

# THE FOUNDLING MUSEUM

England & Wales · Charity number 1071167

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [03621861](#)

**Registered** 1998-08-24

**Register** [View on the Charity Commission register](#)

## Contact

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## Activities

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**Objects:** (A) TO ESTABLISH AND MAINTAIN A MUSEUM FOR THE ADVANCEMENT OF EDUCATION OF THE GENERAL PUBLIC AND OF SCHOLARS BY THE DOCUMENTATION, MAINTENANCE, CONSERVATION, EXHIBITION, STUDY AND INTERPRETATION OF THE COLLECTION (AS DEFINED IN PARAGRAPH (B) OF THIS SUB-CLAUSE); (B) IN THIS MEMORANDUM OF ASSOCIATION, THE "COLLECTION" MEANS THE WORKS OF ART AND ASSOCIATED ITEMS FROM TIME TO TIME COMPRISED IN THE ORIGINAL COLLECTION SPECIFIED IN THE SCHEDULE HERETO AND SUCH OTHER WORKS OF ART AND ASSOCIATED ITEMS AS ARE COMPRISED THEREIN AND AS MAY BE ADDED THERETO. (2) TO SUPPORT SUCH OF THE PURPOSES OF THE CHARITY CALLED THE HOSPITAL FOR THE MAINTENANCE AND EDUCATION OF EXPOSED AND DESERTED YOUNG CHILDREN NOW KNOWN AS THE THOMAS CORAM FOUNDATION FOR CHILDREN ("THE FOUNDATION") AS THE CHARITY IN CONSULTATION WITH THE FOUNDATION SHALL FROM TIME TO TIME DETERMINE.

**Activities:** To operate a museum for the maintenance, conservation and exhibition of the Foundling Hospital collection.

## Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, The General Public/mankind

## Geography

- Throughout London

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,969,913	£2,251,669	£19,391,480	35
2024-03-31	£9,549,443	£2,397,896	£19,638,051	34
2023-03-31	£2,057,213	£2,123,554	£12,410,447	33
2022-03-31	£1,745,520	£1,881,611	£12,597,982	33
2021-03-31	£2,237,309	£1,521,986	£12,417,063	19

## Trustees

Name	Role	Appointed
<b>Susan Linda Hoyle OBE</b>	Chair	2024-06-28
Andrew James McIntyre		2022-01-26
Christopher Richard Dumas		2025-02-24
Claire Jeffers		2019-09-30
Edward Stuart Humphrey		2022-01-26
Francesca Filippini Pinto		2025-02-24
Grayson Perry CBE		2021-12-06
Lord Simon Russell		2019-12-09
Michael Desmond Crossan		2024-03-11
Ronald Gould		2017-12-11

**THE FOUNDLING MUSEUM**

England & Wales - Charity number 1071167

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# Accounts

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Annual Review &  
Financial Statements  
1 April 2024  
to 31 March 2025



# Foundling Museum

Charity 1071167  
Company Limited by Guarantee  
03621861 (England and Wales)

Heathcliff was a foundling. Harry Potter was fostered. Estella Havisham was  
Becky Sharp was orphaned. Alem Kelo was fostered. Dick Whittington  
was orphaned. Asajj Ventress was orphaned. Cinderella was fostered.  
Dorothy Gale was adopted. Gideon Smeed was a foundling. Han Solo  
was orphaned. Harriet Beadle was a foundling. Rapunzel was fostered.  
Hotaru Tomoe was adopted. James Bond was fostered. Julius and  
Remus were foundlings. Jane Eyre was fostered. Hassan Zouhri was  
a foundling. Lynn Collins was fostered. Frodo Baggins was adopted.  
Jack Worthington was a foundling. Tom Riddle was orphaned.

Scarlett  
Twins  
a fo  
fost  
Jea  
Fea  
Mo  
Sala  
was  
fost  
Mac  
Xiao  
was  
ado  
fost  
Yuri



75%  
756,000  
900,000

...the inhumane Custom of  
New born children to Perish



# Welcome

The Foundling Museum explores compelling stories of love, loss and care through art, music and objects.

The Foundling Museum is the only cultural institution in the UK to celebrate people who have been in social care as children and those who care for them.

We are a contemporary museum opened in 2004, with collections of art, music, writing, and emotive objects that stretch back to the 18th century. Our work grows from our unique foundations, as the only foundling hospital museum in the world that has an art collection donated by artists, and the only one to tell the story of the birth of creative philanthropy.

We show how civic-minded artists championed the Foundling cause, including artist William Hogarth and composer George Frideric Handel. Their cultural innovations demonstrated that the arts can transform lives. At the Museum, we work with outstanding contemporary artists, writers, and musicians to ensure that leading artists continue to shape compassionate engagement with the story of care.

At the heart of our work is our award-winning arts training programme for young care leavers – people with lived experience of children’s social care – along with arts and wellbeing activities for early years children, looked-after children, families, and communities.

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# Annual Review



'Foundling was an affectionate old term for a child in care. Foundling refers to a vulnerable mother placing her baby to be found and supported, for a time, by the kindness of strangers.'

Emma Ridgway, Museum Director



# Chair's Statement



Sue Hoyle OBE,  
Chair of Trustees

The Foundling Museum has entered a dynamic new chapter as we clarify our vision, navigate a challenging landscape and endeavour to build greater financial resilience. Our unwavering focus on lived experience of care has never felt more vital or more urgent. Over the last year, we have witnessed a marked surge in participation across our arts and wellbeing activities spanning early years children, families and the wider local community, all which provide powerful evidence of the Museum's ongoing relevance and reach.

Throughout 2024-25, our exhibitions have sought to reflect the themes that are woven into our new artistic direction: love, dignity for people with care experience, and the relationships that shape us. Our major solo show, *Polly Braden: Leaving Ukraine*, offered an unforgettable insight into the realities, the hopes, and the extraordinary journeys of mothers and daughters forced to flee Ukraine after the Russian invasion. These images—tender, courageous, and deeply human—offered visitors a profound space for empathy and reflection, and highlighted the ripple effects of war and displacement in personal terms.

Autumn brought two related exhibitions. *Self-Made: Reshaping Identities* brought together four leading artists, each exploring the transformation of clay from earth into form, a compelling metaphor for the human capacity to remake ourselves, both physically and emotionally. Alongside this, *Foundling Voices* presented five former pupils of the Foundling Hospital as they bravely confronted questions of identity and the interplay between their pasts and present selves. These exhibitions offered opportunities for dialogue, learning and connection.

Our visual arts programming continues to thrive, alongside our growing focus on music. As proud custodians of one of the world's largest Handel collections, we look forward to music playing a much more prominent role at the Museum, engaging new audiences. In September, we gathered supporters and artists to celebrate this new chapter. Sir Simon Robey and Sir Nicholas Serota spoke warmly about the Museum's achievements under the inspiring stewardship of outgoing Chair Larissa Joy, whom we honoured as Vice President. Director Emma Ridgway launched the vision for the Museum's future, emphasising our new focus on music and championing the much-needed continued support for our programme and operations.

None of our progress would be possible without the commitment and generosity of our supporters, staff and trustees who came together so energetically for the campaign to secure a 999-year lease, a virtual freehold, of our home at 40 Brunswick Square in 2023/24. This tremendous achievement provides a secure foundation for the future, while also laying new obligations before us: to improve and maintain our beautiful Grade II-listed

**'As proud custodians of one of the world's largest Handel collections, we look forward to music playing a more prominent role at the Museum, engaging new audiences.'**

**Sue Hoyle OBE**

building, to enhance accessibility, and to meet the highest environmental standards. We are grateful to the DCMS for their timely support in providing a much sought-after grant from Arts Council England's Museum Estate and Development Fund (MEND) for our most urgent building repair, the only one awarded to a central London museum. Income from our permanent endowment, established with a grant from the National Heritage Memorial Fund, contributes towards our operating costs. However, we continue to seek a broad range of support to ensure we can meet our obligations and fully realise our vision.

I offer my deep gratitude to the Museum team, who have once again delivered excellence through a year of considerable change, developing new digital systems to enhance internal collaboration, and working assiduously to diversify income opportunities in support of our financial stability. I extend my thanks to our Board of Trustees and to our honorary Vice Presidents. I would like to express sincere appreciation to Anne Beckwith-Smith LVO and Chris Cotton DL for their service as Trustees, and to Jamie Korner, who has skilfully chaired our Investment Committee for the last 20 years. We are delighted to welcome Francesca Filippini Pinto and Chris Dumas to the Board. Their insights and support are already enriching our work, with Francesca bringing invaluable experience, including fundraising, art curating and business development, and Chris, expert knowledge of building projects and facilities management.

Above all, the Museum simply could not exist without the steadfast encouragement of our loyal supporters. We are indeed fortunate to count among our champions such passionate long-term friends, trusts, and individuals. Their continued belief in our mission sustains and enables all that we do.

As we look to the future, I am optimistic and grateful for what we have achieved together—and excited for the next chapter in our journey as a museum rooted in compassion, creativity and care.

**Sue Hoyle OBE**  
Chair of Trustees

# Museum Director's Summary



*Self-Made: Reshaping Identities* exhibition, detail of artworks by Renee So and Rachel Kneebone. Photo by Fernando Manoso. © Foundling Museum

Emma Ridgway,  
Museum Director  
(CEO & Artistic  
Director)

The Foundling Museum remains the UK's only arts and cultural institution dedicated to furthering public understanding of the lived experience of care. Here, 'care' covers children's social care in all its forms—from foster care and adoption to kinship and local authority care. Positive social impact is at the heart of our mission, realised through our collections, exhibitions, events, with and for care leavers, looked-after children, and the very youngest in our communities.

At the Museum, our exhibitions, events, and learning programmes positively enrich relationships, wellbeing, and a sense of belonging. In the past year, projects like Music Explorers for young children explore ideas of love, home and foundlings through learning music and listening skills, resulting in over 90% of surveyed parents and carers reporting that their child's connection to the local area and sense of pride had grown. Our projects, particularly music and arts workshops in local communities, also created work opportunities for our arts trainees and graduates.

**'Naturally, we're going to relate to Foundlings. It helps me get over the trauma [of being in social care]. It makes me feel like I deserve something: I'm worthy.'**

### *Tracing Our Tales Alum*

Our traineeship programme, Tracing Our Tales, offers paid, professional arts training and opportunities exclusively for care leavers—young people mostly aged 19–25, navigating early adulthood after leaving care. This year, we welcomed 400 attendances by care-experienced young people, our largest reach to date. We also employed and contracted more of our graduating trainees at the Museum. We continue to seek new ways to listen to the lived experiences of care leavers and carers (including members of our team), so these voices genuinely shape our programmes and future direction.

Through these insights, our exhibitions, events, and workshops this year have sought fresh perspectives on both historic and contemporary experiences—showing how, through love and relationships, we form and re-shape our identities throughout our lives. A key highlight was Polly Braden's powerful exhibition, Leaving Ukraine. For her commission with the Museum, Braden spent months and years forging trusting relationships with mothers and children displaced by war, inviting audiences into their worlds with empathy and respect. Her creative process, which enables participants' self-narration, reminds us of the affirmative vitality of learning from others and being open to love, even during loss. Braden's work humanises the experience of war

and echoes the courageous choices of countless women to secure safer futures across generations.

The exhibition Self-Made: Shaping Identities brought together contemporary artists—Phoebe Collings-James, Rachel Kneebone, Matt Smith, and Renee So—to explore identity through clay. Their works reflect on gender, sexuality, and cultural legacies, prompting us to consider how individual identities are not static but are continually moulded by relationships, chance, and choice. Exhibited alongside Self-Made, the Museum's Foundling Voices oral history project offered a parallel exploration of belonging and evolving self-identities. Five former Foundling Hospital pupils shared personal journeys marked by limited knowledge of origins, yet each found meaning through forging new families and deep friendships. Their stories illuminate both heartbreak and the powerful success of actively creating loving relationships while navigating life's challenges.

In these challenging economic times, we are responding to the challenging times we face with innovation and adaptability. Recognising the richness of what we offer, we extended temporary exhibition durations from three to six months, giving more visitors the chance to engage deeply and making efficient use of resources. A new 12-month ticket encourages return visits and supports our claim to Gift Aid. Behind the scenes, our Commercial & Operations team received two Cultural Enterprises Association awards—Best Ticketing Initiative and Rising Star—for digital improvements that enhance both front-of-house and backstage systems. With the support of the Arts Council England's Museum Estate and Development Fund (MEND) and a new 999-year lease, we can now carry out essential repairs to our wonderful—but occasionally leaky—historic home, ensuring it remains safe and welcoming for future generations.

It is an honour to serve as the Director of the Foundling Museum. The last year's collective achievements—thanks to our trustees, team, volunteers, participants, supporters, partners, and artists—give me great confidence in our shared mission. Your belief and engagement ensure that, while modest in scale, the Foundling Museum remains ambitious in scope and abundant with future possibilities.

**Emma Ridgway**  
(CEO & Artistic Director)  
Deborah Loeb Brice Director  
Foundling Museum



# Social Impact & The Arts



‘There’s nothing we’ve got  
right now that compares  
to the Foundling Museum -  
that’s the truth!’

Virtual School representative, Hackney Council.  
The Museum works with 18 organisations across  
the statutory and charity sectors dedicated to  
children and young people’s social care.

The Foundling Museum's distinctive emphasis on social impact through the arts is rare in the museums sector.

We invest as much in our learning work as we do in our exhibitions. Our dedication to creative excellence with care-experienced people is award-winning.

**42,897+ visitors**

to the Foundling Museum in the past year

**510+ events**

including 287 public events

**11,250+ young attendees**

including early years, children and young people aged 19-25

**£1.97M income**

generated by 14% public grants (ACE & NLHF), 45% fundraised income, 34% admissions and other earned income and 7% investment income

**140+ research visits**

by academics studying our collections

**35+ specialist artists**

led the Museum's creative learning events

**2,243+ new followers**

on Instagram alone in the past year

**140+ volunteers**

dedicated 5,667 hours to visitor services

**50%+ carbon reduction**

over past 5 years, 12.5% reduction in 2024-25

These figures count people visiting the Museum and also attendees at our participation events at local libraries, nurseries and primary schools in Camden, Newham, Barking & Dagenham and Stoke-on-Trent.

# Creative Action: Learning & Wellbeing



The Foundling Museum celebrates social diversity with creative activities that have social impact, focusing on workshops designed with and for care leavers, looked-after children, early years, and carers.

### *TRACING OUR TALES*

The Foundling Museum's award-winning learning programme, Tracing Our Tales, is distinctive in providing paid professional arts training exclusively for young care leavers.

'The art and creative side of this traineeship has been great, [and] meeting other young people like me who have been in care. The last time I met anyone in care was when I was 7 years old. I was passed through so many different types of care and I have had no one to talk to about it - but now I do. This means so much to me! I've made some proper friends here.'

#### *Tracing Our Tales Trainee*

For Tracing Our Tales, our specialised team recruits and professionally trains care-leavers to become arts workshop assistants with the Foundling Museum. The traineeship focuses on developing art, creative writing and teaching skills, as well as general life skills such as confidence building and forming a community of young people with shared experiences. The positive impact of this highly respected programme is shown to improve mental health and well-being, by addressing loneliness and isolation faced by care-leavers. With over 400 attendees in 2024/25, a majority of the young people with care experience that we work with are aged between 19-25 years old.



*Tracing Our Tales* trainees gain art skills and exhibit their work.

Insights from care leavers in the 2024/25 Foundling Museum arts traineeship include:

- 100% would recommend our traineeship to other care experienced young adults;
- 100% said attending the weekly sessions has created a routine and structure for them to use in attending future studies or employment;
- 100% said they feel they have become part of a community of young people with shared experiences;
- 100% think it makes a difference that the traineeship is at the Foundling Museum (with its history and story of care) rather than somewhere else, say at a library or school;
- 100% of the trainees at the Foundling Museum said they leave sessions feeling happier than when they arrived.

'Here, you can creatively express what you've been through in care and link it to the Foundling Museum. It will help you think more positively about care experience, and it helped me to heal some of my experiences in care.'

#### *Tracing Our Tales Trainee*

## TRACING OUR TALES: ALUMNI

Developed in collaboration with Tracing Our Tales trainees, there are now Foundling Alumni workshops with professional artists at the Foundling Museum.

**'It opens up different pathways and allows me to hear and share new perspectives. I don't have much exposure to other care experienced people and there's still so much stigma around talking about experiences of care. It's very grounding to come back here.'**

### *Tracing Our Tales Alum*

For groups of up to eight participants, weekly sessions have taken place in Summer and Winter. This programme follows the interests of the care-experienced participants, with an external evaluation of each session informing the development of this innovative new project.



The alumni workshops are led by traineeship graduates.



The alumni workshops are led by traineeship graduates.

## FOUNDLING MUSEUM ASSISTANTS

The Foundling Museum is distinctive in providing paid professional arts-sector training for young adults with care experience. In 2023, our new initiative was the Museum Assistant role; a 12-month employment contract exclusively for care leavers. Over the year, the Museum Assistant(s) work with four of our teams: learning, visitor engagement, curatorial, and communications, taking on responsibilities that include curating displays and managing volunteers. As active participants in the life of the Museum, the Museum Assistants build professional confidence and broaden their career options.

**'I like keeping connected to the history of the Foundling Museum and how it's shaped my own reality and start in life.'**

### *Tracing Our Tales Alum*

## EARLY YEARS

The Museum does extensive work with children in the Early Years Foundation Stage (ages 2 to 5 years). In the last year, our learning team has run over 100 artist-led art and music workshops both in the Museum and offsite across nurseries, Reception classes, and libraries throughout London and in Stoke-On-Trent. These workshops involve hands-on creative activities exploring love, home and the experiences of foundlings through art, music and storytelling, enabling children to build cultural capital and engage with their community. A stand-out programme includes Music Explorers for Reception classes: inspired by the Hospital's legacy of learning through music, professional musicians lead sessions on instrumentation, voice, and movement. Offsite, our drop-in library programmes frequently attract up to seventy under-5s and their families.

**'They meet new people. They hear stories that are part of their history. They learn how to focus on an activity. It works perfectly. It's beautifully resourced and gives more status to the art that they make.'**

Teacher, Christopher Hatton Nursery

## ARTS & WELLBEING

Following the success of our earlier pilot in 2023, the Museum has continued to work with Home-Start Camden & Islington to deliver a parental care programme supporting at-risk parents of children under-5. Parents were given the space to connect with others and invest in their own wellbeing and confidence through creative, collective work, culminating in a showcase in the Court Room Gallery.



Home-Start participants with their work.



A Foundling Libraries Workshop.

This year, the Museum started a pilot project of a week of artist-led sessions in the school summer holidays, specifically for looked-after children from Hackney borough. An opportunity to get creative, explore the story of the Foundling Hospital and make friends in a flexible and encouraging atmosphere, these sessions focused on themes of personal identity, and the children experimented with mosaics, printmaking and cyanotypes. The pilot was a success and has been green lit to continue into the future.

