

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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**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 2022

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

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

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

OBJECTIVES AND ACTIVITIES

Policies and objectives

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

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

Strategies for achieving objectives

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

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

Principal activities of the year

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

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

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Staff and volunteers

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

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

ACHIEVEMENTS AND PERFORMANCE

Fundraising activities

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

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

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

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

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

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

Review of achievements and performance during the year

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

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

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

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

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

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

Exhibitions

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

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

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

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

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

Learning

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

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

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

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

Cornish Voices Film Project

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

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

Awards

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

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

FINANCIAL REVIEW

Financial performance and position

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

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Reserves and investment policy

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

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

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

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

Post year end events

Royal Museums Greenwich

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

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

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

Chatham Historic Dockyard Trust

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

The wider context

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

Plans for future periods

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

Going concern

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

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

Method of appointment or election of Trustees

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

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

Organisational structure and decision making

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

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Pay policy for senior staff

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

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

Risk management

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

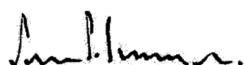
Information on fundraising practices

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

FUNDS HELD AS CUSTODIAN

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

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



Mr S P Sherrard DL
Chair of Trustees

(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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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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 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows, the Charity Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

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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.

**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: 20 December 2022

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	120,000	34,749	154,749	15,648
Charitable activities	5	135,451	1,190,362	1,325,813	1,246,453
Other trading activities	7	-	1,192,409	1,192,409	499,419
Investments	8	-	71,339	71,339	31,553
Other income	9	-	4,476	4,476	212,865
Total income		255,451	2,493,335	2,748,786	2,005,938
Expenditure on:					
Raising funds		-	330,919	330,919	97,566
Charitable activities	10	657,498	1,364,591	2,022,089	1,829,306
Total expenditure		657,498	1,695,510	2,353,008	1,926,872
Net (expenditure)/income before net gains/(losses) on investments		(402,047)	797,825	395,778	79,066
Net gains/(losses) on investments		-	112,856	112,856	(134,402)
Net (expenditure)/income before taxation		(402,047)	910,681	508,634	(55,336)
Taxation		-	-	-	80,000
Net movement in funds		(402,047)	910,681	508,634	24,664
Reconciliation of funds:					
Total funds brought forward		21,840,987	2,600,062	24,441,049	24,416,385
Net movement in funds		(402,047)	910,681	508,634	24,664
Total funds carried forward		21,438,940	3,510,743	24,949,683	24,441,049

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

The notes on pages 19 to 46 form part of these financial statements.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	21,251,659	21,593,256
Investments	17	1,864,002	1,751,146
Investment property	16	2,813,362	2,813,362
		25,929,023	26,157,764
Current assets			
Stocks	18	62,868	56,428
Debtors	19	299,571	373,943
Cash at bank and in hand		1,458,996	719,849
		1,821,435	1,150,220
Creditors: amounts falling due within one year	20	(1,050,138)	(1,085,102)
Net current assets		771,297	65,118
Total assets less current liabilities		26,700,320	26,222,882
Creditors: amounts falling due after more than one year	21	(1,750,637)	(1,781,833)
Total net assets		24,949,683	24,441,049
Charity funds			
Restricted funds	22	21,438,940	21,840,987
Unrestricted funds	22	3,510,743	2,600,062
Total funds		24,949,683	24,441,049

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

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



Mr S P Sherrard DL

Date: 6 December 2022

The notes on pages 19 to 46 form part of these financial statements.

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

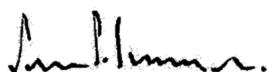
CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	19,261,788	19,539,861
Investments	17	1,866,002	1,753,146
Investment property	16	2,813,362	2,813,362
		23,941,152	24,106,369
Current assets			
Debtors	19	857,201	366,025
Cash at bank and in hand		395,558	182,902
		1,252,759	548,927
Creditors: amounts falling due within one year	20	(540,664)	(537,623)
Net current assets		712,095	11,304
Total assets less current liabilities		24,653,247	24,117,673
Creditors: amounts falling due after more than one year	21	(1,750,637)	(1,781,833)
Net assets excluding pension asset		22,902,610	22,335,840
Total net assets		22,902,610	22,335,840
Charity funds			
Restricted funds	22	21,358,685	22,510,818
Unrestricted funds	22	1,543,925	(174,978)
Total funds		22,902,610	22,335,840

The Charity's net movement in funds for the year was £562,294 (2021 - £(66,971)).

