

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

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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

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

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

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

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

### **OBJECTIVES AND ACTIVITIES**

#### **Policies and objectives**

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

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

#### **Strategies for achieving objectives**

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

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

#### **Principal activities of the year**

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

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

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

#### **Staff and volunteers**

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

**NATIONAL MARITIME MUSEUM CORNWALL TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

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

**ACHIEVEMENTS AND PERFORMANCE**

**Fundraising activities**

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

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

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

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

**Review of achievements and performance during the year**

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

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

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

**Exhibitions and Museum Activities**

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

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

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

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

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

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

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

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

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

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

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

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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

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

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

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

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

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

## **FINANCIAL REVIEW**

### **Financial performance and position**

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

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

### **Reserves and investment policy**

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

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

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

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

**NATIONAL MARITIME MUSEUM CORNWALL TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

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**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

**Pay policy for senior staff**

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

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



**NATIONAL MARITIME MUSEUM CORNWALL TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

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**Risk management**

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

**Information on fundraising practices**

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

**FUNDS HELD AS CUSTODIAN**

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

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

**Mr S P Sherrard DL**  
Chair of Trustees

**NATIONAL MARITIME MUSEUM CORNWALL TRUST  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2023**

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

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

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

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

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

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

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**OPINION**

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

In our opinion the financial statements:

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

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

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

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

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**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)**

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**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

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

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

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

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

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

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

**USE OF OUR REPORT**

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

**Alison Oliver FCA (Senior statutory auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

Chy Nyverow

Newham Road

Truro

Cornwall

TR1 2DP

Date:

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

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

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

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

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

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

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2023**

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

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



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

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

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

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

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

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

**Mr S P Sherrard DL**

Date:

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

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

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

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

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

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

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

The notes on pages 18 to 45 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 2023**

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**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 2023**

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**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 2023**

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**2. ACCOUNTING POLICIES (continued)**

**2.5 EXPENDITURE (CONTINUED)**

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

All expenditure is inclusive of irrecoverable VAT.

**2.6 GOVERNMENT GRANTS**

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

**2.7 INTEREST RECEIVABLE**

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

**2.8 TAXATION**

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

**2.9 TANGIBLE FIXED ASSETS AND DEPRECIATION**

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

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

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

Depreciation is provided on the following bases:

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

## **2. ACCOUNTING POLICIES (continued)**

### **2.10 HERITAGE ASSETS**

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

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

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

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

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

### **2.11 INVESTMENTS**

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

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

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

### **2.12 INVESTMENT PROPERTY**

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

### **2.13 STOCKS**

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

### **2.14 DEBTORS**

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

**2. ACCOUNTING POLICIES (continued)**

**2.15 CASH AT BANK AND IN HAND**

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

**2.16 LIABILITIES AND PROVISIONS**

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

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

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

**2.17 FINANCIAL INSTRUMENTS**

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

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

**2.18 OPERATING LEASES**

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

**2.19 PENSIONS**

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

**2.20 FUND ACCOUNTING**

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

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

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



**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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

Critical accounting estimates and assumptions:

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

Critical areas of judgement:

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**4. INCOME FROM DONATIONS AND LEGACIES**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**5. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Charity incoming resources	17,000	920,466	<b>937,466</b>

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

**6. GRANTS RECEIVED**

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**7. INCOME FROM OTHER TRADING ACTIVITIES**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Trading income	986,660	<b>986,660</b>

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Trading income	1,192,409	1,192,409

**8. INVESTMENT INCOME**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Investment income	78,445	<b>78,445</b>

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Investment income	71,339	71,339

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**9. OTHER INCOMING RESOURCES**

	<b>Total funds 2023 £</b>
CJRS Income	-
	<u>          </u>

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
CJRS Income	4,476	4,476
	<u>          </u>	<u>          </u>

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Charitable activities	2,252,482	676,020	<b>2,928,502</b>
	<u>          </u>	<u>          </u>	<u>          </u>

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

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**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

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

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

**11. AUDITORS' REMUNERATION**

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

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**12. STAFF COSTS**

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

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

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>	<b>Charity 2023 No.</b>	<b>Charity 2022 No.</b>
Management and administration	<b>39</b>	37	<b>21</b>	21

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

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>
In the band £70,001 - £80,000	<b>1</b>	1

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

**13. TRUSTEES' REMUNERATION AND EXPENSES**

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

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

**14. CORPORATION TAXATION**

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

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**15. TANGIBLE FIXED ASSETS**

**GROUP**

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

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

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

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

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



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**15. TANGIBLE FIXED ASSETS (CONTINUED)**

**CHARITY**

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

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**16. INVESTMENT PROPERTY  
GROUP**

	<b>Freehold investment property £</b>
<b>VALUATION</b>	
At 1 April 2022	<b>2,813,362</b>
At 31 March 2023	<b>2,813,362</b>

**CHARITY**

	<b>Freehold investment property £</b>
<b>VALUATION</b>	
At 1 April 2022	<b>2,813,362</b>
At 31 March 2023	<b>2,813,362</b>

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

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**17. FIXED ASSET INVESTMENTS**

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

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**17. FIXED ASSET INVESTMENTS (CONTINUED)**

**PRINCIPAL SUBSIDIARIES**

The following were subsidiary undertakings of the Charity:

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

The financial results of the subsidiaries for the year were:

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

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**18. STOCKS**

	<b>Group 2023 £</b>	Group 2022 £
Goods for resale	<b>82,067</b>	62,868

**19. DEBTORS**

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

**20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

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

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

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Charity 2023 £</b>	<b>Charity 2022 £</b>
Bank loan	<b>917,553</b>	950,637	<b>917,553</b>	950,637
Other creditors	<b>800,000</b>	800,000	<b>800,000</b>	800,000
	<b>1,717,553</b>	1,750,637	<b>1,717,553</b>	1,750,637

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

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

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

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

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

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**22. STATEMENT OF FUNDS (CONTINUED)**

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



**22. STATEMENT OF FUNDS (CONTINUED)**

**Unrestricted funds**

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

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

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

**Restricted funds**

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

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

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

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

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

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

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

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

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**22. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>UNRESTRICTED FUNDS</b>						
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>

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**22. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>RESTRICTED FUNDS</b>						
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)	-	-	-
	<u>21,840,987</u>	<u>255,451</u>	<u>(657,498)</u>	<u>-</u>	<u>-</u>	<u>21,438,940</u>
<b>TOTAL OF FUNDS</b>	<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>

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**23. SUMMARY OF FUNDS**

**SUMMARY OF FUNDS - CURRENT YEAR**

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

**SUMMARY OF FUNDS - PRIOR YEAR**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

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

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
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)
<b>TOTAL</b>	<b>21,438,940</b>	<b>3,510,743</b>	<b>24,949,683</b>

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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**

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

**26. ANALYSIS OF CASH AND CASH EQUIVALENTS**

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

**27. ANALYSIS OF CHANGES IN NET DEBT**

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

**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 £243,159 (2022: £358,950) had been accrued through a Deed of Covenant from entities and residents in the area who benefit from the sea wall. This amount is included within other creditors.

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

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

**29. PENSION COMMITMENTS**

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

**30. RELATED PARTY TRANSACTIONS**

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

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

**31. CONTROLLING PARTY**

The Charity is controlled by the Board of Trustees.