In autumn 2024, we delivered an arts project at the Coborn Centre for Adolescent Mental Health, engaging 23 young people aged 12–18. Led by a professional artist, the group explored identity and play, inspired by the Foundling Museum's tokens, culminating in a collective wall-painting at the in-patient clinic at Newham Hospital. Attendance was notably high, feedback 100% positive, and participants reported improved skills, increased well-being, and inspiration through a 'wonderous', 'majestic' and 'imaginative' creative journey together.

Taking inspiration from the Museum's story of care and social activism, from November to March we continued our partnership with Mind in Camden to facilitate the creative programme 'Maker Space'. The Museum's Collection and exhibitions, particularly Self-Made: Reshaping Identities, were explored by the group through studio-based practice, led by our Arts & Wellbeing Manager. The group partook in projects inspired by the tokens and histories of connection, and explored new beginnings through experimental artistic practice.

**'We all worked together, we talked about shelter. There's a saying that you need a village to raise a child. I don't have a village, but we were all so invested in that session, it felt like [working with] a proper team.'**

Home-Start Creative Workshop Participant

# Fresh Perspectives: Exhibitions & Events



Above: Renee So, *Woman Holding Cup XVI*, 2022  
Left: Polly Braden, *Yuliia in Byala, Bulgaria*, 2022

# Exhibitions

At the Foundling Museum, we invite leading artists, writers and musicians to offer fresh perspectives on our historic collections and stories of care. We trust the ongoing power of the arts to challenge and question the world around us.



Polly Braden, *Sofiia, aged 17, at home in Gipf-Oberfrick, Switzerland, 2022*

## ***POLLY BRADEN: LEAVING UKRAINE***

15 MARCH - 20 OCTOBER 2024

EXHIBITION GALLERY

Polly Braden: Leaving Ukraine was an intimate portrait of women, forced to leave their homes following the Russian invasion of Ukraine on 24 February 2022. In this new series of work we saw the extraordinary journeys undertaken by mothers, daughters, teenagers and babies in arms.

Since the outbreak of the war in Ukraine, Polly Braden has used her camera to document the lives of women and children unexpectedly scattered across Europe. Through first-hand photographs, personal films and recorded conversations, Leaving Ukraine took the visitor on a geographical and emotional journey, including the highs and lows of job interviews, first days at school, trips to buy wedding dresses and poignant family reunions, as well as gruelling night shifts – a far cry from the jobs they had at home.

The show explored four central stories focussing on: three school friends trying to forge new lives and continue their education; a young graduate making a fresh start as a lawyer in London; a mother whose baby was born shortly after a perilous escape from Kherson to Warsaw; and two friends and their children who fled to Moldova with help from a kickboxing club, now struggling to find work in Italy.

Polly Braden's relationships with the women and girls featured in the exhibition continues up to the present moment and the exhibition showed how their circumstances continued to evolve amid the ongoing uncertainty. As the conflict continued into its third year, the passing of time was mirrored in everyday lives, as teenagers grew into young adults and babies into toddlers.

Supported by the Foundling Museum's 1739 Club.

The exhibition received positive reviews across the media, including: The Guardian; BBC Radio 4; Big Issue; FT Weekend; The Economist; CNN; Hindustan; The New European; Aesthetica magazine; Art Fund and many more.

'This exhibition was wonderful. This space will act as a vital resource in understanding the conflict from a first-hand perspective for years to come.'

Exhibition visitor

'*Leaving Ukraine* [is] a breathtaking exhibition.'

*The New European*



Polly Braden, *Anya with her baby, Poland, 2022*

## SELF MADE: RESHAPING IDENTITIES

15 NOVEMBER 2024 - 1 JUNE 2025

EXHIBITION GALLERY

What is our true identity? Or do we have many? How do we make a sense of self? This exhibition asked visitors to immerse themselves in an exploration of the ever-changing nature of identity through the shape-shifting properties of clay.

An ancient and elemental material, clay is subject to many altered states. Beginning as soft and pliable, often changing colour as well as texture when exposed to air, heat and force. Identity is similarly influenced by a combination of genetic, environmental and historical factors as we adapt to our circumstances and become moulded by our experiences.

**'Brilliant ways of looking (inside & out) & seeing. So ancient & modern.'**

### Visitor comment

Self-Made featured work by four leading artists Phoebe Collings-James, Rachel Kneebone, Matt Smith and Renee So, who each use clay in different ways to explore embodied narratives, the construction of self and the capacity for physical and emotional transformation. Touching on class, gender, sexuality, cultural heritage and historical legacies, each piece represented an intimate interaction between artist and material, moulded, cast and inscribed with new narratives and forms of expression. These works remind us that the creation of self-identity can be a challenging yet profoundly empowering process. Encompassing lost, hidden, re-made or re-claimed identities, Self-Made revealed fresh connections with the enduring stories of identity, care and belonging at the heart of the Foundling Museum, while prompting us to consider the myriad factors and conditions that determine our own sense of who we are and the potential to keep reinventing ourselves.

The exhibition included a tactile 'handling area' where each artist provided examples of their ceramics that visitors are invited to touch to physically sense of how clay transforms from one state to another.



Rachel Kneebone, *Souvenir*, 2021 © the artist and Ollie Hammick

We've also welcomed people on group visits from Great Ormond Street Hospital and the London Art History Society.

This exhibition was supported by the Foundling Museum's 1739 Club.

Press coverage included: Evening Standard; RA Magazine; Kensington and Chelsea Review; Art Quarterly; Observer.

**'I always find a visit to the Foundling Museum profoundly moving. The current exhibition, Self-Made, looks suitably inspiring.'**

Eva Wiseman for the *Observer*



Matt Smith, *Sphere Heads*, 2018; Smith, *Notes from a Love Song (Handle Woman with Spots)*, 2018; Smith, *Wunderkammer II 14, Round Headed Couple*, 2017

# Collection Displays

## FOUNDLING VOICES

24 SEPTEMBER 2024 - 29 JUNE 2025  
FOYLE COMMITTEE ROOM GALLERY

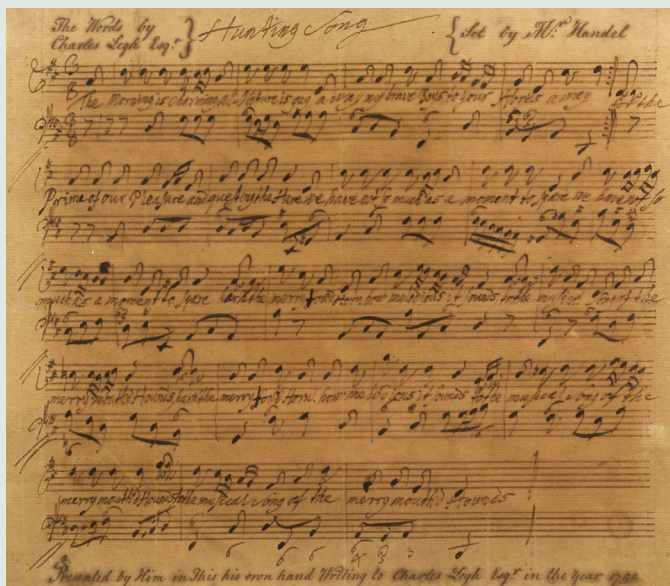
The people in our lives can be central to how our identity is shaped. For many of us this begins with family. But how do you make sense of your identity when you have no idea who your family is, or even the name given to you at birth? For former pupils of the Foundling Hospital, this has often been a difficult process.

This display tells the stories of five people who have explored many questions around identity, to come to terms with their past and their present 'selves'. Not knowing their birth families led many former pupils to establish their own 'self-made' families. Some formed strong ties with foster parents, friends and other pupils, partners and children, while others struggled to make any ties at all. Some have since traced their birth families, sometimes gaining a mother, father, siblings, and other family members, along with a deeper sense of belonging.

This display was created thanks to Foundling Voices, an innovative oral history project originated by the Foundling Museum. From 2009 to 2011 we were fortunate to meet and interview 76 former pupils, now adults in their 80s and 90s, with some sadly no longer with us. You can discover the Foundling Voices project online by visiting the dedicated section on our website, which is packed with audio recordings of former pupils. We continue to provide care-experienced people with the opportunity to share their testimonies and join the living histories that are part of our collections.



Bob and Bert, former pupils and foster brothers.



Autograph manuscript of 'Hunting Song' set by Handel, with words by Charles Legh.

## ELIZABETH LEGH: LOVER OF MUSICK & ALL INGENIOUS THINGS

17 JULY 2024 - 7 SEPTEMBER 2025  
HANDEL GALLERY

A display celebrating the 18th-century collector Elizabeth Legh's ecstatic passion for music and Handel's most devoted patron. Elizabeth Legh (1694-1734) was the first collector of George Frideric Handel's music. From 1715 she spent much of her time at her parents' London home, near to Handel's house in Brook Street, and in her early 20s openly expressed her great joy in response to his music. Legh was herself a skilled harpsichord player and she often acquired copies of Handel's work soon after their composition. Her status as an unmarried woman and her inherited wealth granted her the freedom to pursue her interest in music and her passion for collecting.

## HALLELUJAH! ICONIC CHORUS & ANTHEM OF HOPE

25 FEBRUARY 2025 - 29 MARCH 2026  
HANDEL GALLERY

In 1749, seven years after Messiah was first performed in Dublin, Handel held a benefit concert in aid of the Foundling Hospital, which featured the premiere of his "specially written" Foundling Hospital Anthem. In 1750, he returned to the hospital to lead another benefit concert, this time performing Messiah. The concert was so popular it became an annual event up until the 1770s. This display in the Handel Gallery explores the enduring popularity of the Hallelujah Chorus and its capacity to inspire performers and audiences alike. The presentation of original manuscripts, images of early performance venues, and accounts of the experiences of the decisively uplifting composition mark the beginning of our developing programme at the museum to explore the profound influences music has on us as individuals and as a society, including how it makes us feel when we sing, play, listen, and express ourselves musically.

# Events

## YOUNG ARTISTS PLATFORM

Young Artists Platform is a compelling musical initiative at the Foundling Museum in partnership with the Philharmonia Orchestra, supporting early career musicians through paid lunchtime concerts, open to all visitors. The musicians benefit immensely from gaining professional performance experience, helping them to prepare for orchestral careers.



Carys Barnes performs as part of the Young Artists Platform.

## CREATIVE WEEKENDER

Celebrating Ukrainian culture for a weekend, the Museum was brightened with sunflowers (the national flower of Ukraine) and two music performances. The first was by Dzvin, a women's group of six professional singers from different parts of Ukraine, who were forced to leave their homes by the war but brought together in London by their music. Second, a young flautist, Ellie Blamires, fresh from her Master's at the Royal Academy of Music, was joined by Mark Rogers for a recital of chamber pieces by Ukrainian composers.



Dzvin.co perform a medley of Ukrainian songs in the Picture Gallery.

## QUEER GEORGIAN YULETIDE

As part of Les Bougies Baroque's 'Queer Georgian Social Season', the musicians reimagined Handel's Messiah to amplify Handel's celebration of diversity, creative innovation and collective voice. Hosted at the Foundling Museum, the event blended Baroque music, queer culture, and historical storytelling, offering an evening of joyful conversation and performance.

'The Museum is much more than just art. It's a story. It's people's lives. It's still a current thing now.'

*Tracing Our Tales Trainee*



A member of a Les Bougies Baroque performs Handel's *Messiah* in the Picture Gallery.

## KATIE BRAY & THE ENGLISH CONCERT

As part of the London Handel Festival, we had the honour of hosting mezzo-soprano Katie Bray and soloists from The English Concert for a special evening celebrating Handel's 340th birthday. The performance featured works by Handel, Bononcini and Cervetto.

## SUPPORTERS EVENT, IN CONVERSATION WITH LEMN SISSAY

In a powerful conversation held in the Foundling Museum's historic Court Room Gallery, poet, broadcaster and Foundling Fellow Lemn Sissay, and Museum Director, Emma Ridgway, explored the intersection of arts, care, and compassion, core to the Museum's mission. The event shone light on the Foundling's legacy and contemporary relevance, amplifying our social impact through dialogue and storytelling.

## WOMEN'S PRIVATE LIVES

For our online talks, popular events to watch from home included *Libertine London: Sex in the Eighteenth-Century Metropolis* with author Julie Peakman, and *Labouring Mothers: Reproducing Women and Work in the 18th Century* with author Ellen Ledoux. In person behind-the-scenes tours included uncovering some of the stories of Black and Asian children who were cared for at the Foundling Hospital, in partnership with London Archives.



Lemn Sissay in conversation with Emma Ridgway in the Court Room Gallery.

## HANDEL INSTITUTE STUDY DAY

With the Handel Institute we delivered an annual study day on Handel's final opera, *Deidamia*, which brought together scholars from all over the world to the Museum. The study day featured a keynote lecture by Carlo Caruso (Università degli Studi di Siena) on 'Italiophilia' in the early eighteenth century, and a recital of music from *Deidamia* by Madeline Claire de Berrié.



Grammy-winning singer-songwriter Lucy Dacus performing a 'secret' concert in the Picture Gallery. The Foundling hosted the only London-based gig of a global tour to promote the release of Dacus' new album, *Forever is a Feeling* (2025). Dacus was also photographed and interviewed in the Court Room for the Observer New Review, and spoke about how the Foundling was an especially important venue for her, having been adopted herself. Photograph Ashley Gellman.

“I had nothing like this growing up,” says Dacus to the assembled crowd. “We don’t have the concept of a foundling in the US. It would have been cool if the other kids at school had known that was fine.” The previous day, after her photoshoot in the museum’s grand-looking Court Room, she is visibly moved upon learning about the building’s history, and its current work training care-experienced young people.’

Lucy Dacus, for the Observer New Review.  
Interview by Kathryn Bromwich

## ASSEMBLAGE YOUTH COLLECTIVE

Our regular creative workshops, open to all young people aged 18-30, were produced by our resident youth collective, Assemblage Collective. For the first time, music became a focus, with a session led by composer Beth Hopkins to explore songwriting and lyric-writing, drawing inspiration from the Foundling Museum's collection. The session fostered artistic expression and allowed participants to engage with the collection through song.



Assemblage Collective members in the Foundling Museum's Clore Creative Studio.



Dame Jacqueline Wilson meeting fans at Hetty Feather Day.

'The workshop gave me great ideas for things to do at home and helped me think more creatively about how to introduce new ideas, like big and small, to my little one.'

Parent of workshop participant

## FAMILIES

At the Museum and beyond our Foundling family workshops are popular, playful and creatively inventive, and all led by professional artists. In 2024 to 2025, we delivered 68 creative workshops for families. Of these, 45 were held at the Museum, 11 were in local libraries, and there was one Christmas special that attracted well over 1,000 views. As with all of our programmed activities, the Foundling workshops are enjoyable, thought-provoking and compassionate.

The Museum hosted its annual Hetty Feather Day in July, based on author Dame Jacqueline Wilson's Foundling Fellowship project for the Museum. Activities included a Hetty bracelet-making workshop plus a talk and a book signing by Jacqueline Wilson.



Participants in a family workshop led by Tracing Our Tales Alumni.

# Charity Purpose, Structure & Relationships



Above: John Michael Rysbrack, *Charity*, 1745  
Left: Embroidered heart-shaped token, 18th century

# Charitable Purpose & Objects

**'I definitely feel happier,  
inspired and motivated.'**

*Tracing Our Tales Alum*

Opened in 2004, the Museum sits on the site of the Foundling Hospital; the UK's first children's charity and first public art gallery. Founded in 1739, the institution cared for babies at risk of abandonment, supported by leading artists of all disciplines, who donated their work to raise awareness and funds. The Museum was established in 1998 to safeguard the Foundling Hospital Collection; to preserve its integrity in its original context and to provide public access and education. The Museum subsequently took ownership of the Gerald Coke Handel Collection, which is also housed in the building, along with commissioning and collecting contemporary arts.

The Foundling Museum's charitable objects are:

- To establish and maintain a museum for the advancement of education of the general public and of scholars by the documentation, maintenance, conservation, exhibition, study and interpretation of the collection. The "collection" means the works of art and associated items comprised in the original collection and such other works of art and associated items as, from time to time, are comprised therein and may be added thereto.
- To support such of the purposes of the charity called the Hospital for the Maintenance and Education of Exposed and Deserted Young Children now known as the Thomas Coram Foundation for Children ("the foundation") as the Museum, in consultation with the foundation, shall from time to time determine.

# Our Mission

## CREATIVE ACTION, TRANSFORMING LIVES

The Foundling Museum connects the past and present to celebrate people with lived experience of children's social care, through the power of the arts.

We believe in the power of the arts as a catalyst for positive change, as demonstrated by 18th-century activists Thomas Coram, William Hogarth, and George Frideric Handel. At the Museum and beyond, we programme creative activities for lasting impact, to inspire the public imagination and drive social progress.

'The Foundling Museum is the only place we have to tell the story of being in care – it shows us in a good light rather than the stigma we are used to.'

*Tracing Our Tales Alum*

# Our Values

## BOLD

With a campaigning spirit and the courage of our convictions, we challenge the world to take action through the arts.

## PLAYFUL

We're serious about our work but don't take ourselves too seriously. For us, play means a light touch and an attitude of curiosity.

## COMPASSIONATE

We care for each other, our artists, and our visitors, striving together to enrich the lives of vulnerable children.

## OPEN

We're welcoming, generous-spirited and inquisitive, with a can-do attitude that thrives on collaboration.



# Museum Structure, Governance & Management

## MUSEUM STRUCTURE, GOVERNANCE & MANAGEMENT

The Foundling Museum was established to safeguard the integrity of the Foundling Hospital Collection. It was registered with the Charity Commission on 24 August 1998 (registered charity number 1071167), instigated by The Thomas Coram Foundation for Children ("Coram" - registered charity number 312278), as a company limited by guarantee registered with Companies House and governed by its Articles of Association. Historically, Coram was known as The Foundling Hospital. In July 2014, the Museum submitted updated Articles of Association to the Charity Commission, which eliminated Coram's sole membership and thereby ensured the Museum's independence.

In autumn 2023, new Articles were adopted to facilitate the acquisition of the 999-year lease of the building, heritage assets, and implement additional changes necessary for the Museum's long-term sustainability.

The Museum has a wholly owned subsidiary, The Foundling Museum Trading Company Limited, which sells promotional goods and organises events to benefit the Museum. It pays an annual management fee to the Museum, as Museum staff handle its operations. Profits are transferred to the Museum through a Gift Aid-compliant Deed of Covenant.

## TRUSTEES

The Museum's Board of Trustees meets four times a year. It considers an extensive report from the Museum Director about past, current and future activities and, as appropriate, additional papers on future and long-term strategy, education, fundraising and development. The Board receives a financial report presented by the Chair of the Finance & Audit Committee. The Museum Director (CEO & Artistic Director), Director of Finance, and Director of Commercial & Operations attend Board meetings.

The Board of Trustees is supported in its work by Committees of the Board; namely, the Finance and Audit Committee, which meets formally every quarter and includes reports from the Trading Company; the Investment Committee, now chaired by Ronald Gould; and the Nominations Committee, which both meet approximately twice a year.