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

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



Mr S P Sherrard DL

Date: 6 December 2022

The notes on pages 19 to 46 form part of these financial statements.

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net cash provided by/(used in) operating activities	729,367	(630,327)
Cash flows from investing activities		
Dividends, interests and rents from investments	71,339	112,658
Purchase of tangible fixed assets	(61,559)	(69,999)
Purchase of investments	-	(1,028,675)
Net cash provided by/(used in) investing activities	9,780	(986,016)
Cash flows from financing activities		
Repayments of borrowing	-	(27,240)
Grants received	-	1,084,250
Net cash provided by financing activities	-	1,057,010
Change in cash and cash equivalents in the year	739,147	(559,333)
Cash and cash equivalents at the beginning of the year	719,849	1,279,182
Cash and cash equivalents at the end of the year	1,458,996	719,849

The notes on pages 19 to 46 form part of these financial statements

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(79,695)	(634,832)
Cash flows from investing activities		
Dividends, interests and rents from investments	71,339	112,658
Purchase of tangible fixed assets	(61,559)	(69,999)
Purchase of investments	-	(1,052,429)
Losses on investments	(112,856)	175,429
Net cash used in investing activities	(103,076)	(834,341)
Cash flows from financing activities		
Repayments of borrowing	-	(28,552)
Grants received	395,427	906,326
Net cash provided by financing activities	395,427	877,774
Change in cash and cash equivalents in the year	212,656	(591,399)
Cash and cash equivalents at the beginning of the year	182,902	774,301
Cash and cash equivalents at the end of the year	395,558	182,902

The notes on pages 19 to 46 form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES (continued)

2.5 EXPENDITURE (CONTINUED)

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

All expenditure is inclusive of irrecoverable VAT.

2.6 GOVERNMENT GRANTS

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

2.7 INTEREST RECEIVABLE

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

2.8 TAXATION

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

2.9 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

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

Depreciation is provided on the following bases:

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

2. ACCOUNTING POLICIES (continued)

2.10 HERITAGE ASSETS

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

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

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

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

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

2.11 INVESTMENTS

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

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

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

2.12 INVESTMENT PROPERTY

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

2.13 STOCKS

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

2.14 DEBTORS

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

2. ACCOUNTING POLICIES (continued)

2.15 CASH AT BANK AND IN HAND

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

2.16 LIABILITIES AND PROVISIONS

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

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

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

2.17 FINANCIAL INSTRUMENTS

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

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

2.18 OPERATING LEASES

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

2.19 PENSIONS

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

2.20 FUND ACCOUNTING

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

Critical areas of judgement:

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
DONATIONS			
Donations and sponsorship	120,000	26,394	146,394
Members subscriptions	-	3,565	3,565
Founder memberships	-	4,790	4,790
TOTAL 2022	120,000	34,749	154,749
		Unrestricted funds 2021 £	Total funds 2021 £
DONATIONS			
Donations and sponsorship		13,686	13,686
Members subscriptions		1,962	1,962
Founder memberships		-	-
TOTAL 2021		15,648	15,648

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. INCOME FROM CHARITABLE ACTIVITIES

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

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Charity incoming resources	806,010	440,443	1,246,453

6. GRANTS RECEIVED

	2022 £	2021 £
ACE Funding	65,375	-
Coastal Communities (DCLG)	-	32,240
Arts Council - Monsters of the Deep	-	4,995
Exhibition Funding	-	30,000
Arts Council - Tattoo Commission	13,050	-
Garfield Weston Foundation	-	117,650
Covid Support Grants	28,476	173,335
HLF Covid Emergency Funding	-	250,000
Arts Council - Culture Recovery Fund	270,000	436,500
Other Grants	18,526	12,816
	395,427	1,057,536

