,495). The Trust was re-charged staff and other costs of £10,226 (2020: £30,548) by DQET.

At the year end, the Trust was owed a net amount of £171,003 (2020: £143,870) by DQET.

The Trust charged Discovery Quay Enterprises Limited (DQE) (subsidiary company) a management charge of £3,500 (2020: £3,500). DQE made a gift aid donation to the Trust of £36,371 (2020: £33,912). The Trust was charged rent of £8,400 (2020: £8,400) during the year.

At the year end, DQE owed the Trust £24,267 (2020: £21,808).

The Trust was charged a service charge of £6,784 (2020: £6,784) by Discovery Quay Square Limited (DQS) (subsidiary company). The Trust charged DQS a management charge of £4,478 (2020: £4,478) and recharged other costs totalling £3,250 (2020: £2,865) to DQS.

At the year end the Trust was owed £945 (2020: £4,303) by DQS.