Trustees are appointed following a review by the Nominations Committee and the Board, focusing on the skills and experience required by the Museum. Their contributions are formally assessed every two years by the Chair, who also reviews Board effectiveness with the Nominations Committee in alternate years. The Chair's performance is evaluated annually by Trustees. Trustees are elected to sub-committees based on their expertise and interests. The board of the Foundling Museum Trading Company includes a member of the Museum senior management team, and an independent director recruited for their commercial experience in the cultural sector.

Recruitment aims to build a committed, diverse Board with expertise in relevant areas including finance, arts, public service, care, buildings, business, communications, legal, education, and risk management. New Trustees receive an induction, including background materials on the Museum and Charity Commission documents detailing their responsibilities. They meet with the Museum Director to understand the Museum's strategy, operations, objectives, and financial status, and are required to undergo ongoing training. Qualifying third-party indemnity provisions for Trustees were in place during the year.

None of the Trustees has any beneficial interest in the company. As of 31 March 2025, the charitable company had 12 members, comprising the Trustees, who each guarantee to contribute £1 in the event of a winding-up.

The Board of Trustees continues to have due regard to the guidance on public benefit provided by the Charity Commission in England and Wales.

## EXECUTIVE LEADERSHIP

Trustees grant executive leadership of the Foundling Museum to the Museum Director, with other senior managers. Committees meet for decision-making as per the Board's agreements set out in the framework of Delegated Authorities. Major financial and organisational decisions require full Board authority, typically recommended by the Finance & Audit Committee. The Museum Director shapes the vision and strategic direction; the senior management team collaborates on day-to-day operations with input from Trustees with relevant expertise.

## EXECUTIVE LEADERSHIP CONT.

In determining the level of remuneration for the Director and other senior staff, the Board considers salary levels for comparable positions in the museum sector, the level of delegated authority granted to the post-holder, and affordability within the context of the charity's finances. The Board determines the Museum Director's compensation, while Senior Management pay is approved by the Board. Staff pay reviews occur during the annual budgeting process, with salary benchmarking for new hires to ensure competitiveness. The budget for the upcoming year is set in the fourth quarter and requires full Board approval before implementation.

### Director & Senior Management Team

- Emma Ridgway, Museum Director (CEO & Artistic Director)
- Pauline Hamilton, Director of Finance
- Rosie Baker, Director of Commercial & Operations

## FUTURE PLANS

Looking ahead to 2025 and 2026, we are excited to evolve and align our breadth of activities for creativity, care, and social impact. Our thriving visual arts programme is set to make even deeper connections with our outstanding music collections, unlocking the untapped potential of our status as custodians of the nation's largest Handel archive.

A milestone in the year ahead is our major autumn exhibition, *A Grand Chorus: The Power of Music*. This exhibition offers a fresh perspective on the enduring, uplifting, and unifying spirit of Handel's Hallelujah Chorus. Through original handwritten scores, musical instruments, paintings, contemporary artworks, and multimedia, the show will explore how people experience this iconic chorus, both now and in the past, and show how music has empowered and uplifted foundlings and people with lived experience of care through their own voices and stories. The central contemporary artwork will be the first UK presentation of Mikhail Karikis's powerful new sound and video installation, *We are Together Because...* (2025). Co-created with young people in Lisbon and inspired by deep listening as an act of empathy and environmental awareness, Karikis's new work offers a contemporary chorus of collective hope and belonging.

Our playful and innovative learning programme for early years, looked-after children, and care leavers remains fundamental to meaningful engagement with our collections. We honour the voices of those with lived experience of care and invite our alumni group of young care leavers to actively advise us, ensuring that their authentic perspectives shape our programme's direction, interpretation, and events. Their insight will increasingly be evident throughout the museum, keeping our work

responsive, relevant, and inspiring.

Next summer, our collection displays will feature a curatorial project led by our Museum Assistant, revisiting iconic BBC costumes and artefacts from the much-loved fictional foundling Hetty Feather, created by Jacqueline Wilson for the Foundling Museum in 2008. Behind the scenes, we are forging new partnerships that extend our reach and deepen our impact. Recent highlights include thought-provoking discussions with the Innocenti Museum in Florence and the blossoming of an exciting collaboration with The National Gallery in 2026, as part of our ongoing arts traineeships for care-leavers.

Significant improvements to our historic building will also move forward in the next year, thanks to a highly competitive Museum Estate and Development Fund grant of £319,000 from Arts Council England. These essential repairs costing close to £500,000 in total, addressing water ingress, roofs, steps, and ramps—will ensure accessibility and public safety for many years to come.

Finally, amid continuing challenges in income generation and rising financial pressures for many, we are proud that our annual ticket initiative, starting from 2025/26, will enable us to offer free entry to all those with lived experience of children's social care—deepening our ongoing commitment to accessibility and social justice.

The coming year at the Foundling Museum is intended as an exploration of possibilities; a vibrant year aligning our activities so that music, visual art, lived experience, and history blend to make a lasting difference.

# Museum Relationships

The Trustees and Director would like to pay tribute to the generosity of donors, supporters and volunteers, without whom the Museum would be unable to realise its ambitions and run its programmes.

## 1700 CLUB MEMBERS

Andrew Fane OBE  
Grant Gordon OBE and Brigitte Gordon  
Isobel and Michael Holland  
Larissa Joy OBE  
Jamie Korner OBE & Julia Korner  
Sir Simon Robey and Lady Robey CBE  
Sir David Verey CBE and Lady Verey  
Taylor Wessing LLP

## INDIVIDUAL SUPPORTERS & PATRONS

Richard and Diana Allan  
Judith and William Bollinger  
Deborah Loeb Brice  
Peter Brown  
John Caldicott  
Justine and Patrick Cowan  
Claire Jeffers  
Emma Kane  
Jane King  
Steven and Sonya Larcombe  
Christopher Lillywhite  
Ed and Elizabeth Marsden  
Jim Moyes

## HONORARIES

The Trustees and Director would also like to thank the many guides and members of the Old Coram Association (OCA), who donate their speakers' fees to support Collection acquisitions, as well as the Museum's wonderful team of volunteers, who undertake research and help care for visitors and the collections.

The Trustees would also like to acknowledge the continuing active support of the Museum's Vice Presidents, Brian Allen, Alan Borg, David Coke, Larissa Joy OBE, Jamie Korner OBE and Carolyn Steen, International Trustee Emeritus, Judy Bollinger, and the many advisers whose invaluable expertise contributes greatly to the Museum's success.

## GRANTS, TRUSTS & FOUNDATIONS

Cultural Education and Learning Support Fund,  
Camden Council  
The D'Oyly Carte Charitable Trust  
Earl Fitzwilliam Charitable Trust  
The Golden Bottle Trust  
Gerald Coke Handel Foundation  
John Lyon's Charity  
The Murray Family  
The Mason Family Charity  
Museum Development London  
Museums Association  
Oak Foundation  
The Old Coram Association  
The Reed Foundation  
Steel Charitable Trust  
Stoke Creates  
Swire Charitable Trust  
The William Blake Foundation  
Woodmansterne Art Conservation Award 2023/24

And those who wish to remain anonymous.

The Foundling Museum is a National Portfolio Organisation (2023-2028) supported using public funding from Arts Council England.

## LEGACIES

The estate of the late Mr David Pike  
The estate of the late Mr George Prentice

We are very grateful to our kind supporters who have pledged a legacy gift to the Foundling Museum.

## DONORS & SUPPORTERS

The Museum takes care with both the tone of its communications and the accuracy of its data, it never swaps data with other organisations and ensures that its communication preferences can be changed at any time. Broadly speaking, the Museum uses data of a personal nature to keep in touch with people who are interested in its activities; to keep them informed about activities and developments; to provide services to visitors and supporters; and to identify ways in which people can support the Museum, through donations and/or other forms of financial and non-financial support.

## DONORS & SUPPORTERS CONT.

The Foundling Museum is registered with the Information Commissioner's Office (ICO), and the Museum's Data Protection Policy complies with the UK's General Data Protection Regulations while also protecting vulnerable people from unreasonable intrusion. The Museum undertakes to respond to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year under review, the Museum received no complaints about its fundraising activities. The Museum is registered with the Fundraising Regulator and complies with its Fundraising Code of Practice. The Museum's fundraising activities are conducted in line with its Ethics Policy which includes Ethical Fundraising, requiring the Museum to proactively carry out due diligence on prospective donors and sponsors.

## RELATIONSHIP WITH THE GERALD COKE HANDEL FOUNDATION

The Gerald Coke Handel Collection is owned by the Museum. It is an internationally important collection of material relating to Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera. It was assembled by Gerald Coke and left to the nation by his widow, and came to the Museum through the Government's Allocation in Lieu scheme in 2008. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation (registered charity number 1058589), formed in 1996 to administer the endowment and assist the Museum with the Collection's care. The Foundation's primary aim is to ensure the maintenance, conservation and development of the Collection. Its objectives are to advance public education by providing research facilities in relation to Handel and his contemporaries. The Foundation continues to acquire heritage assets.

# Financial Review

## 2024-2025

The Trustees present their report together with the financial statements of the Foundling Museum for the year to 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out on pages 47 to 52 of the attached financial statements and comply with the charitable company's Articles of Association, the Charities Act 2011 and 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 United Kingdom and Republic of Ireland (FRS 102).

### OVERVIEW

The statement of financial activities for the year ended 31 March 2025 shows total revenue income of £1.97 million (2024 revenue income - £2.1 million). The total income for the year is less than the income from ongoing activities for the previous year. Income from admissions and venue hire increased but was offset by declines in fundraised income.

The decline in fundraised income was largely due to the impact of our successful capital fundraising campaign. As such, in October 2023, with the help of supporters and friends, the Museum successfully completed its £4.6 million fundraising campaign to secure the Museum's long-term future. Therefore, last year's total income of £9.5 million included £4.5 million raised to acquire the 999-year lease of the building and collection, which also enabled the conversion of a £3 million loan from the National Heritage Memorial Fund into a grant for a permanent endowment for the Museum.

The total expenditure for the year ended 31 March 2025 was £2,251,669 (2024 - £2,397,896), of which expenditure on conserving the Collection and developing and maintaining the Museum amounted to £1,780,658 (2024 - £1,860,152). The reduction in costs is due to efficiency savings achieved through the plan to eliminate the Museum's deficit. The net expenditure for the year before unrealised investment gains was £281,756 (2024 - net income of £7,151,547). Last year the net result of the Museum's unrestricted funds, reflecting the Museum's normal operating activities, was a deficit of £118,829, even after taking account of an insurance recovery of £289,703 in relation to the Covid pandemic.

The statement of financial activities for the year ended 31 March 2025 included income generated by the trading subsidiary £357,981 (2024 - £235,685). The increase in income reflects the significant growth in venue hire income. Total expenditure for the trading subsidiary was £352,282 (2024 - £230,616).

Net unrealised investment gains of £35,205 (2024 - £70,707) were recognised in the year ended 31 March 2025 and £20 actuarial losses have been recognised (2024 gains of £5,350).

In accordance with Financial Reporting Standard 102, the financial statements include heritage assets with a total valuation of £10.33 million (2024 - £10.32 million). Further details are in Note 17 to the financial statements.

As at 31 March 2025, the net assets of The Foundling Museum Group were £19.4 million (2024 £19.6 million).

### RISK MANAGEMENT

The Trustees have assessed the major risks for the charity, including financial sustainability and the safeguarding of exhibits, and are confident in their risk mitigation strategies.

#### Financial Sustainability:

- the Finance and Audit Committee regularly collaborates with Senior Management to review financial performance, annual budgets, and strategic objectives;
- any significant changes in financial performance and reforecasting by Management is overseen by the Committee;
- the Museum maintains a three to six months' reserves policy for operating costs.

#### Attracting and Retaining Talent:

- a Nominations Committee oversees Trustee recruitment and retention;
- staff salaries are in line with sector-equivalent institutions, and every effort is made to provide an environment in which staff feel supported, valued and developed.

## RISK MANAGEMENT CONT.

### Relationships with Major Supporters:

- the Museum ensures consistent communication with major supporters and provides Trustees with performance updates from Senior Management regarding agreed objectives.

### Ownership of 40 Brunswick Square:

- the Museum is beginning work on essential repairs partly funded by a grant from the Arts Council England's Museum Estate and Development Fund (MEND);
- a 10-year maintenance plan is currently being developed, to be funded through fundraising efforts and reserves, if required.

## RESERVES POLICY

The Trustees have assessed the charity's scale, complexity, and risk profile, considering its funding sources: grants, donations, investment income, and self-generated income. Account has been taken of the effects of economic downturns particularly on self-generated income, and the time restrictions on applications to trusts and foundations especially for core funding.

Consequently, income generation can be unpredictable, leading to short-term fluctuations in working capital, although reserves remain positive over the long term.

The Board's policy is to maintain reserves within a range representing three to six months of expenditure, (£0.6 million - £1.2 million). The Board's expectation is that free reserves would generally be targeted at the mid-point of the range, while allowing some flexibility of movement within the range to cater for temporary fluctuations in the Museum's finances. At 31 March 2025 the Museum's free reserves were £1,161,072 (2024 - £845,676), equivalent to around 6 months' expenditure.

The reserves policy is reviewed annually by the Trustees during the planning and budgeting process.

At the end of the financial year the Unrestricted Reserves were:

General Fund	£3,367,052
Designated Fund	£235,000

The designated funds are detailed in Note 23 and reviewed each year by the Trustees.

The largest balance is £175,000 remaining of a grant made in 2022-23 to provide £525,000 of match funding for the Arts Council England National Portfolio Organisation grant awarded for 2023-26.

A permanent endowment fund of £3 million was created last year from the conversion of a loan from the National Heritage Memorial Fund. The purpose of this

endowment is to generate investment income to fund the future costs of the Museum.

Restricted reserves are also held but ring-fenced to the project for which the income was provided. These are detailed in Note 23 and amount to £12.68 million at the end of the financial year. The largest of these is the balance of £10.33 million representing the heritage assets owned by the Museum.

## INVESTMENT POLICY

Under the Memorandum and Articles of Association, the charity has powers to invest in any way the Trustees decide.

The Museum has a permanent endowment fund created by a £3 million grant from the National Heritage Memorial Fund. The investment policy applied to the fund reflects the Trustees' commitment to sustain the objects of the Museum by maintaining the capital and income of the fund, and to grow both of these over time. This will enable the Museum to expand its activities, increase visitor engagement, acquire heritage assets from Coram, and improve its building; these ambitions require continuous capital and income improvement.

Additionally, the Museum operates a Supporters' Loan scheme, allowing supporters to loan funds, which are invested without generating immediate income for lenders, who can require repayment of their loans back, with accrued interest under certain conditions.

The Museum's investment managers are W1M who oversee a diverse multi-asset portfolio of property, fixed interest, global equities, and cash. The investment managers are monitored and reviewed by the Museum's Investment Committee which reports to the Board.

The Trustees are also mindful of their responsibilities to invest in ethical ways, with fund managers instructed not to invest in a number of areas viewed as inconsistent with the Museum's objectives. Such investments are excluded by principle to avoid endorsing profits from activities that are identified with harm to vulnerable women and children, who are key beneficiaries of the Museum's charitable activities. The Museum's portfolios are reviewed quarterly by the Investment Committee which also makes an annual report to the Trustees. The Museum was required to seek a new investment manager in 2025 which thus represents a period of transition between managers. In 2024-25 the Endowment Fund produced investment income of approximately £120,000. We expect a modest increase in income for the 2025-2026 financial year.

# Reference & Administrative Details

## TRUSTEES

Anne Beckwith-Smith LVO Resigned 28 May 2024

Christopher Cotton DL Resigned 28 May 2024

Michael Crossan

Christopher Dumas Appointed 24 February 2025

Shereka Dunbar Resigned 18 November 2024

Ronald Gould

Sue Hoyle OBE Appointed as Chair and Trustee 28 June 2024

Edward Humphrey

Perdita Hunt OBE

Claire Jeffers

Larissa Joy OBE Resigned as Chair and Trustee 28 June 2024

Andrew McIntyre

Grayson Perry CBE RA

Francesca Filippini Pinto Appointed 24 February 2025

Lord Simon Russell of Liverpool

Lemn Sissay OBE

## MUSEUM DIRECTOR (CHIEF EXECUTIVE OFFICER)

Emma Ridgway

## COMPANY REGISTERED NUMBER

03621861

## CHARITY REGISTERED NUMBER

1071167

## CHARITY REGISTERED OFFICE

40 Brunswick Square  
London, United Kingdom WC1N 1AZ

## INDEPENDENT AUDITOR

MHA  
Statutory Auditor  
6th Floor  
2 London Wall Place  
London, United Kingdom EC2Y 5AU

## BANKERS

C. Hoare & Co.  
37 Fleet Street  
London, United Kingdom EC4P 4DQ

## INVESTMENT MANAGERS

W1M  
16 Babmaes Street  
London, United Kingdom SW1Y 6AH

# Statement of Trustees' Responsibilities

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

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

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

In preparing these financial statements, the Trustees are required to:

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

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the Group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Members of the Board of Trustees and signed on their behalf by:



.....  
Sue Hoyle OBE  
Chair of Trustees

Date: 15 September 2025

# Auditor's Report



# Independent Auditor's Report

## Opinion

We have audited the financial statements of The Foundling Museum (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated 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 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

## 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

## Responsibilities of Trustees

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

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

## Auditor's 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 Auditor's 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:

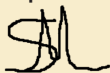
- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's 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, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditor's 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.



**Stuart McKay BSc FCA DChA  
(Senior Statutory Auditor)**

for and on behalf of

**MHA**

Statutory Auditor London, United Kingdom

Date: 09/10/2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

# Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account)

For the year ended 31 March 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	Total funds 2024 £
<b>Income and endowments from:</b>						
Donations, grants and legacies	4	703,452	442,802	-	1,146,254	8,568,776
Charitable activities	5	318,401	-	-	318,401	203,744
Other trading activities	6	357,981	-	-	357,981	232,803
Investments	7	69,216	78,061	-	147,277	179,718
Other income	8	-	-	-	-	364,402
<b>Total income and endowments</b>		<b>1,449,050</b>	<b>520,863</b>	<b>-</b>	<b>1,969,913</b>	<b>9,549,443</b>
<b>Expenditure on:</b>						
Raising funds:	9					
Expenditure incurred by trading subsidiary		108,137	-	-	108,137	102,374
General fundraising		321,613	41,261	-	362,874	435,370
Charitable activities	10	1,414,288	366,370	-	1,780,658	1,860,152
<b>Total expenditure</b>		<b>1,844,038</b>	<b>407,631</b>	<b>-</b>	<b>2,251,669</b>	<b>2,397,896</b>
Unrealised gains on investments		12,881	-	22,324	35,205	70,707
<b>Net (expenditure)/ income</b>		<b>(382,107)</b>	<b>113,232</b>	<b>22,324</b>	<b>(246,551)</b>	<b>7,222,254</b>
Transfers between funds	23	253,772	(253,772)	-	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(128,335)</b>	<b>(140,540)</b>	<b>22,324</b>	<b>(246,551)</b>	<b>7,222,254</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains	28	(20)	-	-	(20)	5,350
<b>Net movement in funds</b>		<b>(128,355)</b>	<b>(140,540)</b>	<b>22,324</b>	<b>(246,571)</b>	<b>7,227,604</b>

# Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) (Continued)

For the year ended 31 March 2025

Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	3,730,407	12,817,383	3,090,261	19,638,051	12,410,447
Net movement in funds	(128,355)	(140,540)	22,324	(246,571)	7,227,604
<b>Total funds carried forward</b>	<b>3,602,052</b>	<b>12,676,843</b>	<b>3,112,585</b>	<b>19,391,480</b>	<b>19,638,051</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 47 to 80 form part of these financial statements.