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

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

	Unrestricted funds 2021 £	Total funds 2021 £
Trading income	499,419	499,419

8. INVESTMENT INCOME

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

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	31,553	31,553

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. OTHER INCOMING RESOURCES

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

	Unrestricted funds 2021 £	Total funds 2021 £
CJRS Income	212,865	212,865

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

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

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	1,673,974	155,332	1,829,306

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

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

	Museum 2021 £	Total funds 2021 £
Curatorial	95,680	95,680
Auditors remuneration	17,845	17,845
Accountancy fees	41,807	41,807
TOTAL 2021	<u>155,332</u>	<u>155,332</u>

11. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	19,375	17,845
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	<u>4,864</u>	<u>-</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. STAFF COSTS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	635,801	595,735	545,754	502,474
Social security costs	47,574	40,605	44,123	40,605
Contribution to defined contribution pension schemes	30,536	26,391	26,512	26,391
	713,911	662,731	616,389	569,470

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

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
Management and administration	37	52	21	32

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

	Group 2022 No.	Group 2021 No.
In the band £70,001 - £80,000	1	1

All Trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is £75,785 for 1 personnel member (2021: £72,828 for 1 personnel member).

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £Nil).

During the year ended 31 March 2022, expenses totaling £NIL were reimbursed or paid directly to 1 Trustee (2021 - £NIL).

14. CORPORATION TAXATION

The Charity is exempt from tax on income and gains falling within section 478, 486 and 488 CTA 2010 and s256 TCGA 1992 to the extent that these are applied to its charitable objects. There was no UK Corporation Tax payable by National Maritime Museum Cornwall Trust in 2022.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Long-term leasehold property £	Fixtures, fittings and equipment £	Museum model exhibitions £	Total £
COST OR VALUATION					
At 1 April 2021	23,466,015	3,176,193	1,106,893	1,769,926	29,519,027
Additions	-	-	61,559	-	61,559
At 31 March 2022	23,466,015	3,176,193	1,168,452	1,769,926	29,580,586
DEPRECIATION					
At 1 April 2021	4,274,365	1,132,798	911,383	1,607,225	7,925,771
Charge for the year	234,510	63,524	37,312	67,810	403,156
At 31 March 2022	4,508,875	1,196,322	948,695	1,675,035	8,328,927
NET BOOK VALUE					
At 31 March 2022	18,957,140	1,979,871	219,757	94,891	21,251,659
At 31 March 2021	19,191,650	2,043,395	195,510	162,701	21,593,256

Included in freehold property is freehold land at cost of £5,000 (2021: £5,000), which is not depreciated.

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Freehold property £	Fixtures, fittings and equipment £	Museum model exhibits £	Total £
COST OR VALUATION				
At 1 April 2021	23,456,015	1,023,938	1,769,926	26,249,879
Additions	-	61,559	-	61,559
At 31 March 2022	23,456,015	1,085,497	1,769,926	26,311,438
DEPRECIATION				
At 1 April 2021	4,274,365	828,428	1,607,225	6,710,018
Charge for the year	234,510	37,312	67,810	339,632
At 31 March 2022	4,508,875	865,740	1,675,035	7,049,650
NET BOOK VALUE				
At 31 March 2022	18,947,140	219,757	94,891	19,261,788
At 31 March 2021	19,181,650	195,510	162,701	19,539,861

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16. INVESTMENT PROPERTY

GROUP

**Freehold
investment
property
£**

VALUATION

At 1 April 2021

2,813,362

At 31 March 2022

2,813,362

CHARITY

**Freehold
investment
property
£**

VALUATION

At 1 April 2021

2,813,362

At 31 March 2022

2,813,362

The 2022 valuations were made by the trustees, on an open market value for existing use basis.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17. FIXED ASSET INVESTMENTS

