

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

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

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**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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**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 Stenbridge 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

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

**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.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

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

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

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.

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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]

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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.

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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.

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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 Winsor
Nominations	Mr S Sherrard (c), Mrs H. Stemberge
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

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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.

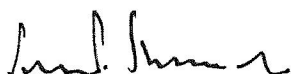
Information on fundraising practices

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 31/03/2021 and signed on its behalf by:



Mr S P Sherrard DL
Chair of Trustees

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(CONTINUED)

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.

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**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.

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**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.

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

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

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:
 - o Identifying, evaluation and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - o 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

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

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

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.

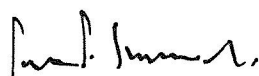
NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

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
		<u>26,157,764</u>	<u>25,592,813</u>
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
		<u>1,150,220</u>	<u>1,637,064</u>
Creditors: amounts falling due within one year	19	(1,085,102)	(1,002,745)
Net current assets		<u>65,118</u>	<u>634,319</u>
Total assets less current liabilities		<u>26,222,882</u>	<u>26,227,132</u>
Creditors: amounts falling due after more than one year	20	(1,781,833)	(1,810,747)
Net assets excluding pension asset		<u>24,441,049</u>	<u>24,416,385</u>
Total net assets		<u>24,441,049</u>	<u>24,416,385</u>
Charity funds			
Restricted funds	22	21,840,987	22,337,133
Unrestricted funds	22	2,600,062	2,079,252
Total funds		<u>24,441,049</u>	<u>24,416,385</u>

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

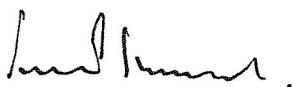
CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2021

	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
		<u>24,106,369</u>	<u>23,477,894</u>
Current assets			
Debtors	18	366,025	378,383
Cash at bank and in hand		182,902	774,301
		<u>548,927</u>	<u>1,152,684</u>
Creditors: amounts falling due within one year	19	(537,623)	(568,230)
Net current assets		<u>11,304</u>	<u>584,454</u>
Total assets less current liabilities		<u>24,117,673</u>	<u>24,062,348</u>
Creditors: amounts falling due after more than one year	20	(1,781,833)	(1,810,747)
Net assets excluding pension asset		<u>22,335,840</u>	<u>22,251,601</u>
Total net assets		<u><u>22,335,840</u></u>	<u><u>22,251,601</u></u>
Charity funds			
Restricted funds	22	22,510,818	20,426,502
Unrestricted funds	22	(174,978)	1,825,099
Total funds		<u><u>22,335,840</u></u>	<u><u>22,251,601</u></u>

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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	-

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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

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NOTES TO THE FINANCIAL STATEMENTS
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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

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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.

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. Investment property

GROUP

	Freehold investment property £
VALUATION	
At 1 April 2020	3,123,193
Impairment	(309,831)
	<hr/>
At 31 March 2021	<u>2,813,362</u>

CHARITY

	Freehold investment property £
VALUATION	
At 1 April 2020	3,123,193
Impairment	(309,831)
	<hr/>
At 31 March 2021	<u>2,813,362</u>

The 2021 valuations were made by the trustees, on an open market value for existing use basis.

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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FOR THE YEAR ENDED 31 MARCH 2021**

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		<u>1,751,146</u>	<u>-</u>	<u>1,751,146</u>
NET BOOK VALUE				
At 31 March 2021		<u>1,751,146</u>	<u>-</u>	<u>1,751,146</u>
AT 31 MARCH 2020		<u>398,717</u>	<u>150,000</u>	<u>548,717</u>
	Investments in subsidiary companies £	Listed investments £	Cash held at investments £	Total £
CHARITY				
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	<u>2,000</u>	<u>1,751,146</u>	<u>-</u>	<u>1,753,146</u>
NET BOOK VALUE				
At 31 March 2021	<u>2,000</u>	<u>1,751,146</u>	<u>-</u>	<u>1,753,146</u>
AT 31 MARCH 2020	<u>2,000</u>	<u>398,717</u>	<u>150,000</u>	<u>550,717</u>

**NATIONAL MARITIME MUSEUM CORNWALL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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

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NOTES TO THE FINANCIAL STATEMENTS
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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

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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
	<u>1,781,833</u>	<u>1,810,747</u>	<u>1,781,833</u>	<u>1,810,747</u>

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
	<u>1,520,997</u>	<u>1,546,516</u>	<u>1,520,997</u>	<u>1,546,516</u>

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	<u>719,849</u>	<u>1,279,182</u>	<u>182,902</u>	<u>774,301</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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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)	-	-

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NOTES TO THE FINANCIAL STATEMENTS
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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
	<u>22,337,133</u>	<u>806,010</u>	<u>(992,325)</u>	<u>-</u>	<u>-</u>	<u>(309,831)</u>	<u>21,840,987</u>
TOTAL OF FUNDS	<u>24,416,385</u>	<u>2,005,938</u>	<u>(1,926,872)</u>	<u>80,000</u>	<u>-</u>	<u>(134,402)</u>	<u>24,441,049</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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
	<u>2,342,848</u>	<u>1,795,309</u>	<u>(2,151,805)</u>	<u>182,865</u>	<u>(89,965)</u>	<u>2,079,252</u>

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
	<u>22,640,058</u>	<u>437,991</u>	<u>(558,051)</u>	<u>(182,865)</u>	<u>-</u>	<u>22,337,133</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. Statement of funds (continued)

TOTAL OF FUNDS

24,982,906	437,991	(2,709,856)	-	(89,965)	24,416,385
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NATIONAL MARITIME MUSEUM CORNWALL
TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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
	<u>24,416,385</u>	<u>2,005,938</u>	<u>(1,926,872)</u>	<u>80,000</u>	<u>-</u>	<u>(134,402)</u>	<u>24,441,049</u>

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
	<u>24,982,906</u>	<u>2,233,300</u>	<u>(2,709,856)</u>	<u>-</u>	<u>(89,965)</u>	<u>24,416,385</u>

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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)

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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.