## Consolidated Balance Sheet

As at 31 March 2025

	Note	2025 £	2025 £	2024 £	2024 £
<b>Fixed assets</b>					
Tangible fixed assets	16		4,205,980		4,474,731
Heritage assets	17		10,328,965		10,323,502
Investments	18		2,989,989		2,967,665
			<u>17,524,934</u>		<u>17,765,898</u>
<b>Current assets</b>					
Stocks	20	20,206		19,261	
Debtors: Amounts falling due within one year	21	210,489		349,398	
Investments	19	1,645,567		1,632,686	
Cash at bank and in hand	26	1,386,390		1,332,388	
			<u>3,262,652</u>	<u>3,333,733</u>	
Creditors: Amounts falling due within one year	22	(1,364,276)		(1,415,680)	
<b>Net current assets</b>			<u>1,898,376</u>	<u>1,918,053</u>	
<b>Total assets less current liabilities</b>			<u>19,423,310</u>	<u>19,683,951</u>	
Defined benefit pension scheme liability	28		(31,830)		(45,900)
<b>Total net assets</b>			<u>19,391,480</u>	<u>19,638,051</u>	
<b>Charity funds</b>					
Endowment funds	23		3,112,585		3,090,261
Restricted funds	23		12,676,843		12,817,383
Unrestricted funds	23		3,602,052		3,730,407
<b>Total funds</b>			<u>19,391,480</u>	<u>19,638,051</u>	

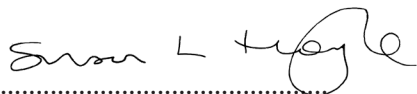
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

## Consolidated Balance Sheet (Continued)

As at 31 March 2025

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



.....  
Sue Hoyle OBE

Chair

Date: 15 September 2025

The notes on pages 47 to 80 form part of these financial statements.

# Charity Balance Sheet

As at 31 March 2025

	Note	2025 £	2025 £	2024 £	2024 £
<b>Fixed assets</b>					
Tangible fixed assets	16		4,205,980		4,474,731
Heritage assets	17		10,328,965		10,323,502
Investments	18		2,989,991		2,967,667
			<u>17,524,936</u>		<u>17,765,900</u>
<b>Current assets</b>					
Debtors: Amounts falling due within one year	21	268,330		460,096	
Investments	19	1,645,567		1,632,686	
Cash at bank and in hand		1,273,092		1,187,115	
		<u>3,186,989</u>		<u>3,279,897</u>	
Creditors: Amounts falling due within one year	22	(1,283,304)		(1,350,836)	
<b>Net current assets</b>			<u>1,903,685</u>		<u>1,929,061</u>
<b>Total assets less current liabilities</b>			<u>19,428,621</u>		<u>19,694,961</u>
Defined benefit pension scheme liability	28		(31,830)		(45,900)
<b>Total net assets</b>			<u><u>19,396,791</u></u>		<u><u>19,649,061</u></u>
<b>Charity funds</b>					
Endowment funds	23		3,112,585		3,090,261
Restricted funds	23		12,676,843		12,817,383
Unrestricted funds	23		3,607,363		3,741,417
<b>Total funds</b>			<u><u>19,396,791</u></u>		<u><u>19,649,061</u></u>

The Charity's net movement in funds for the year was a decrease of £252,270 (2024 - an increase of £7,222,535).

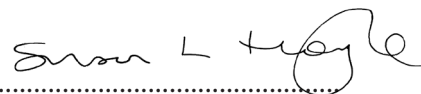
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

## Charity Balance Sheet (Continued)

As at 31 March 2025

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



.....  
Sue Hoyle OBE

Chair

Date: 15 September 2025

The notes on pages 47 to 80 form part of these financial statements.

## Consolidated Statement Cash Flows

For the year ended 31 March 2025

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash from operating activities	25	(60,893)	4,208,629
<b>Cash flows from investing activities</b>			
Investment income	7	147,277	176,836
Purchase of tangible fixed assets	16	(26,919)	(3,826,315)
Proceeds from sale of investments	18,19	2,452,516	709,486
Purchase of investments	18,19	(2,673,366)	(663,422)
Purchase of heritage assets	17	(5,463)	(769,112)
<b>Net cash used in investing activities</b>		<b>(105,955)</b>	<b>(4,372,527)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(166,848)</b>	<b>(163,898)</b>
Cash and cash equivalents at the beginning of the year		1,720,993	1,884,891
<b>Cash and cash equivalents at the end of the year</b>	26	<b>1,554,145</b>	<b>1,720,993</b>

The notes on pages 47 to 80 form part of these financial statements.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 1. General information

The Foundling Museum is a charitable company limited by guarantee and is registered with the Charity Commission (Charity Registered Number: 1071167) and the Registrar of Companies (Company Registration Number: 03621861) England and Wales.

The address of the registered office is given in the Reference & Administrative Details on page 34.

The nature of the Group and Charity's operations and principal activities are detailed within the Annual Review.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

## 2. Accounting policies

### 2.1 Basis of preparation and consolidation 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), and the Companies Act 2006.

The Foundling Museum 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 financial statements have been presented in sterling, which is also the functional currency of the Group and are rounded to the nearest pound.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary 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.

### 2.2 Going concern

The Trustees have assessed the applicability of going concern concept and have considered possible events or conditions that might cast significant doubt on the ability of the Group and Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Group and Charity has adequate resources to continue in operational existence for the foreseeable future, with no material uncertainties. The Group and Charity therefore continues to adopt the going concern basis in preparing its financial statements.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 2. Accounting policies (continued)

### 2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to it (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

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

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

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

### 2.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Expenditure is inclusive of irrecoverable VAT.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 2. Accounting policies (continued)

### 2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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. Land is not depreciated.

Depreciation is provided on the following bases:

Long-term leasehold property	- 1% on cost
Leasehold improvements	- Leasehold improvements made prior to October 2023 are being depreciated to the end of the original lease in 2027. For leasehold improvements from October 2023 an estimate is made of their useful lives
Office equipment and fixtures and fittings	- 25% on cost

### 2.6 Heritage assets

The Museum safeguards its heritage assets and offers the public access to its collections. The Museum's artefacts include paintings, furniture and items from the Foundling Hospital Collection as well as items of contemporary art, ceramics and archival material relating to the Foundling Hospital and also the Gerald Coke Handel Collection. The Museum contains three rooms and a staircase from the original Foundling Hospital and, on the acquisition of the lease, these were recognised as heritage assets and accounted for separately from the land and buildings. The assets are defined as heritage assets for the purpose of these financial statements as they are held as part of the primary purposes of the charity and to further an understanding of social history and culture.

Heritage assets are included on the balance sheet at cost, or where cost is not available, a valuation that reflects the value of the asset at the time it was acquired by the charity. Such assets are not depreciated. Any impairment in the value of an asset is treated as charitable expenditure in the year in which it arises.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 2. Accounting policies (continued)

### 2.7 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. During the year the Trustees of the Museum agreed to change its accounting policy regarding listed investment gains and losses. In previous years, the Museum's policy was to combine gains and losses, whether realised or unrealised. From the year ended 31 March 2025, it is now the Museum's policy to keep valuations of stock exchange listed investments up to date, such that when investments are sold there is no gain or loss arising relating to prior years. As a result, the Statement of Financial Activities no longer distinguishes between the valuation adjustments relating to sales and those relating to continued holdings, as they are together treated as changes in the value of the investment portfolio throughout the year. The change of accounting policy has been made to simplify the Museum's accounting for investments gains and losses, and thus save management time. The change of accounting policy impacts the 'Unrealised gains on investments' row on the Statement of Financial Activities and associated Note only, and as the retrospective application of the new policy would not materially impact the Museum's brought forward funds prior year comparative information has not been restated.

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

### 2.8 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.

### 2.9 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.

### 2.10 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.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 2. Accounting policies (continued)

### 2.11 Liabilities and provisions

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

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

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

Concessionary loans represent loans received by the Charity to further its purposes at an interest rate below the prevailing marked rates. The Charity recognises its concessionary loan at the loan's net present value but considers the difference between this value and its original value to be immaterial; as such, the concessionary loan has been recognised at its original value in these financial statements.

### 2.12 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 21. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Note 22. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

### 2.13 Pensions

The Charity contributed to a defined benefit scheme operated by The Pensions Trust, which provides benefit based on average pensionable salary. The Charity ceased to offer the scheme to its current employees on 31 December 2011, but continues to operate the scheme for the former employees who were part of the scheme. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes, and benefits are paid from the total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS 102 represents the employer contribution payable. Contributions in respect to personal pension schemes and defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the relevant scheme. The Charity also contributes to a defined contribution scheme, currently operated by Royal London.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 2. Accounting policies (continued)

### 2.14 Termination payments

Termination benefits, including redundancy costs, are recognised when the Company has the obligation to pay the benefits and they can be reliably measured.

### 2.15 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

Permanent endowment funds represent amounts for which the capital must be retained. Any income arising on these funds may be spent in line with the restrictions placed on each fund.

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

# Notes to the Financial Statements

For the year ended 31 March 2025

## 3. Critical accounting estimates and areas of judgement

Estimates and judgements are frequently 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:

- estimating the useful economic life of tangible fixed assets for the purposes of calculating depreciation;
- estimating the value of heritage assets as at the date they were acquired where this information is not available;
- estimating any necessary provision against slow moving or obsolete stock held at year- end;
- assessing the appropriateness of the underlying assumptions made by the actuary in the valuation of the defined benefit pension scheme;
- determining the basis for the allocation of support and governance costs between expenditure on raising funds and on charitable activities;
- estimating taxation recoverable under the Exhibition Tax Relief Scheme for charities;
- and estimating future income and expenditure flows for the purpose of assessing going concern.

## Notes to the Financial Statements

For the year ended 31 March 2025

### 4. Income from donations, grants and legacies

	<b>Unrestricted funds 2025 £</b>	<b>Restricted funds 2025 £</b>	<b>Endowment funds 2025 £</b>	<b>Total funds 2025 £</b>
Donations	136,369	3,200	-	<b>139,569</b>
Legacies	13,000	-	-	<b>13,000</b>
Grants	554,083	439,602	-	<b>993,685</b>
	<u>703,452</u>	<u>442,802</u>	<u>-</u>	<u><b>1,146,254</b></u>
	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Endowment funds 2024 £</i>	<i>Total funds 2024 £</i>
Donations	99,811	1,591,024	-	1,690,835
Legacies	21,692	1,173	-	22,865
Grants	801,973	3,053,103	3,000,000	6,855,076
	<u>923,476</u>	<u>4,645,300</u>	<u>3,000,000</u>	<u>8,568,776</u>

### 5. Income from charitable activities

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>
Admissions and other museum income	318,401	<b>318,401</b>
	<u>318,401</u>	<u><b>318,401</b></u>
	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Admissions and other museum income	203,744	203,744
	<u>203,744</u>	<u>203,744</u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 6. Income from other trading activities

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>
Income received by trading subsidiary	357,981	<b>357,981</b>
	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Income received by trading subsidiary	232,803	232,803

## 7. Investment income

	<b>Unrestricted funds 2025 £</b>	<b>Restricted funds 2025 £</b>	<b>Total funds 2025 £</b>
Interest receivable	26,403	-	<b>26,403</b>
Investment income	42,813	78,061	<b>120,874</b>
	<b>69,216</b>	<b>78,061</b>	<b>147,277</b>
	<i>Unrestricted funds 2024 £</i>	<i>Endowment funds 2024 £</i>	<i>Total funds 2024 £</i>
Interest receivable	26,543	-	26,543
Investment income	108,667	44,508	153,175
	<b>135,210</b>	<b>44,508</b>	<b>179,718</b>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 8. Other income

	<b>Total funds 2025</b> £
Miscellaneous	-

Miscellaneous income in the year ended 31 March 2024 included £289,703 in relation to an an insurance claim.

	<i>Unrestricted funds 2024</i> £	<i>Total funds 2024</i> £
Miscellaneous	<u>364,402</u>	<u>364,402</u>

## 9. Expenditure on raising funds

### Fundraising and trading expenses

	<b>Unrestricted funds 2025</b> £	<b>Restricted funds 2025</b> £	<b>Total funds 2025</b> £
Raising funds	9,648	3,180	<b>12,828</b>
Investment manager fees	19,334	-	<b>19,334</b>
Support costs	144,188	21,639	<b>165,827</b>
Support costs - Staff costs	148,443	16,442	<b>164,885</b>
Expenditure incurred by trading subsidiary	108,137	-	<b>108,137</b>
	<u>429,750</u>	<u>41,261</u>	<u><b>471,011</b></u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 9. Expenditure on raising funds (continued)

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Raising funds	46,629	46,629
Investment manager fees	26,713	26,713
Support costs	171,855	171,855
Support costs - Staff costs	190,173	190,173
Expenditure incurred by trading subsidiary	102,374	102,374
	<u>537,744</u>	<u>537,744</u>

### Raising funds - Analysis of support costs

	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Staff costs	<b>164,885</b>	190,173
Consultancy	<b>39,324</b>	-
Depreciation	<b>41,127</b>	52,669
Governance costs	<b>4,080</b>	3,743
Development costs	<b>12,828</b>	7,775
Press and Marketing	<b>9,443</b>	20,918
Office costs	<b>9,905</b>	37,804
Subscriptions/Memberships	<b>1,318</b>	2,755
Legal, Audit and Professional Fees	<b>8,824</b>	6,827
Finance Costs/Irrecoverable VAT	<b>15,632</b>	8,606
Occupancy costs	<b>23,346</b>	30,758
	<u><b>330,712</b></u>	<u>362,028</u>

## Notes to the Financial Statements

For the year ended 31 March 2025

### 10. Analysis of expenditure on charitable activities - by fund

	<b>Unrestricted funds 2025 £</b>	<b>Restricted funds 2025 £</b>	<b>Total 2025 £</b>
Museum Operating Costs	1,293,289	357,400	<b>1,650,689</b>
Conservation	120,999	8,970	<b>129,969</b>
	<u>1,414,288</u>	<u>366,370</u>	<u><b>1,780,658</b></u>

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Endowment funds 2024 £</i>	<i>Total 2024 £</i>
Museum Operating Costs	1,294,293	394,478	44,508	1,733,279
Conservation	126,873	-	-	126,873
	<u>1,421,166</u>	<u>394,478</u>	<u>44,508</u>	<u>1,860,152</u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 11. Analysis of expenditure by charitable activities - by type

	<b>Activities undertaken directly 2025 £</b>	<b>Support costs 2025 £</b>	<b>Total funds 2025 £</b>
Museum Operating Costs	759,543	891,146	<b>1,650,689</b>
Conservation	34,583	95,386	<b>129,969</b>
	<u>794,126</u>	<u>986,532</u>	<u><b>1,780,658</b></u>

	<i>Activities undertaken directly 2024 £</i>	<i>Support costs 2024 £</i>	<i>Total funds 2024 £</i>
Museum Operating Costs	754,347	978,932	1,733,279
Conservation	55,217	71,656	126,873
	<u>809,564</u>	<u>1,050,588</u>	<u>1,860,152</u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 11. Analysis of expenditure by charitable activities - by type (continued)

### Analysis of support costs

	<b>Total funds 2025</b>	<i>Total funds 2024</i>
	£	£
Staff costs	353,135	392,060
Depreciation	233,054	242,655
Governance costs	26,920	17,243
Press and Marketing	53,510	96,371
Office costs	56,135	76,753
Subscriptions/Memberships	7,466	12,695
Legal, Audit and Professional Fees	56,587	31,454
Finance Costs/Irrecoverable VAT	67,432	39,650
Occupancy costs	132,293	141,707
	<b>986,532</b>	<i>1,050,588</i>

## 12. Governance costs

	<b>2025</b>	<i>2024</i>
	£	£
Auditor's remuneration - Audit services	18,300	17,500
Auditor's remuneration - Non-audit services	5,300	10,786
Auditor's remuneration - Prior year audit services under accrual	15,000	-
	<b>38,600</b>	<i>28,286</i>

The table above discloses the Group's total governance costs. This total is made up of the Charity's governance costs, as detailed in Notes 9 and 11 above, and the Subsidiary's governance costs, which totalled £7,600 (2024 - £7,300) and which are included within 'Expenditure incurred by trading subsidiary' in Note 9 above.

## Notes to the Financial Statements

For the year ended 31 March 2025

### 13. Staff costs

	<b>Group 2025 £</b>	<i>Group 2024 £</i>	<b>Charity 2025 £</b>	<i>Charity 2024 £</i>
Wages and salaries	<b>976,464</b>	939,775	<b>976,464</b>	939,775
Social security costs	<b>91,781</b>	77,320	<b>91,781</b>	77,320
Pension costs	<b>33,966</b>	26,738	<b>33,966</b>	26,738
	<b><u>1,102,211</u></b>	<u>1,043,833</u>	<b><u>1,102,211</u></b>	<u>1,043,833</u>

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

	<b>Group 2025 No.</b>	<i>Group 2024 No.</i>
Senior management	<b>3</b>	4
Museum administration	<b>32</b>	30
	<b><u>35</u></b>	<u>34</u>

The average headcount expressed as full-time equivalents was:

	<b>Group 2025 No.</b>	<i>Group 2024 No.</i>
Senior management	<b>3</b>	3
Museum administration	<b>23</b>	24
	<b><u>26</u></b>	<u>27</u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 13. Staff costs (continued)

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

	<b>Group 2025 No.</b>	<i>Group 2024 No.</i>
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

The Key Management Personnel of the Museum in charge of directing and controlling, running and operating the museum on a day to day basis comprise the Trustees together with the Director, the Finance Director, Director of Programming and Audiences (until September 2024) and Director of Commercial and Operations.

The total remuneration (including taxable benefits, employer's pension and national insurance contributions) payable to Key Management Personnel during the year was £235,592 (2024 - £224,599).

## 14. Trustees' remuneration and expenses

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

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

## 15. Taxation

The Foundling Museum is a registered Charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The Foundling Museum Trading Company Limited donates its taxable profits (if any) to The Foundling Museum via a Gift Aid compliant deed of covenant.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 16. Tangible fixed assets

### Group and Charity

	Long-term leasehold property £	Leasehold improvements £	Office equipment, fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 April 2024	3,807,471	4,039,815	303,119	8,150,405
Additions	-	-	26,919	26,919
Disposals	-	(81,509)	(133,670)	(215,179)
At 31 March 2025	<u>3,807,471</u>	<u>3,958,306</u>	<u>196,368</u>	<u>7,962,145</u>
<b>Depreciation</b>				
At 1 April 2024	30,996	3,436,798	207,880	3,675,674
Charge for the year	28,924	180,309	64,948	274,181
On disposals	-	(72,539)	(121,151)	(193,690)
At 31 March 2025	<u>59,920</u>	<u>3,544,568</u>	<u>151,677</u>	<u>3,756,165</u>
<b>Net book value</b>				
At 31 March 2025	<u><u>3,747,551</u></u>	<u><u>413,738</u></u>	<u><u>44,691</u></u>	<u><u>4,205,980</u></u>
At 31 March 2024	<u><u>3,776,475</u></u>	<u><u>603,017</u></u>	<u><u>95,239</u></u>	<u><u>4,474,731</u></u>

In October 2023 the Museum acquired from Coram a 999 year lease of its premises at 40 Brunswick Square for a consideration of £4.5 million. This represented the acquisition of land £915,023, heritage assets £760,256 and the building £2,892,448.