	Listed investments		
GROUP	£		
COST OR VALUATION			
At 1 April 2021			1,751,146
Revaluations			112,856
AT 31 MARCH 2022			1,864,002
NET BOOK VALUE			
AT 31 MARCH 2022			1,864,002
AT 31 MARCH 2021			1,751,146
	Investments in subsidiary companies	Listed investments	Total
CHARITY	£	£	£
COST OR VALUATION			
At 1 April 2021	2,000	1,751,146	1,753,146
Revaluations	-	112,856	112,856
AT 31 MARCH 2022	2,000	1,864,002	1,866,002
NET BOOK VALUE			
AT 31 MARCH 2022	2,000	1,864,002	1,866,002
AT 31 MARCH 2021	2,000	1,751,146	1,753,146

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17. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Discovery Quay Enterprises (Trading) Limited	03714613	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Running commercial trading operations at the Museum	Ordinary	100%	Yes
Discovery Quay Enterprises Limited	04519567	Discovery Quay, Falmouth, Cornwall, TR11 3QY	To provide boat storage and other facilities for the Museum	Ordinary	100%	Yes
Discovery Quay Square Limited	05856283	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Ownership and operation of a public amenity open square for events adjoining the Museum	Limited by guarantee	-%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Discovery Quay Enterprises (Trading) Limited	1,000,412	(445,702)	554,710	12,775
Discovery Quay Enterprises Limited	130,210	(100,308)	29,902	232,783
Discovery Quay Square Limited	22,646	(23,493)	(847)	5,883

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. STOCKS

	Group 2022 £	Group 2021 £
Goods for resale	62,868	56,428

19. DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
DUE WITHIN ONE YEAR				
Trade debtors	95,654	196,984	51,377	31,645
Amounts owed by group undertakings	-	-	635,282	196,216
Other debtors	14,216	12,869	10,400	11,552
Prepayments and accrued income	189,701	164,090	160,142	126,612
	299,571	373,943	857,201	366,025

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	65,209	65,209	65,209	65,209
Payments received on account	-	3,522	-	-
Trade creditors	155,743	132,686	116,122	100,797
Other taxation and social security	28,750	33,279	12,225	10,264
Other creditors	595,253	640,298	234,089	291,577
Accruals and deferred income	205,183	210,108	113,019	69,776
	1,050,138	1,085,102	540,664	537,623

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

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	950,637	981,833	950,637	981,833
Other creditors	800,000	800,000	800,000	800,000
	1,750,637	1,781,833	1,750,637	1,781,833

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

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Repayable by installments	689,801	720,997	689,801	720,997
Payable or repayable other than by installments	800,000	800,000	800,000	800,000
	1,489,801	1,520,997	1,489,801	1,520,997

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

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

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

**NATIONAL MARITIME MUSEUM CORNWALL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. STATEMENT OF FUNDS (CONTINUED)

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

22. STATEMENT OF FUNDS (CONTINUED)

Unrestricted funds

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

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

Restricted funds

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

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

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

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

The Arts Council England Culture Recovery Fund (CRF) represents grants offered as a financial support measure to cultural organisations during the Covid-19 pandemic.

The Exhibition Funding relates to income received to assist in the delivery of the museum exhibitions.

The total of restricted funds balance of £21,470,064 as at the year end reflects the high capital cost of constructing and fitting out of the museum building, as noted above under the headings of the Project development fund and the Museum development fund.

**NATIONAL MARITIME MUSEUM CORNWALL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS							
Net Book Value of unrestricted funded assets	138,100	29,961	(20,793)	-	-	-	147,268
Net Book Value of Car Park	1,613,362	-	-	-	-	-	1,613,362
General Funds	58,268	462,402	(199,425)	80,000	-	175,429	576,674
Trading Subsidiaries' reserves	269,522	521,414	(528,178)	-	-	-	262,758
Other unrestricted grants	-	186,151	(186,151)	-	-	-	-
	<u>2,079,252</u>	<u>1,199,928</u>	<u>(934,547)</u>	<u>80,000</u>	<u>-</u>	<u>175,429</u>	<u>2,600,062</u>