Included within office equipment, fixtures and fittings are assets with a net book value of £NIL (2024 - £46,337) in respect to the Charity's website and digital branding.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 17. Heritage assets

### Group and Charity

#### Assets recognised at cost

	<b>Museum artefacts, rooms and staircase 2025 £</b>
Carrying value at 1 April 2024	10,323,502
Additions	5,463
	<hr/> <hr/> <b>10,328,965</b>

The Museum has in the past obtained various assets where the donors have placed conditions or legal charges to restrict their use. Primarily these assets are allowed to be displayed to the public, but the Museum cannot benefit from the intrinsic value of these assets other than from the income they generate. In the event that the Museum were no longer to comply with the conditions imposed by the donors, the assets would be removed from the Museum and offered to other charities, without compensation being due to the Museum for the loss of those assets.

The Museum holds two assets which fall into this category, a painting obtained with funding from The National Heritage Memorial Fund ("NHMF") and The Gerald Coke Handel Collection received from The Museums and Libraries Archives Council. In accordance with the requirement of the Charities SORP FRS 102, both these assets are recognised in the financial statements. The painting is included at £4,000,000 which reflects the value when acquired by the NHMF in 2003 and The Gerald Coke Handel Collection is included at £4,825,240 as valued by Christie's in 2006.

The Museum contains three rooms and a staircase from the original Foundling Hospital. The Trustees consider these to be heritage assets acquired on the acquisition of the lease, and they are included on the balance sheet at cost.

Other heritage assets acquired by the Museum are included on the Balance Sheet at cost.

Heritage assets are held in a separate fund as this represents assets where the Charity owns the legal title but where the original owners or the donors of the assets have placed legal restrictions on the assets' sale or disposal.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 18. Fixed asset investments

<b>Group</b>	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2024	2,967,665
Additions	2,673,366
Disposals	(2,452,516)
Unrealised gain on investments	22,324
Decrease in cash held for reinvestment	(220,850)
At 31 March 2025	<u><u>2,989,989</u></u>

<b>Charity</b>	<b>Investments in subsidiary company £</b>	<b>Listed investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 April 2024	2	2,967,665	2,967,667
Additions	-	2,673,366	2,673,366
Disposals	-	(2,452,516)	(2,452,516)
Unrealised gain on investments	-	22,324	22,324
Decrease in cash held for reinvestment	-	(220,850)	(220,850)
At 31 March 2025	<u><u>2</u></u>	<u><u>2,989,989</u></u>	<u><u>2,989,991</u></u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 18. Fixed asset investments (continued)

### Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Holding
The Foundling Museum Trading Company Limited	05131580	40 Brunswick Square, London, WC1N 1AZ	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
The Foundling Museum Trading Company Limited	357,981	(352,282)	5,699	(5,309)

## 19. Current asset investments

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Listed investments	<u>1,645,567</u>	<u>1,632,686</u>	<u>1,645,567</u>	<u>1,632,686</u>

Current asset investments represent managed listed investments held under the Supporters' loan endowment scheme.

## 20. Stocks

	Group 2025 £	Group 2024 £
Finished goods	<u>20,206</u>	<u>19,261</u>
	<u>20,206</u>	<u>19,261</u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 21. Debtors

	<b>Group 2025</b>	<i>Group 2024</i>	<b>Charity 2025</b>	<i>Charity 2024</i>
	£	£	£	£
<b>Due within one year</b>				
Trade debtors	<b>39,270</b>	92,200	<b>14,342</b>	62,723
Amounts owed by group undertakings	-	-	<b>82,769</b>	140,175
Gift Aid tax recoverable and Other debtors	<b>3,130</b>	82,638	<b>3,130</b>	82,638
Prepayments and accrued income	<b>168,089</b>	174,560	<b>168,089</b>	174,560
	<b>210,489</b>	349,398	<b>268,330</b>	460,096

## 22. Creditors: Amounts falling due within one year

	<b>Group 2025</b>	<i>Group 2024</i>	<b>Charity 2025</b>	<i>Charity 2024</i>
	£	£	£	£
Other loans	<b>500,000</b>	500,000	<b>500,000</b>	500,000
Supporters' loan endowment scheme (Note 32)	<b>573,766</b>	544,313	<b>573,766</b>	544,313
Trade creditors	<b>100,420</b>	165,997	<b>86,428</b>	163,698
Other creditors	<b>42,810</b>	39,985	<b>42,810</b>	39,972
Accruals and deferred income	<b>147,280</b>	165,385	<b>80,300</b>	102,853
	<b>1,364,276</b>	1,415,680	<b>1,283,304</b>	1,350,836

Other loans are unsecured, interest-free and repayable on demand. The proceeds of the loans from supporters are managed by our investment managers, and held as current asset investments (Note 19) as they are repayable with a minimum of two months' notice.

	<b>Group 2025</b>	<i>Group 2024</i>	<b>Charity 2025</b>	<i>Charity 2024</i>
	£	£	£	£
Deferred income brought forward	<b>56,210</b>	36,860	<b>978</b>	-
Resources deferred during the year	<b>59,380</b>	56,210	-	978
Amounts released from previous periods	<b>(56,210)</b>	(36,860)	<b>(978)</b>	-
Carried forward	<b>59,380</b>	56,210	-	978

Deferred income in the year relates to income received in advance for events and weddings taking place after the year-end.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 23. Statement of funds

### Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
General Refurbishment/ Sash windows	60,000	-	-	-	-	60,000
NPO Match funding	350,000	-	-	(175,000)	-	175,000
	<b>410,000</b>	<b>-</b>	<b>-</b>	<b>(175,000)</b>	<b>-</b>	<b>235,000</b>
<b>General funds</b>						
Tangible fixed assets fund	2,474,731	-	(274,181)	5,430	-	2,205,980
General fund	856,684	1,091,069	(1,217,575)	423,342	12,861	1,166,381
Non-charitable trading funds	(11,008)	357,981	(352,282)	-	-	(5,309)
	<b>3,320,407</b>	<b>1,449,050</b>	<b>(1,844,038)</b>	<b>428,772</b>	<b>12,861</b>	<b>3,367,052</b>
<b>Total Unrestricted funds</b>	<b>3,730,407</b>	<b>1,449,050</b>	<b>(1,844,038)</b>	<b>253,772</b>	<b>12,861</b>	<b>3,602,052</b>
<b>Permanent endowment funds</b>						
NHMF endowment fund	3,090,261	-	-	-	22,324	3,112,585

# Notes to the Financial Statements

For the year ended 31 March 2025

## 23. Statement of funds (continued)

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
<b>Restricted funds</b>						
Exhibitions fund	71,573	-	-	(28,772)	-	42,801
Learning running costs fund	81,599	33,955	(119,479)	-	-	(3,925)
Collection purchases fund	40,709	11,650	(8,970)	(5,463)	-	37,926
Other funds	-	172,197	(172,197)	-	-	-
Heritage assets fund	10,323,502	-	-	5,463	-	10,328,965
40 Brunswick Square lease reserve	2,000,000	225,000	(28,924)	(225,000)	-	1,971,076
NHMF endowment fund	300,000	78,061	(78,061)	-	-	300,000
	<u>12,817,383</u>	<u>520,863</u>	<u>(407,631)</u>	<u>(253,772)</u>	<u>-</u>	<u>12,676,843</u>
<b>Total of funds</b>	<u><u>19,638,051</u></u>	<u><u>1,969,913</u></u>	<u><u>(2,251,669)</u></u>	<u><u>-</u></u>	<u><u>35,185</u></u>	<u><u>19,391,480</u></u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 23. Statement of funds (continued)

The specific purposes for which the funds are to be applied are as follows:

### Designated funds

#### General Refurbishment/ Sash windows

The sash windows at 40 Brunswick Square are in need of refurbishment and this fund for general refurbishment costs includes an allowance for this. This fund will be utilised when the Museum has raised sufficient funds to carry out a full renovation of the sash windows.

#### NPO Match funding

This fund represents an individual donation made to provide match funding for 2023-26 for the grant awarded by Arts Council England as part of the Museum's National Portfolio Organisation status. The transfer of £175,000 in the year to the unrestricted General fund represents the second year of match funding.

### Restricted funds

#### Exhibitions fund

The Exhibitions Fund is for the costs of various upcoming exhibitions and displays. The transfer of £28,772 in the year to the unrestricted General fund represents the funding of exhibition expenditure in the previous year which had incorrectly been treated as unfunded.

#### Learning running costs fund

The Learning running costs Fund is to finance the day to day operating activities of the Learning Programme. The fund is in deficit at the year end due to a funding instalment for one of the projects that took place during the year not being received until shortly after the year end.

#### Collection purchases fund

The Collection purchases fund comprises donations from a variety of sources for the enhancement of the collections. The transfer of £5,463 in the year to the restricted Heritage asset fund represents the purchase of new heritage assets during the year.

#### Other funds

Other funds comprise items of miscellaneous restricted income to be spent on various museum projects.

#### Heritage assets fund

Heritage assets fund matches the cost of the heritage assets as shown in Note 17.

#### 40 Brunswick Square Lease Reserve

This comprises funds raised for acquisition of the 999 year lease of 40 Brunswick Square with ongoing restrictions, and associated costs, being depreciation.

#### NHMF endowment fund

The restricted NHM endowment fund represents income generated by, and expenditure incurred in line with the restrictions associated with the NHMF permanent endowment fund.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 23. Statement of funds (continued)

### Permanent endowment funds

#### NHMF endowment fund

The NHMF permanent endowment fund represents the loan originally provided by the National Heritage Memorial Fund which was converted into a permanent endowment under a deed of variation dated 23 November 2023. Under the deed, the capital value of the fund must be preserved and the income generated by the fund is restricted to the management and operation of the Foundling Museum. A corresponding restricted fund reflects income generated by the fund and expenditure incurred in relation to these restrictions.

#### Statement of funds - prior year

	<i>Balance at 1 April 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2024</i>
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Exhibition shortfall fund	5,000	-	-	(5,000)	-	-
General Refurbishment/ Sash windows	60,000	-	-	-	-	60,000
NHLF Shortfall fund	300,000	-	-	(300,000)	-	-
NPO Match funding	525,000	-	-	(175,000)	-	350,000
	<u>890,000</u>	<u>-</u>	<u>-</u>	<u>(480,000)</u>	<u>-</u>	<u>410,000</u>
<b>General funds</b>						
Tangible fixed assets fund	965,662	-	(280,404)	1,789,473	-	2,474,731
General fund	621,982	1,623,950	(1,447,890)	72,846	(14,204)	856,684
Non-charitable trading funds	(16,077)	235,685	(230,616)	-	-	(11,008)
	<u>1,571,567</u>	<u>1,859,635</u>	<u>(1,958,910)</u>	<u>1,862,319</u>	<u>(14,204)</u>	<u>3,320,407</u>
<b>Total Unrestricted funds</b>	<u>2,461,567</u>	<u>1,859,635</u>	<u>(1,958,910)</u>	<u>1,382,319</u>	<u>(14,204)</u>	<u>3,730,407</u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 23. Statement of funds (continued)

	<i>Balance at 1 April 2023</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 March 2024</i> £
<b>Endowment funds</b>						
NHMF endowment fund	-	3,044,508	(44,508)	-	90,261	3,090,261
<b>Restricted funds</b>						
Paul Mellon Centre/Pilgrim Trust fund	3,000	-	(3,000)	-	-	-
The Clore Duffield Foundation fund	9,690	-	(9,101)	(589)	-	-
Exhibitions fund	12,846	63,550	(14,738)	9,915	-	71,573
Learning running costs fund	210,797	42,500	(173,472)	1,774	-	81,599
Collection purchases fund	60,389	3,173	-	(22,853)	-	40,709
Gerald Coke Handel Foundation fund	7,919	-	-	(7,919)	-	-
Other funds	85,040	172,053	(172,053)	(85,040)	-	-
Front Desk Project	4,809	-	(4,809)	-	-	-
Heritage assets fund	9,554,390	-	-	769,112	-	10,323,502
40 Brunswick Square lease reserve	-	4,364,024	(17,305)	(2,346,719)	-	2,000,000
NHMF endowment fund	-	-	-	300,000	-	300,000
	<u>9,948,880</u>	<u>4,645,300</u>	<u>(394,478)</u>	<u>(1,382,319)</u>	<u>-</u>	<u>12,817,383</u>
<b>Total of funds</b>	<u>12,410,447</u>	<u>9,549,443</u>	<u>(2,397,896)</u>	<u>-</u>	<u>76,057</u>	<u>19,638,051</u>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 23. Statement of funds (continued)

### Designated funds

#### **Exhibition shortfall fund**

The Trustees appreciate that it is not always possible to fund our temporary exhibitions fully and recognise the need for a designated fund to provide for this eventuality.

#### **NHMF Shortfall fund**

During the prior year the £3 million loan from the National Heritage Memorial Fund was converted to a permanent endowment fund. The corresponding designated fund was also transferred to a NHMF restricted fund.

### Restricted funds

#### **Paul Mellon Centre fund**

The Paul Mellon Centre for Studies in British Art have funded the creation of a catalogue of the collection.

#### **The Clore Duffield Foundation fund**

The Clore Duffield Foundation has funded the Foundling Fellowship, a scheme to find the contemporary Coram, Hogarth and Handel to work with the Museum to develop original, creative initiatives for children and to raise the profile of the museum in those areas.

#### **Gerald Coke Handel Foundation fund**

The Gerald Coke Handel Foundation fund is for expenditure directly related to the Gerald Coke Handel collection.

#### **Front Desk project**

This project was for the remodelling of the front desk area to make it more welcoming, improve the lighting and the retail shop display area and thereby improve the visitor experience.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 24. Analysis of net assets between funds

### Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £
Tangible fixed assets	2,234,904	1,971,076	-	4,205,980
Fixed asset investments	-	-	2,989,989	2,989,989
Heritage assets	-	10,328,965	-	10,328,965
Current assets	2,763,254	376,802	122,596	3,262,652
Creditors due within one year	(1,364,276)	-	-	(1,364,276)
Provisions for liabilities and charges	(31,830)	-	-	(31,830)
<b>Total</b>	<b>3,602,052</b>	<b>12,676,843</b>	<b>3,112,585</b>	<b>19,391,480</b>

### Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	2,474,731	2,000,000	-	4,474,731
Fixed asset investments	-	-	2,967,665	2,967,665
Heritage assets	-	10,323,502	-	10,323,502
Current assets	2,717,256	493,881	122,596	3,333,733
Creditors due within one year	(1,415,680)	-	-	(1,415,680)
Provisions for liabilities and charges	(45,900)	-	-	(45,900)
<b>Total</b>	<b>3,730,407</b>	<b>12,817,383</b>	<b>3,090,261</b>	<b>19,638,051</b>

# Notes to the Financial Statements

For the year ended 31 March 2025

## 25. Reconciliation of net movement in funds to net cash flow from operating activities

		<b>Group 2025 £</b>	<i>Group 2024 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)		<b>(246,551)</b>	7,222,254
<b>Adjustments for:</b>			
Depreciation charges	16	<b>274,181</b>	295,324
Losses/(gains) on investments	18,19	<b>(35,205)</b>	(70,707)
Investment income	7	<b>(147,277)</b>	(176,836)
Loss on the sale of fixed assets	16	<b>21,489</b>	21,922
(Increase)/decrease in stocks	20	<b>(945)</b>	5,985
Decrease/(increase) in debtors	21	<b>139,017</b>	(148,424)
Decrease in creditors	22	<b>(65,602)</b>	(2,940,889)
Decrease in provisions	28	<b>14,070</b>	17,350
Defined benefit pension scheme finance cost	28	<b>20</b>	(5,350)
Pension scheme costs less contributions paid	28	<b>(14,090)</b>	(12,000)
<b>Net cash provided by/(used in) operating activities</b>		<b>(60,893)</b>	4,208,629

## 26. Analysis of cash and cash equivalents

	<b>Group 2025 £</b>	<i>Group 2024 £</i>
Cash in hand	<b>1,386,390</b>	1,332,388
Cash held by investment managers	<b>167,755</b>	388,605
<b>Total cash and cash equivalents</b>	<b>1,554,145</b>	1,720,993

# Notes to the Financial Statements

For the year ended 31 March 2025

## 27. Analysis in changes in net debt

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	1,332,388	54,002	1,386,390
Debt due within 1 year	(1,044,313)	(29,453)	(1,073,766)
Liquid investments	1,632,686	12,881	1,645,567
	<u>1,920,761</u>	<u>37,430</u>	<u>1,958,191</u>

## 28. Defined benefit pension scheme liability

The Charity participates in the Career Average Revalued Earnings ('CARE') Scheme operated by The Pensions Trust, a multi-employer scheme which provides benefits to some 37 non-associated employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a last- man standing arrangement. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2022. This valuation showed assets of £49.6 million, liabilities of £57.1 million and a deficit of £7.5 million. To eliminate this funding shortfall, the Trustees and the participating employers have agreed that additional contributions will be paid to the scheme as follows:

### Deficit contributions

From 1 April 2024 to 31 March 2027:	£1,672,000 per annum (payable monthly and increasing by 3.0% each year on 1st April)
-------------------------------------	---

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2019. This valuation showed assets of £79 million, liabilities of £93.9 million and a deficit of £14.9 million. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2021 to 30 September 2027:	£1,530,000 per annum (payable monthly and increasing by 3.0% each year on 1st April)
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# Notes to the Financial Statements

For the year ended 31 March 2025

## 28. Defined benefit pension scheme liability (continued)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	2025 £	2024 £	2023 £	2022 £
Present value of provision	<b>31,830</b>	45,900	63,250	79,500

### Reconciliation of opening and closing provisions:

	2025 £	2024 £
Provision at start of period	45,900	63,250
Unwinding of the discount factor (interest expense)	1,845	2,900
Deficit contribution paid	(15,935)	(14,900)
Remeasurements - impact of any change in assumptions	20	150
Remeasurements - amendments to the contribution schedule	-	(5,500)
<b>Provision at end of period</b>	<b>31,830</b>	<b>45,900</b>

### Income and expenditure impact

	2025 £	2024 £
Interest expense	1,845	2,900
Remeasurements - impact of any change in assumptions	20	150
Remeasurements - amendments to the contribution schedule	-	(5,500)
Income (costs) recognised in statement of financial activities	<b>1,865</b>	<b>(2,450)</b>

### Assumptions

	2025 %	2024 %	2023 %	2022 %
Present value of provision	<b>4.88</b>	4.95	5.18	2.55

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 29. Operating lease commitments

At 31 March 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2025 £</b>	<i>Group 2024 £</i>
Not later than 1 year	<b>13,905</b>	9,923
Later than 1 year and not later than 5 years	<b>15,273</b>	11,614
	<b><u>29,178</u></b>	<u>21,537</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	<b>Group 2025 £</b>	<i>Group 2024 £</i>	<b>Charity 2025 £</b>	<i>Charity 2024 £</i>
Operating lease rentals	<b><u>13,681</u></b>	<u>10,472</u>	<b><u>10,472</u></b>	<u>10,472</u>

## 30. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 31. Connected charities

### Coram

'Coram' was established in 1739 by the philanthropist Thomas Coram. The Foundling Museum's charitable objects include the ability "to support such of the purposes of the charity called the Hospital for the Maintenance and Education of Exposed and Deserted Young Children, now known as the Thomas Coram Foundation for Children, as the Museum charity, in consultation with the Coram Foundation, shall from time to time determine."

A number of important collections are housed within the Foundling Museum, which is a nationally accredited museum. Of these, many of the historical paintings and other artefacts belong to the Foundling Hospital Collection, which are owned by Coram but are all held and managed by the Foundling Museum in accordance with a legal agreement coterminous with the 999-year lease of the Museum. The Museum will use all reasonable endeavors to purchase collection items according to agreed valuation provisions. In keeping with the establishment of the Museum to safeguard the Foundling Hospital Collection, Coram is not permitted to sell any collection items without the Museum having pre-emption purchase rights.

During the year, excluding VAT, the Museum paid Coram £NIL to acquire the long-term leasehold interest of the Museum (2024 - £4,500,000), £NIL in respect of insurance (2024 - £7,274), £6,254 (2024 - £5,945) for rent and service charge, £NIL (2024 - £735) for waste collection and £NIL (2024 - £8,000) for the purchase of fine art.

Coram paid The Foundling Museum Trading Company £8,497 (2024 - £2,769) for venue hire.

At 31 March 2025, the Museum owed Coram £1,850 (2024 - £NIL).

At 31 March 2025, Coram owed the Museum £NIL (2024 - £1,800).

### The Gerald Coke Handel Foundation

The Gerald Coke Handel Collection is an internationally important collection of material relating to the composer George Frideric Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera.

The Collection was assembled by Gerald Coke over a period of sixty years and left to the nation by his widow with a wish that it be allocated to the Museum in the care of the Handel Institute. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation.

Formed in 1996, the Gerald Coke Handel Foundation administers the endowment that accompanies the Gerald Coke Handel Collection and assists the Foundling Museum with the care of the Collection, which came to the Museum through the Government's Allocation in Lieu scheme.

The Foundation's objectives are to advance public education by providing research facilities for academics, musicologists, musicians, students, writers, researchers and all those interested in the life and work of Handel, his associates and contemporaries, the musical environment of his time, the printing and publishing of music in the eighteenth century, and related subjects.

Under the terms of a Management Deed dated 23rd July 2003, the Museum received the following sums from the Foundation during the year: £41,094 in respect of licence fees (2024 - £41,094), £60,441 in respect of reimbursement of librarians' employment costs (2024 - £59,429) and £29,103 in relation to premises costs (2024 - £49,040).

A former Museum Trustee Christopher Cotton DL served as a Trustee for The Gerald Coke Handel Foundation until August 2024 when he was replaced by Ronald Gould, a current Museum Trustee.

# Notes to the Financial Statements

For the year ended 31 March 2025

## 32. Related party transactions

### Supporters' loan endowment scheme

The Museum has established a supporters' loan endowment scheme to enable it to benefit from the income generated by the investment of the loaned funds (Notes 19 and 22). The Museum withdraws the income on the fund on a quarterly basis and applies such monies towards its charitable objectives. Lenders may withdraw the loan principal by giving 60 days' notice in advance of each quarter date and they are entitled to the original capital plus any capital gains (payable as interest) up to a maximum of 1.5% over the Bank of England base rate over the duration of their loan, or less any capital losses.

The amount loaned to the Museum by Trustees in the year under the scheme and invested in the fund was £NIL (2024 - £NIL), and the accrued interest due to those Trustees was £11,088 (2024 - £7,987). The amounts due to the Trustees at 31 March 2025 was £61,088 (2024 - £57,987).

### Other related party transactions

Total trustee donations in the year amounted to £1,833 (2024 - £86,516).

Of these donations, £NIL were restricted for the acquisition of the long-term leasehold interest of the Museum (2024 - £83,049), and £1,833 (2024 - £3,467) were unrestricted.





Foundling  
Museum

PATRON

HRH The Princess of Wales

REGISTERED OFFICE

Foundling Museum  
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Registered charity no. 11071167 (England and Wales)  
Company Limited by Guarantee 03621861

Front cover (right image): Polly Braden, *Yuliia in Byala, Bulgaria*, 2022.  
Courtesy Polly Braden.

**THE FOUNDLING MUSEUM**

England & Wales - Charity number 1071167

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# Accounts

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Annual Review  
1 April 2023  
to 31 March 2024



Foundling  
Museum

Charity 1071167  
Company Limited by Guarantee  
03621861 (England and Wales)

Heathcliff was a foundling. Harry Potter was fostered. Estella Havisham was a  
Becky Sharp was orphaned. Alem  
Kelo was fostered. Dick Whittington  
was orphaned. Asajj Ventress was  
orphaned. Cinderella was fostered.  
Dorothy Gale was adopted. Gideon  
Smeed was a foundling. Han Solo  
was orphaned. Harriet Beadle was  
a foundling. Rapunzel was fostered.  
Hotaru Tomoe was adopted. James  
Bond was fostered. Julius and  
Remus were foundlings. Jane Eyre  
was fostered. Haseki Himezouchi was  
a foundling. Lynn Hwajacqua was  
fostered. Frodo Baggins was adopted.  
Jack Worthington was a foundling.  
Tom Riddle was orphaned.

Scarlett  
Twins  
a foundling  
fostered  
Jean  
Feather  
Moh  
Salma  
was  
fostered  
Mad  
Xiao  
was  
adopted  
fostered  
Yuri



75%  
...the inhumane Custom of  
New born children to Perish

# Welcome

The Foundling Museum explores compelling stories of love, loss and care through art, music and objects.

In Spring 2024, Sue Hoyle OBE was appointed as Chair of the Foundling Museum's Board of Trustees, succeeding Larissa Joy OBE who served as Chair from 2015-24. Sue has held a number of influential leadership roles in the arts, including Director of Clore Leadership, Deputy Secretary-General for Arts Council England and Executive Director of The Place. She is a Trustee of the Royal Opera House, a Board member of Fuel Theatre and a Commissioner for the Judicial Appointments Commission.

In Sue's words, 'The Foundling Museum is a dynamic, independent organisation that I admire enormously. The Museum plays a unique role, celebrating centuries of artistic and social activism for early years and care-experienced young people. The Foundling Museum is an inspiring model for cultural philanthropy. It is a privilege to help contribute to the dynamic future of this vital museum'.

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# Introduction

‘ ‘Foundling’ is an affectionate old term for a child in care.

‘Foundling’ refers to a vulnerable mother placing their baby to be found and supported, for a time, by the kindness of strangers.’

Emma Ridgway, Museum Director

The Foundling Museum is the only cultural institution in the UK to celebrate people who have been in care, and those who care for them.

We are a contemporary museum established in 2004, with collections of art, music, writing and emotive objects that stretch back to the 18th century. Our work grows from our unique foundations, as the only foundling hospital museum in the world that has an art collection donated by artists, and the only one to tell the story of the birth of creative philanthropy.

We show how artists championed the Foundling cause, including artist William Hogarth and composer George Frideric Handel. Their compassion and generosity demonstrated that the arts can transform lives. At the Museum, we work with outstanding contemporary artists, writers and musicians to ensure that leading artists continue to be part of the story of care.

At the heart of our work is our award-winning arts training programme for young care leavers, along with arts and wellbeing activities for children, families and communities.

# Chair's Statement



Sue Hoyle OBE,  
Chair of Trustees

It was a full and eventful year at the Foundling Museum. The Museum team, led by Director Emma Ridgway, has completed its first full year as an Arts Council England (ACE) National Portfolio Organisation. Emma has also completed her first year in post, having assumed her role in May 2023.

The Museum is delighted to be part of the ACE portfolio and to be growing its reach and impact. The Museum is recognised for its work with care-experienced audiences and under-served communities, and its work in these areas has developed and strengthened during the year; notably with the delivery of early years learning work in Newham, Barking & Dagenham and Stoke-on-Trent, plus the expansion of its work with young care leavers in London both within and beyond the Museum. The team's work has been well received and its positive impact felt by young people, children and their families and carers alike.

The exhibition *Finding Family*, co-developed with the Foundling Museum's Tracing Our Tales care-experienced trainees and The National Gallery, opened in March 2023 and was successful in attracting a significant number of new first-time visitors. We were particularly delighted that our Patron, HRH The Princess of Wales, was able to visit in May 2023 to meet the young care leavers who co-developed the exhibition, to hear about their life experiences and how participating in the Tracing Our Tales programme has benefited them.

We reported in the previous annual report that, with the generous help of over 225 supporters, including trustees and staff, the Museum completed its Securing the Future campaign in October 2023. This was a major milestone in the life of the Museum and means that the Museum has the possibility to create a strong and vibrant long-term legacy, and to continue to deliver its award-winning learning work long into the future. The new ownership of a 999-year virtual freehold of the Museum's home at 40 Brunswick Square brings additional obligations, but also opportunities to improve the Grade II-listed building to keep pace with environmental demands and to enhance accessibility for visitors.

I would like to thank the Museum team who have, yet again, done a tremendous job of navigating a year that has seen a great deal of change. Regarding the Board of Trustees, this year will see the end of extended periods of service for valued trustees Anne Beckwith-Smith LVO and Chris Cotton DL who stand down from the Museum's Board, having served two extended full terms of office in each case. We welcome new trustee Michael Crossan to the Board - formerly a Lead Partner for the employment and incentives practice at a major international law firm, he brings enormous passion for the Museum's mission to transform lives through creative action.

'The Museum is recognised for its work with care-experienced audiences and under-served communities, and its work in these areas has developed and strengthened during the year.'

Sue Hoyle OBE

After completing nine years as Chair of the Foundling Museum, Larissa Joy OBE stood down as Chair in June 2024. On behalf of the Trustees of the Museum, I would like to extend our huge gratitude to Larissa for her exemplary period of service to the Foundling Museum. Larissa's leadership spanned a period of significant growth and change for the Museum. Larissa chaired the organisation through Covid, throughout a successful transition of Director from Caro Howell MBE to Emma Ridgway in May 2023 and to successful entry into the Arts Council England's National Portfolio Organisation in 2022. Larissa spearheaded the Museum's successful Securing the Future campaign that secured the Museum's long-term home at Brunswick Square, the long-term future of the historic Collection for 999 years and the Museum's governance as an independent charity. As Chair, Larissa attracted and shaped a strong and exceptionally dedicated group of Trustees with whom I am proud to work. On a personal level I would like to take this opportunity to thank Larissa for the time she has spent in transitioning the Chair role to me with her customary levels of care and good humour. The Board, Emma and I are delighted that Larissa has accepted the Board's invitation to become a lifetime Vice President of the Museum to recognise her commitment and dedication as Chair over the last 9 years.

The Museum would not exist at all without the ongoing support we receive from our loyal supporters, whose encouragement and goodwill continue is treasured and cherished. We are very fortunate indeed to count so many loyal and long-term supporters amongst those wonderful individuals and trusts who support the Museum's work.

Sue Hoyle OBE  
Chair of Trustees

# Museum Director's Summary



Emma Ridgway,  
Museum Director  
(CEO & Artistic  
Director)

In my first year at the Foundling Museum I've found it to be a brilliant organisation - modest in scale, ambitious in scope and abundant with future possibilities.

From 2023 to 2024, we have increased the Museum's distinctive emphasis on social impact through the arts, and it continues to rise. We have grown more ways to actively listen to the lived experiences of care leavers and carers (including those in our team) to inform the programming and future of the Museum.

In the past year, we successfully piloted a new Museum Assistant role; a one-year salaried post that is only open to care leavers. We also piloted a new alumni programme for graduates of the Museum's professional arts traineeships for care leavers (our award-winning *Tracing Our Tales* programme). Members of this newly formed group learn practical art skills, hold discussions, and advise on our artistic programmes, from major exhibitions for public visitors to specialised digital engagement. The importance of our activities with and for people with care experience is explained best by our young participants.

'The Foundling Museum is the only place we have to tell the story of being in care – it shows us in a good light rather than the stigma we are used to.'

Graduate of *Tracing Our Tales* and Foundling Museum trustee

Our exhibitions, events and workshops intend to generate fresh perspectives on historic and contemporary care experience, motherhood, family identities, and many forms of philanthropic support. We are grateful to all our exhibiting and performing artists who have contributed their creative work to engage our visitors' understanding of care. In partnership with The National Gallery, the exhibition *Finding Family* involved care leavers in the exhibition making process, a new approach for both institutions. As a next step, the Museum's new alumni group advised the team on subjects to explore in the event of a future partnership with The National Gallery - watch this space in the year to come.

'The Foundling is the UK birth place of creative philanthropy – famous artists contributing their creative excellence to a charitable cause.'

Emma Ridgway, Museum Director

In Autumn, our major exhibition *The Mother & The Weaver: Art from the Ursula Hauser Collection* centered on primary concerns of the Museum - making visible the vulnerabilities of children, their unseen mothers, and the importance of compassion. The show invited visitors to explore our historic collection in a new light, with unforgettable interventions of large spiders and birthing bodies in the Museum's spaces. A further highlight was our collection display *Handel's Will: Love & Legacy*, which humanised the composer and his immense contribution to the Foundling cause.

In the past year, our creative workshops have been led by 30 professional artists specialising in learning engagement with communities. We are also delighted with the Museum's intimate events by internationally acclaimed artists – performance artist Marina Abramović, artist Grayson Perry, writer Lemn Sissay, and composer Andrew Lloyd Webber – each providing one-off experiences for the Museum's closest supporters who fund and encourage our work.

It is a credit to everyone involved with the Museum that we have had such a rewarding year: successfully delivering our major campaign to secure the future of the Museum, whilst raising revenue income, introducing new ways to evaluate our work, and delivering an excellent and moving programme. It is great that we have joined the ACE National Portfolio to become part of the national agenda for public engagement with excellent arts and culture.

I feel honoured to serve as Museum Director of the Foundling Museum. It has been a privilege to work with Larissa Joy as Chair, and I am excited to work with Sue Hoyle in the coming years. Ongoing thanks to our team, wonderful trustees, volunteers, artists, participants, partners, advisors, supporters, and all those who contribute to our collective achievements.

Emma Ridgway  
Museum Director (CEO & Artistic Director)

# Social Impact & The Arts



'Hands down, working  
with the Foundling is  
the best thing that has  
happened to me.'

*Tracing Our Tales trainee*

The Foundling Museum's distinctive emphasis on social impact through the arts is rare in the museums sector.

We invest as much in our learning work as we do in our exhibitions. Our dedication to creative excellence with care-experienced people is award winning.

**39,385+ visitors**

to the Foundling Museum in the past year

**460+ events**

including 287 public events

**8,700+ young attendees**

including early years, children and young people aged 19-25

**140+ research visits**

by academics studying our collections

**30 specialist artists**

led the Museum's creative learning events

**5,665+ new followers**

on Instagram alone in the past year

**125+ volunteers**

dedicated 5,667 hours to visitor services

**50%+ carbon reduction**

achieved over past 5 years, 18% reduction in 2023-24

These figures count people visiting the Museum and also 1,841 attendees at our participation events at local libraries, nurseries and primary schools in Camden, Newham, Barking & Dagenham and Stoke-on-Trent.

# Creative Action: Learning & Wellbeing



## TRACING OUR TALES

Our award-winning learning programme – *Tracing Our Tales* – recruits and professionally trains care leavers to become art workshop assistants at the Foundling Museum and beyond. The traineeship focuses on developing art and teaching skills, as well as general life skills and confidence building, and forms a community of young people with shared experiences to help with the increased mental health challenges, loneliness and isolation of care leavers.

**'I can definitely say I have improved my artistic abilities 1000%. This is speaking volumes to the traineeship. I would never have considered myself an artist if I had not done this traineeship.'**

*Tracing Our Tales* trainee

In 2023-24 we delivered three training and mentoring programmes for cohorts of 14-20 care leavers who took part in weekly artist-led workshops for two to three months. Our evaluations show that this professional arts training programme is transformative for the young people that participate, enlarging their sense of personal identity. For many of the young care leavers, this is their first paid traineeship and offers the opportunity of continued work with the Museum.



*Tracing Our Tales* trainees gain art skills and exhibit their work.



The alumni workshops are developed with traineeship graduates.

## TRACING OUR TALES: ALUMNI

Developed in collaboration with *Tracing Our Tales* trainees, there are now alumni workshops with professional artists at the Foundling Museum.

For groups of up to eight participants, weekly sessions have taken place in Summer and Winter. This programme follows the interests of the care-experienced participants, with an external evaluation of each session informing the development of this pilot programme. Activities included artist Phoebe Kaniewska teaching trainees how to make beeswax candles filled with herbs and flowers inspired by the Foundling Hospital's cottage garden. Following on from this, trainees were taught about herbs by Nat Mady from Hackney Herbal, while in another session trainees created copper jewellery inspired by the Museum's collection of Foundling Hospital tokens.

The alumni group are also strategic advisors for the Museum team. In the past year, they have directly informed the development of a digital platform for care leavers, as well as informing the focus of our forthcoming exhibitions programme.

**'Naturally we're going to relate to the Foundlings. It helps me get over the trauma. It makes me feel I deserve something; I'm worthy.'**

*Tracing Our Tales* alumni member

## FOUNDLING MUSEUM ASSISTANTS

The Foundling Museum is distinctive in providing paid professional arts training for young adults with care experience. For our new pilot initiative - a 12 month full-time career development position exclusively for care leavers - we appointed Indika Roseway. She is a graduate of our five-month arts traineeship, and subsequently took on the role of champion to assist new trainees. While employed as the Museum Assistant, over the course of the year she collaborated with four teams: Learning, Visitor Engagement, Curatorial, and Marketing & Communications. During this period, she was involved in decision-making processes alongside the Director and curators. Her employment was characterised by her active participation in the life of the Museum, where she established herself as an essential member of the team. The experience built her professional confidence and future career decisions, and she continues to work with the Museum team.

## ASSEMBLAGE YOUTH COLLECTIVE

We successfully ran creative workshops for young people aged 18-30 with our resident youth collective, Assemblage Collective. Activities included a portrait drawing workshop, poetry and performance workshops, plus a knitting and crochet workshop in which the knitted squares were donated to homeless charities as part of Craft Forward's Blankets for London initiative. Most participants were visiting the Museum for the first time and all workshops received excellent feedback. We also collaborated with local arts organisation October Gallery, and ten Assemblage Collective members contributed works of art and films to their youth takeover exhibition.

'I was sitting outside in the park before the workshop, and I thought I wouldn't come because I was feeling very shy. Now I've done it and performed with such a supportive group of people I feel so much better than I did before. I really want to come to future events.'