**NATIONAL MARITIME MUSEUM CORNWALL
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**NOTES TO THE FINANCIAL STATEMENTS
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22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
RESTRICTED FUNDS							
Project Development Fund	1,910,631	-	(56,674)	-	-	-	1,853,957
Museum Development Fund - Fixed assets	19,665,884	-	(313,329)	-	40,038	(309,831)	19,082,762
Museum Development Fund - revenue expenditure	713,353	-	-	-	-	-	713,353
Tanner Trust	4,000	-	(4,000)	-	-	-	-
Garfield Weston Foundation	40,000	-	-	-	-	-	40,000
Sir Thomas Oats Fund	3,265	-	-	-	-	-	3,265
DCLG re Boat Trips	-	32,240	(14,990)	-	(17,250)	-	-
Arts Council - Monsters of the Deep	-	4,995	(4,995)	-	-	-	-
HLF Covid Emergency Funding	-	250,000	(250,000)	-	-	-	-
Arts Council CRF	-	371,125	(348,337)	-	(22,788)	-	-
Garfield Weston - Digitisation Education Programme	-	117,650	-	-	-	-	117,650
Exhibition Funding	-	30,000	-	-	-	-	30,000
	<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>

**NATIONAL MARITIME MUSEUM CORNWALL
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**NOTES TO THE FINANCIAL STATEMENTS
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23. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

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

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	2,079,252	1,199,928	(934,547)	80,000	-	175,429	2,600,062
Restricted funds	22,337,133	806,010	(992,325)	-	-	(309,831)	21,840,987
	<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>

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

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

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	20,936,719	656,537	21,593,256
Fixed asset investments	-	1,751,146	1,751,146
Investment property	1,509,831	1,303,531	2,813,362
Current assets	194,437	955,783	1,150,220
Creditors due within one year	-	(1,085,102)	(1,085,102)
Creditors due in more than one year	(800,000)	(981,833)	(1,781,833)
TOTAL	21,840,987	2,600,062	24,441,049

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NOTES TO THE FINANCIAL STATEMENTS
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25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Net income for the year (as per Statement of Financial Activities)	508,634	24,664	562,294	(66,971)
ADJUSTMENTS FOR:				
Depreciation charges	403,156	397,646	339,632	334,122
(Gains)/Losses on investments	(112,856)	134,402	-	134,402
Dividends, interests and rents from investments	(71,339)	(112,658)	(71,339)	(112,658)
Decrease/(increase) in stocks	(6,440)	14,365	-	-
Decrease/(increase) in debtors	74,372	(86,853)	(491,176)	12,358
Increase/ (decrease) in creditors	(66,160)	16,982	(28,155)	(95,134)
Grants received	-	(1,018,875)	(390,951)	(840,951)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	729,367	(630,327)	(79,695)	(634,832)

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Cash in hand	1,458,996	719,849	395,558	182,902
TOTAL CASH AND CASH EQUIVALENTS	1,458,996	719,849	395,558	182,902

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	719,849	739,147	1,458,996
Debt due within 1 year	(65,209)	-	(65,209)
Debt due after 1 year	(981,833)	31,196	(950,637)
	(327,193)	770,343	443,150

NOTES TO THE FINANCIAL STATEMENTS
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28. CONTINGENT LIABILITIES

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

A fund has been created to cover these costs. At the year end, a total of £358,950 (2021: £329,629) had been accrued through a Deed of Covenant from entities and residents in the area who benefit from the sea wall. This amount is included within other creditors.

During Spring 2022, a coating product was trialled on one section of the sea wall. If shown to be successful, this will allow a rolling programme of works to be implemented that may significantly reduce the cost of remedial works required and may make the annual contributions to the fund a viable solution for funding the ongoing maintenance of the sea wall.

A claim for unspecified damages was lodged post year end against a subsidiary in respect of damages caused as a result of a fire that took place post year end in a headleased property and associated issues. The subsidiary has disclaimed liability and is defending the action. Legal advice obtained indicates that any liability is uncertain at this time and, as a result, cannot be quantified.

29. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £26,512 (2021 - £26,391). Contributions totaling £3,078 (2021: £3,087) were payable to the fund at the balance sheet date and are included in creditors.

30. RELATED PARTY TRANSACTIONS

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

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

31. CONTROLLING PARTY

The Charity is controlled by the Board of Trustees.