Poetry & performance workshop participant



Assemblage Collective members in the Foundling Museum's Court Room.

## FAMILIES

During October half term we delivered four family workshops inspired by our exhibition *The Mother & The Weaver*. These sessions were delivered by *Tracing Our Tales* graduates and artists Laura x Carlé, Harriet Mena Hill, Christina Rose Brown and Isobel Manning.

'My child is very creative and non-verbal with separation anxiety and finds school difficult. These workshops are absolutely perfect for us to do together. It's a great chance to try new materials and have fun!'

Parent of workshop participant

The Museum hosted its annual Hetty Feather Day in July, based on author Dame Jacqueline Wilson's Foundling Fellowship project for the Museum. Activities included a Hetty puppet-making workshop plus a talk and a book signing by Jacqueline Wilson. To coincide with the event a digital family activity titled 'Hetty's Pop Up Adventure', created by Wendy Scott, was shared on the Museum's Instagram account and website.

## EARLY YEARS

We have worked across different nursery settings in Camden, Barking & Dagenham and Stoke-on-Trent. We have also delivered museum-based workshops for local nursery and primary schools, which were highly praised by parents and teachers. 100% of attendees surveyed identified an improvement in the children's mood and rated the workshops as very good or excellent.

'The children were all very excited to hear that the Foundling Museum were returning. They all smiled throughout the session and had a lot of fun. Afterwards, they spoke about it with each other during play.'

Reception teacher, Edith Neville School



Dame Jacqueline Wilson meeting a fan at Hetty Feather Day.



Home-Start participants with their work.

'This is so special, we have never been invited to a big event like this, thank you so much.'

Naomi Smith, CEO, Home-Start

## ARTS & WELLBEING

Our partnership with Home-Start Camden, working with mothers experiencing challenges, went from strength to strength. Our series of workshops ended in an evening private view, showcasing work created by participants alongside artwork from our exhibition *The Mother & The Weaver* in the Court Room. The mothers invited family and friends to celebrate their artwork and a special viewing of the exhibition.

Our collaboration with Mind in Camden for people experiencing mental health challenges most recently resulted in eight artist-led workshops with 58 session attendances. The project culminated in a display of participants' work, *Filling Gaps*, shown in the Museum.

We have completed an eight-week pilot arts and wellbeing project at the Coborn Centre, an inpatient psychiatric unit for adolescents at Newham Hospital. There were 64 session attendances by young people, some of whom have experience of the care system. The group visited the Museum during an organised excursion in February. The Coborn Centre staff are keen for this project to continue and we are exploring the possibility of producing a second series of workshops in Autumn 2024.

# Fresh Perspectives: Exhibitions & Collections



Above: Helen Barff,  *Holding*, 2023  
Left: Louise Bourgeois,  *Legs*, 1986

At the Foundling Museum, we invite leading artists, writers and musicians to offer fresh perspectives on our historic collections and stories of care. We trust the ongoing power of the arts to challenge and question the world around us.



Thomas Gainsborough, *The Artist's Daughters Chasing a Butterfly*, c.1756 © The National Gallery, London

**FINDING FAMILY**  
17 MARCH - 27 AUGUST 2023  
EXHIBITION GALLERY

Exploring new perspectives on what family is and can be, our original exhibition, Finding Family, questioned the idea of family through art from the 17th century to the present day. Looking at the ways in which artists have represented and responded to ideas of family, past and present, the exhibition presented a selection of historic and contemporary works of art that explored blood relations, social bonds, personal connections and love. The works were accompanied by creative writing

by participants from *Tracing Our Tales* (the Museum's award-winning programme for young care leavers) who responded to the exhibition's themes from the context of their own lived experience.

In partnership with The National Gallery, the exhibition included three iconic masterpieces from the Gallery's collection, by Hogarth, Gainsborough and the Le Nain Brothers. Visitors were invited to look afresh at these well-loved works of art and to question their assumptions. These were shown alongside objects from the Foundling Museum's collections, and paintings, drawings, photographs and sculpture by contemporary

artists that reflect the many varied and complex versions of what and who family can be.

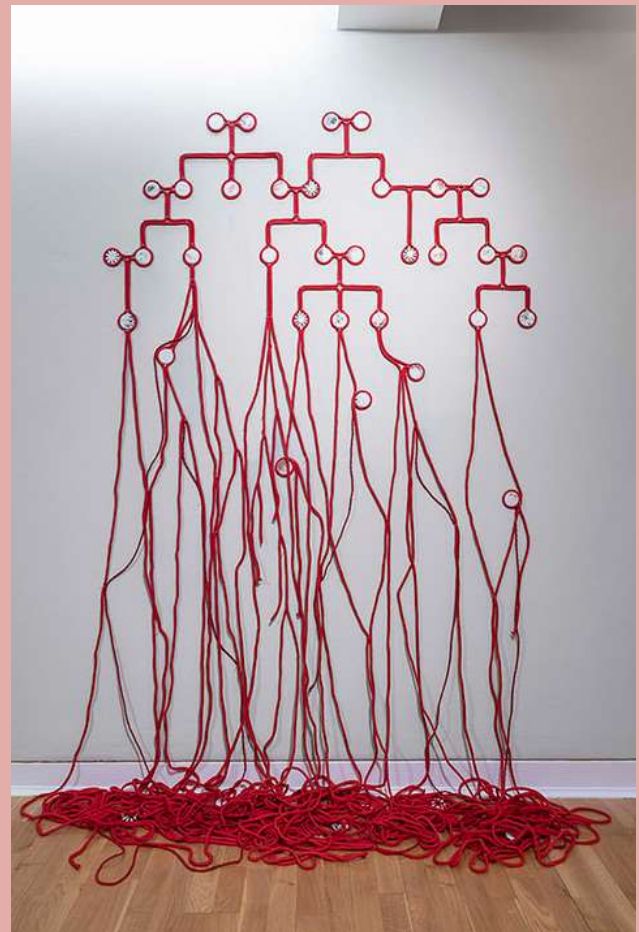
Several newly commissioned works further enriched the exploration of what family means to different people. The contemporary artists featured in the exhibition were Louise Allen, Matthew Finn, Sunil Gupta, Chantal Joffe, Sikelela Owen, Hetain Patel, Barbara Walker, Caroline Walker and Gillian Wearing, alongside Helen Barff, Annabel Dover, Harold Offeh, Mark Titchner and Tamsin van Essen, who created new works for the show.

*Finding Family* encouraged an exploration far beyond the idea of family in a nuclear sense, suggesting a broader, more inclusive definition that also invites us to consider where our own sense of connection and identity lie.

*Finding Family* was supported by The Kusuma Trust and The Esmée Fairbairn Collections Fund, delivered by the Museums Association.



Harold Offeh performing *We Are Family* at the *Finding Family* private view.



Tamsin van Essen, *Entangled Roots*, 2023 © Tamsin van Essen.

‘Beautiful exhibition to think about family and human bonds. Your youth programme sounds amazing, and the input and depth of the participants comes out in this exhibition.’

Exhibition visitor

**THE MOTHER & THE WEAVER: ART FROM THE  
URSULA HAUSER COLLECTION  
22 SEPTEMBER 2023 - 18 FEBRUARY 2024  
EXHIBITION GALLERY & MUSEUM**

*The Mother & The Weaver* was an exhibition of international modern and contemporary works of art in conversation with the Museum's historic collection.

**'The Spider is an ode to my mother. She was my best friend. Like a spider, my mother was a weaver.'**

Louise Bourgeois, 2001

The exhibition took the unseen mother, a central part of the Foundling Museum's story, as a point of departure to explore complex ideas around motherhood, childhood, love, loss, sexuality and identity. Occupying the whole museum, this substantial exhibition showed over 40 works from the Ursula Hauser Collection, all by women artists, in conversation with historic objects and works of art from the Foundling Museum's collection.

*The Mother & The Weaver* presented modern and contemporary works of art in a variety of media, including painting, textiles, sculpture, video and works on paper. The internationally celebrated artists on display included Louise Bourgeois, Marlene Dumas, Luchita Hurtado, Maria Lassnig, Sonia Gomes and Pipilotti Rist.

Maternal presence or absence, and the complex emotions that each arouses, informed many of the works in the exhibition. Others were more suggestive, hinting at complex histories of displacement and fractured identity. Themes and ideas around what it means to be a 'good' mother or woman, explored in the contemporary works, took on new and forceful meanings in the context of the Foundling Museum. By presenting these works in juxtaposition with the Museum's collection, visitors were invited to explore our story with fresh eyes.

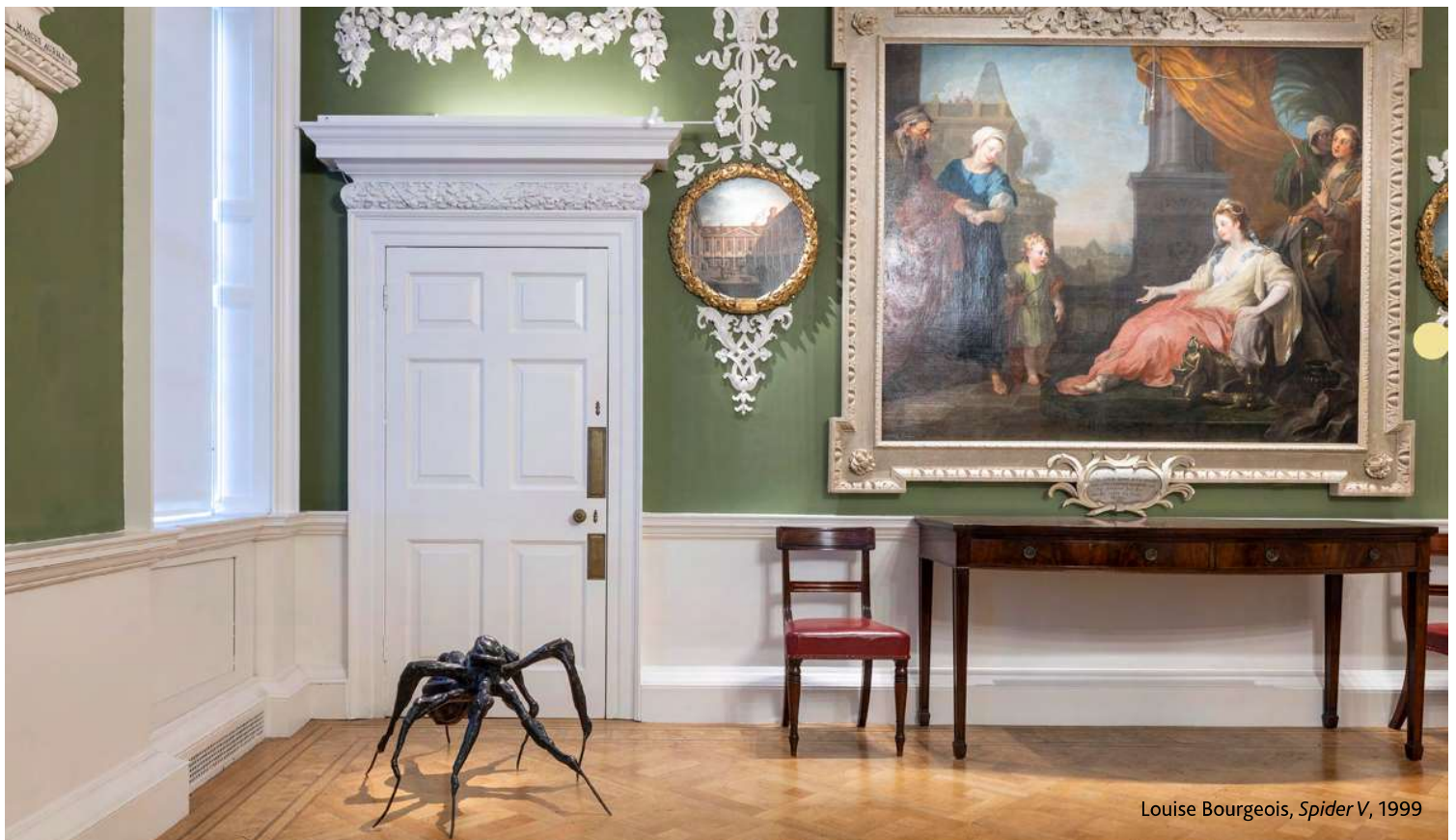
Ursula Hauser has been building her collection of modern and contemporary art since the 1980s. She selects artworks that captivate and move her, and places a special emphasis on female artists.

★★★★ **'An intimate show  
in a London gem'**

The Times

The exhibition attracted critical acclaim. Press highlights included The Times, Art Quarterly, The Glossary Magazine, CN Traveller and London Reviews. The highlight of the public programme was a sold out panel discussion on the subject of art and motherhood held at the Museum on 31 January, chaired by exhibition curator Tanya Barson, with speakers Professor Pragya Agarwal, Ann Coxon and Hettie Judah.

The exhibition was supported by Taylor Wessing and The 1739 Club.



Louise Bourgeois, *Spider V*, 1999

# Collection Displays

HANDEL'S WILL: LOVE & LEGACY  
20 OCTOBER 2023 – 30 JUNE 2024  
HANDEL GALLERY

George Frideric Handel was one of the Baroque era's greatest composers, writing works such as *Messiah* that continue to be loved today. Born in Halle, Germany, he had a successful career in London and became friends with members of the royal family. His fame undoubtedly endures, but how much do you know about the personal life of this musical star?

In this special display in our Handel Gallery, visitors could discover more about the man behind the name, as we delved into his will. This unique item held in our collection gives a rare glimpse into Handel's private and professional lives, revealing his social networks. We uncovered those named in his will – as well as those who were not – including individuals and charities such as the Foundling Hospital, demonstrating his compassion.



Map of Halle, 1749.

Our collections are frequently brought to life with performances by established and budding musicians in the Picture Gallery. Each month our Thursday lunchtime concert for visitors offers an opportunity for young musicians from the Philharmonia's MMSF Instrumental Fellowship to give a public performance as part of their training.



Ensemble Molière performance of *Hidden Gems* for the Foundling Museum, March 2024.



# Acquisitions

At the Foundling Museum, we acquire a modest number of items for our collection each year. In the past year (FY 2023-24), we have prioritised representations of Foundlings' experiences as key acquisitions.

In 2023, the Museum acquired a painting of Foundlings by the celebrated Dutch artist Thérèse Schwartze (b.1851-d.1918). A previously unknown painting in the UK, it appears to be the largest contemporaneously made painting of Foundling Hospital pupils. With thanks to a grant from Woodmansterne Trust, the painting has now undergone conservation work and we plan to display the painting in Autumn 2024.



Museum trainee Indika Roseway with her display, *Foundling Hospital Nurses & Inspectors*.

## FOUNDLING HOSPITAL NURSES & INSPECTORS 6 NOVEMBER 2023 – 14 JANUARY 2024 INTRODUCTORY GALLERY

This collection display was curated by Indika Roseway, our Museum Assistant and Tracing our Tales alumni member. It spotlighted the contributions of inspectors and 'wet nurses' (foster mothers) to the Foundling Hospital.

## HANNAH BROWN: FOUNDLING & FIGHTER 28 DECEMBER 2023 – 28 APRIL 2024 INTRODUCTORY GALLERY

A memoir of being a pupil at the Foundling Hospital from 1866 to 1881. Originally published anonymously in 1919, it was later revealed to be by Hannah Brown. She went on to advocate for the importance of people writing about their personal experience of care to expose the injustice and stigma of the care system.

## LIFE IN WARTIME 1 MARCH 2024 – 1 SEPTEMBER 2024 FOYLE COMMITTEE ROOM

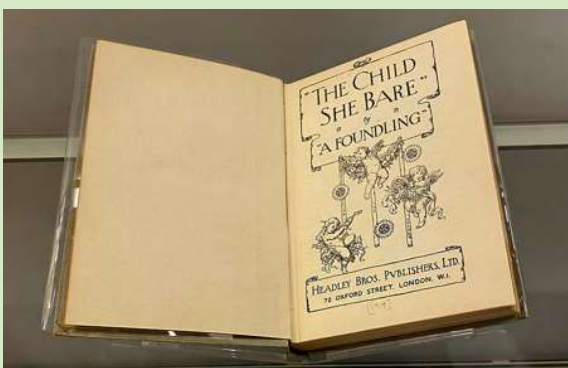
This display, curated by University of Westminster intern Charlotte Haywood, explored how the Foundling Hospital's upbringing reflected military life, with many children going on to serve in the armed forces. It explored the daily lives of children who were at the Hospital during the First and Second World Wars and the military careers of some who served.



*A Choir of Foundling Girls* by Thérèse Schwartze (1851 – 1918)

In 2023-24, we acquired the only two known autobiographies by former pupils of the Foundling Hospital in the 18th and 19th centuries.

*The Child She Bare* (1919) is a candid account written by former pupil Hannah Brown (b.1866- d.tbc). *George King's Memoir* (c.1845) is the original manuscript autobiography by George King (b.1787-d.1857), inked in his exquisite handwriting.



Hannah Brown, *The Child She Bare*, 1881



# Securing The Future

In October 2023 with the help of many hundreds of supporters and friends, the Museum successfully completed its £4.6m campaign to secure its long-term future.

The success of the Securing the Future campaign means that the Museum secured its home in 40 Brunswick Square for the long-term through the acquisition of a 999-year virtual freehold. It also secured the custodianship of the Foundling Hospital Collection for the same period, and the governance of the Museum as an independent charity.

Concluding the Securing the Future campaign has, importantly, also enabled the National Heritage Memorial Fund to convert into a restricted permanent endowment a £3m loan made for a period of 25 years when the Museum first opened.

Even with the successful completion of this campaign, the Museum continues to need to fundraise for all running costs, collection care and the programming of events, exhibitions, learning and participation. Thank you to all our supporters who contributed to securing the future of the Foundling Museum.

The Securing the Future campaign was endorsed by artists, cultural leaders, frontline charity partners and our Royal Patron, HRH The Princess of Wales. Her Royal Highness visited the Museum in May 2023 to speak with our young *Tracing Our Tales* trainees and supporters.

'I am incredibly proud to be the Patron of the Foundling Museum, an organisation which has delivered pioneering creative programmes and life-changing support to families and young people ... Their ground-breaking work to support each care-experienced young person to fundamentally change the future direction of their lives is one that means the world to me. Importantly, it shows that it is never too late to make a difference, and that by providing the right support, we can enable those who have faced real difficulties to overcome their challenges and achieve their goals.'

The Museum's work opens the door to new opportunities for vulnerable children and young people, connecting them with artists and developing skills which they can take into their adult lives. By helping them to undertake this journey, we can create positive, lasting change that benefits our society as a whole.'

Her Royal Highness The Princess of Wales  
(2023)

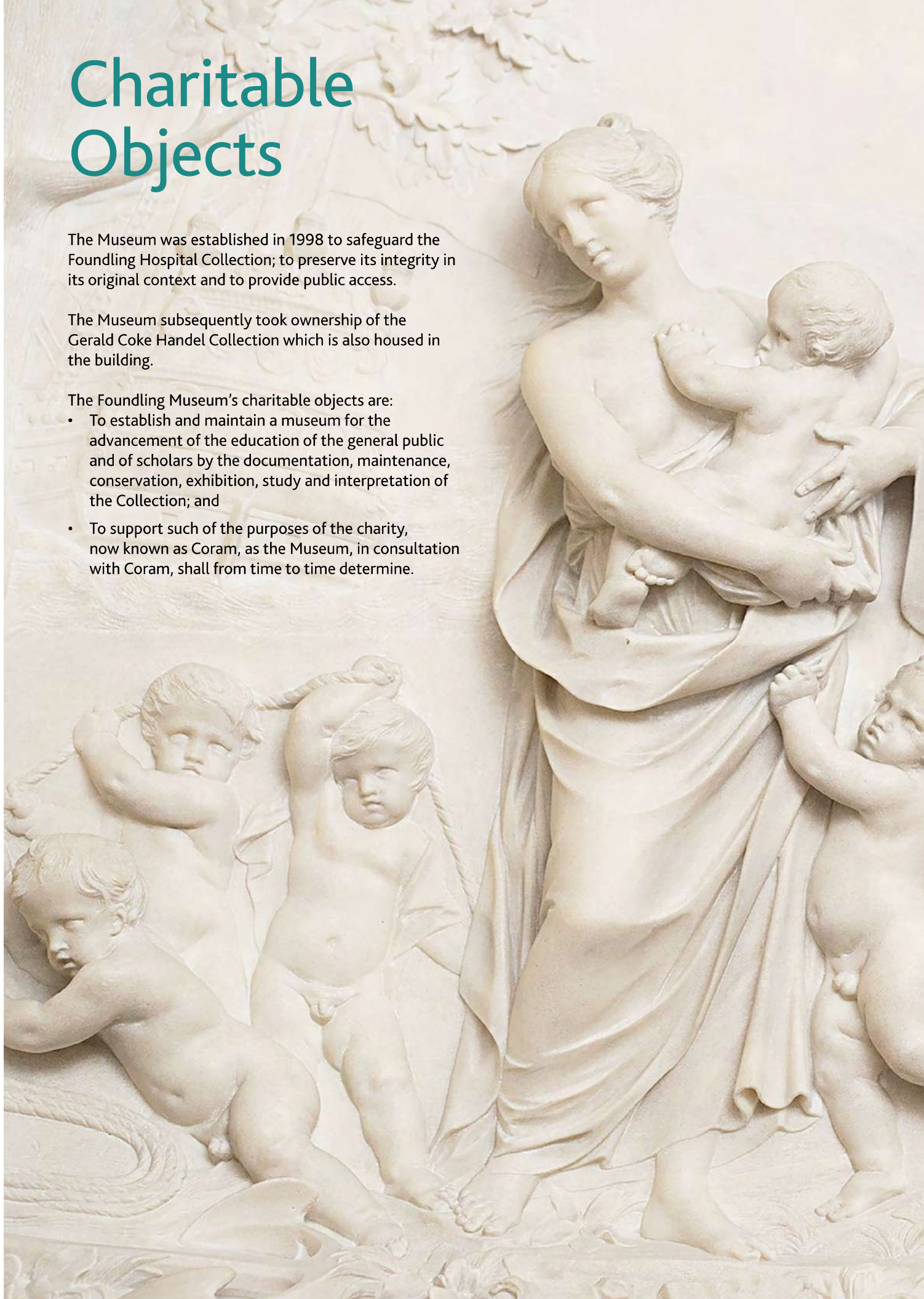
# Charitable Objects

The Museum was established in 1998 to safeguard the Foundling Hospital Collection; to preserve its integrity in its original context and to provide public access.

The Museum subsequently took ownership of the Gerald Coke Handel Collection which is also housed in the building.

The Foundling Museum's charitable objects are:

- To establish and maintain a museum for the advancement of the education of the general public and of scholars by the documentation, maintenance, conservation, exhibition, study and interpretation of the Collection; and
- To support such of the purposes of the charity, now known as Coram, as the Museum, in consultation with Coram, shall from time to time determine.



# Mission

The Foundling Museum brings past and present together, to celebrate the power of art as a catalyst for change.

Inspired by three great 18th century activists - Thomas Coram, William Hogarth and George Frideric Handel - the museum is a force for change. We believe in creative action that brings past and present together, to stimulate imaginations and enrich young lives. We celebrate the work of artists and inspire people to take positive action that transforms lives and creates a lasting impact.

Opened in 2004, the Museum sits on the site of the Foundling Hospital; the UK's first children's charity and first public art gallery. Founded in 1739, the Hospital cared for babies at risk of abandonment, supported by leading artists of all disciplines, who donated their work to raise awareness and funds.



# Museum Values

## CREATIVE ACTION, TRANSFORMING LIVES

Creative experiences that bring past and present together to stimulate imaginations and create positive lasting impact on society.

### BOLD

With a campaigning spirit and the courage of our convictions, we challenge the world to take action through the arts.

### PLAYFUL

We're serious about our work but don't take ourselves too seriously. For us, play means a light touch and an attitude of curiosity.

### COMPASSIONATE

We care for each other, our artists, and our visitors, striving together to enrich the lives of vulnerable children.

### OPEN

We're welcoming, generous-spirited and inquisitive, with a can-do attitude that thrives on collaboration.



# Museum Structure, Governance & Management

## MUSEUM STRUCTURE, GOVERNANCE & MANAGEMENT

The Foundling Museum ('The Museum') was incorporated at the instigation of The Thomas Coram Foundation for Children ('Coram' - registered charity number 312278) on 20 August 1998 as a company limited by guarantee and is governed by its Articles of Association. It was registered with the Charity Commission on 24 August 1998 (registered charity number 1071167). Coram was formerly known as The Foundling Hospital.

In July 2014 the Museum filed new Articles with the Charity Commission which removed Coram's sole membership, thereby guaranteeing the Museum's independence. In autumn 2023, new Articles were adopted which enabled the acquisition of the 999-year building lease and incorporated further changes necessary for the Museum's long-term future.

The Museum has a wholly owned subsidiary, The Foundling Museum Trading Company Limited, which sells promotional goods and organises events to benefit the Museum. It pays an annual management fee to the Museum, as Museum staff handle its operations. Profits are transferred to the Museum through a Gift Aid compliant Deed of Covenant.

The Museum's Board of Trustees meets every three months. It considers an extensive report from the Director about past, current and future activity and, as appropriate, additional papers on future and long term strategy, education, fundraising and development. The Board receives a financial report presented by the Chair of the Finance & Audit Committee. The Museum Director and Director of Finance attend Board meetings.

The Board of Trustees is supported in its work by Committees of the Board; namely the Finance and Audit Committee which meets formally every three months and includes reports from the Trading Company and the Investment Committee; and the Nominations Committee which meets approximately twice a year.

Trustees are appointed following a review by the Nominations Committee and the Board, focusing on the skills and experience required by the Museum. Their contributions are formally assessed every two years by the Chair, who also reviews Board effectiveness with the

Nominations Committee in alternate years. The Chair's performance is evaluated annually by Trustees.

Recruitment aims to build a committed, diverse Board with expertise in finance, arts, care, buildings, business, communications, education and risk management. New Trustees receive an induction, including background materials on the Museum and Charity Commission documents detailing their responsibilities. They meet with the Director to understand the Museum's operations, objectives, and financial status, and are required to undergo ongoing training. Qualifying third-party indemnity provisions for Directors were in place during the year.

## TRUSTEES

The Board of Trustees, who are also the directors of the charitable company for the purposes of company law, who served up until the date of signing the financial statements were as follows:

### Trustees

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Anne Beckwith-Smith LVO	Term ended 28 May 2024
Christopher Cotton DL	Term ended 28 May 2024
Michael Crossan	Appointed 11 March 2024
Shereka Dunbar	
William Gore	Passed away October 2023
Ronald Gould	
Edward Humphrey	
Perdita Hunt OBE	
Claire Jeffers	
Larissa Joy OBE (Chair)	Term ended 28 June 2024
Andrew McIntyre	
Grayson Perry CBE RA	
Lord Simon Russell of Liverpool	
Lemn Sissay OBE	
Sue Hoyle OBE (Chair)	Appointed 28 June 2024

## TRUSTEES CONT.

None of the Trustees has any beneficial interest in the company. At 31 March 2024 the company had 13 members, comprising the Trustees, who each guarantee to contribute £1 in the event of a winding up.

The Trustees and Museum Director were deeply saddened by the passing away of our trustee William 'Bill' Gore. Since 2014, Bill championed the importance of securing the future of the Foundling Museum as an independent charity, and we remain grateful for his commitment.

The Board of Trustees continues to have due regard to the Charity Commission in England and Wales' guidance on public benefit.

## EXECUTIVE LEADERSHIP

Trustees grant executive leadership of the Foundling Museum to the Museum Director, and other senior managers. Committees meet for decision making as per the Board's agreements. Major financial and organisational decisions require full Board authority, typically recommended by the Finance & Audit Committee. Senior management handles day-to-day operations with input from Trustees with relevant expertise.

The Board determines the Museum Director's compensation, while Senior Management pay is approved by the Board. Staff pay reviews occur during the annual budgeting process, with salary benchmarking for new hires to ensure competitiveness. The budget for the upcoming year is set in the fourth quarter and requires full Board approval before implementation.

### Senior Management

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Emma Ridgway, Museum Director	Appointed 6 June 2023
Caro Howell MBE, former Museum Director	Resigned 6 April 2023
Pauline Hamilton, Director of Finance	
Rosie Baker, Director of Commercial & Operations	Appointed 5 May 2023
Clare Barlow, Director of Programmes & Audiences	5 May 2023 - 30 September 2024

## FUTURE PLANS

The Museum has entered a dynamic chapter, shaping a new vision. We are enhancing our programming of exhibitions and events to be directly informed by lived experiences of care. At the heart of our work is our award-winning arts training program for young people who have been in care, along with arts and wellbeing activities for early years children, families, and local communities. Participants in these creative activities are engaging more closely with our collections and making significant contributions to the Museum's themes of love, loss, relationships, and care.

For 2024-2025, our contemporary exhibitions will explore love, resilience, and how the people close to us can shape our identities as we navigate life. Our major exhibition, *Polly Braden: Leaving Ukraine*, presented an intimate portrait of women forced to leave their homes following the Russian invasion of Ukraine in 2022. In this series of photographic works, commissioned by the Foundling Museum, we witnessed the extraordinary journeys undertaken by mothers, daughters, and infants in arms. From Autumn, *Foundling Voices*, features five former pupils of the Foundling Hospital discussing questions surrounding identity as they come to terms with their past and their present selves. The exhibition, *Self-Made: Shaping Identities*, showcases the work of four leading artists who each use clay in different ways to explore the formation of self, and the potential for physical and emotional transformation.

Behind the scenes at the Museum, we are developing our partnerships both locally and nationally. This includes collaborating with The National Gallery on co-curating projects with young people who have graduated from our arts traineeships for care leavers. Our visual arts programming is well-established with our exhibitions and learning projects; yet, there is also significant potential in our music holdings, as we possess the largest collection of Handel material in the UK. In the coming year, we are excited to expand our music offerings at the Museum, so stay tuned for more updates.

At the Foundling Museum, we believe that creative action has the power to change lives and shape a better future. Building on the Museum's strong values and inspiring accomplishments, we are embarking on a bold five-year strategy focused on arts and social impact for 2025-2030. Now that we have secured a 999-year lease for the building and its historical collection, we can make much-needed repairs to the structure. Our museum building is unique, having been constructed in the 1930s to showcase the most innovative art and design features from the 1740s Foundling Hospital, including the first public art gallery in Britain. Over the coming years we plan to make vital building improvements to the Museum, whilst also enriching the visitors' experiences of our spaces.

# Museum Relationships

The Trustees and Director would like to pay tribute to the generosity of donors, supporters and volunteers, without whom the Museum would be unable to realise its ambitions and run its programmes.

## 1700 CLUB MEMBERS

Andrew Fane OBE  
Grant Gordon OBE and Brigitte Gordon  
Isobel and Michael Holland  
Larissa Joy OBE  
Julia and Jamie Korner  
Annie Mackeson-Sandbach  
Jim Moyes  
Vince O'Brien  
Sir Simon Robey and Lady Robey CBE  
Sir David Verey CBE and Lady Verey  
Vernon Ellis Foundation  
Taylor Wessing

## INDIVIDUAL SUPPORTERS & PATRONS

Robert Aitken  
Richard and Diana Allan  
Judith and William Bollinger  
Peter Brown  
John Caldicott  
Professor Graham Chase  
Tim Clark  
Justine and Patrick Cowan  
Claire Jeffers  
Emma Kane  
Jane King  
Steven and Sonya Larcombe  
Christopher Lillywhite  
Ed and Elizabeth Marsden  
Jim Moyes  
James and Heidi Paradise  
David Pike

## TRUSTS & FOUNDATIONS

The Clore Duffield Foundation  
The D'Oyly Carte Charitable Trust  
Earl Fitzwilliam Charitable Trust  
Esmée Fairbairn Foundation  
Ethos Foundation  
Friends of the Nations' Libraries

## TRUSTS & FOUNDATIONS CONT.

The Golden Bottle Trust  
Gerald Coke Handel Foundation  
John Lyons Charity  
The Murray Family  
The Loveday Charitable Trust  
The Museums Association  
Oak Foundation  
The Old Coram Association  
The Pilgrim Trust  
The Rose Foundation  
The William Blake Foundation  
The Mason Family Charity

And those who wish to remain anonymous

## SECURING THE FUTURE CAMPAIGN

The Trustees and Director thank all the supporters of the 2023 campaign to secure the future of the building lease and collection, with special thanks to the following major donors.

National Heritage Memorial Fund  
Foyle Foundation  
Ethos Foundation  
Peter Brown  
The Murray Family  
Julia and Hans Rausing  
Garfield Weston Foundation  
The Headley Trust  
The Deborah Loeb Brice Donor Advised Fund at CAF  
Judith and William Bollinger  
Oak Foundation  
Sir Simon Robey and Lady Robey CBE  
Sir David and Lady Verey Charitable Trust  
Jim Moyes  
The Finnis Scott Foundation  
Royal Charity Polo Day  
Sir Hugh and Lady Stevenson  
Pilgrim Trust  
The John Armitage Charitable Trust  
David Pike  
Tavolozza Foundation  
JP Getty Jr Charitable Trust  
Jamie and Julia Korner  
Old Coram Association  
Larissa Joy OBE  
Richard and Diana Allan  
The Cadogan Charity

## SECURING THE FUTURE CAMPAIGN CONT.

Isobel & Michael Holland  
Andrew Fane OBE  
Nicholas and Judith Goodison's Charitable Settlement  
The Blythe Watson Charitable Trust  
And those major donors who wish to remain anonymous

## LEGACIES

The estate of the late Ms Jocelyn Gamble  
*We are very grateful to our kind supporters who have pledged a legacy gift to the Foundling Museum.*

The Foundling Museum is supported using public funding from Arts Council England.

The Trustees and Director would also like to thank the many guides and members of the Old Coram Association (OCA), who donate their speakers' fees to support Collection acquisitions, as well as the Museum's wonderful team of volunteers, who undertake research and help care for visitors and the collections.

The Trustees would also like to acknowledge the continuing active support of the Museum's Vice Presidents, Brian Allen, Alan Borg, David Coke, Jamie Korner and Carolyn Steen, International Trustee Emeritus, Judy Bollinger, and the many advisers whose invaluable expertise contributes greatly to the Museum's success.

## DONORS & SUPPORTERS

The Museum takes care with both the tone of its communications and the accuracy of its data, it never swaps data with other organisations and ensures that its communication preferences can be changed at any time. Broadly speaking, the Museum uses data of a personal nature to keep in touch with people who are interested in its activities; to keep them informed about activities and developments; to provide services to visitors and supporters; and to identify ways in which people can support the Museum, through donations and/or other forms of financial and non-financial support. The Museum manages its own fundraising activities and does not employ the services of external professional fundraisers.

The Museum undertakes to respond to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year under review, the Museum received no complaints about its fundraising activities. The Museum's fundraising activities are also conducted in line with its Ethics Policy which includes Ethical Fundraising, requiring the Museum to proactively carry out due diligence on prospective donors and sponsors.

The Ethics Policy is regularly reviewed by Trustees and is consistent with the Museums Association's Code of Ethics for Museums and the Code of Ethics for Museums Worldwide produced by ICOM, and the Seven Principles of Public Life (Nolan Committee, March 1996).

## RELATIONSHIP WITH THE GERALD COKE HANDEL FOUNDATION

The Gerald Coke Handel Collection is owned by the Museum. It is an internationally important collection of material relating to Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera. It was assembled by Gerald Coke and left to the nation by his widow, and came to the Museum through the Government's Allocation in Lieu scheme in 2008. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation (registered charity number 1058589), formed in 1996 to administer the endowment and assist the Museum with the Collection's care. The Foundation's primary aim is to ensure the maintenance, conservation and development of the Collection. Its objectives are to advance public education by providing research facilities in relation to Handel and his contemporaries. The Foundation continues to acquire heritage assets.



# Financial Review

## 2023-2024

The Trustees present their report together with the financial statements of the Foundling Museum for the year to 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out on pages 35 to 80 of the attached financial statements and comply with the charitable company's Articles of Association, the Charities Act 2011 and 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 United Kingdom and Republic of Ireland (FRS 102).

### STATEMENT

The statement of financial activities for the year ended 31 March 2024 shows total income of £9,549,443 (2023 - £2,057,213).

The income for the year included the income raised during the Securing the Future Appeal to purchase the lease of the building for £4.5 million. It also included £3 million from the conversion of a loan from the National Heritage Memorial Fund to a grant for a permanent endowment.

As can be seen in the Consolidated Statement of Financial Activities on page 40, the Securing the Future appeal enabled the Museum to acquire the virtual freehold of the Museum building, finally resulting in the Museum being able to plan for its future with certainty. The net result of the Museum's unrestricted funds, reflecting the Museum's normal operating activities, was a deficit of £118,829, even after taking account of an insurance recovery of £289,703 in relation to the Covid pandemic. The Museum has now embarked on a plan to eliminate this deficit, as the final stage of the overall objective to place the Museum's finances on a permanently stable footing.

### OVERVIEW

The total expenditure in the year was £2,397,896 (2023 - £2,123,554) of which expenditure on conserving the Collection and developing and maintaining the Museum amounted to £1,860,152 (2023 - £1,826,199).

The net gain for the year before investment gains was £7,151,547 (2023 - net loss of £66,341).

The statement of financial activities for the year ended 31 March 2024 included income generated by the trading subsidiary £235,685 (2023 - £215,065). Total expenditure for the trading subsidiary was £230,616 (2023 - £213,983).

Net investment gains of £70,707 (2023 - losses of £124,794) were recognised in the year ended 31 March 2024 and £5,350 actuarial gains have been recognised (2023 - gains of £3,600).

In accordance with Financial Reporting Standard 102, the financial statements include heritage assets with a total valuation of £10,323,502. Further details are in Note 17 to the financial statements.

As at 31 March 2024, the net assets of The Foundling Museum Group were £19,638,051 (2023 - £12,410,447).

### RISK MANAGEMENT

The Trustees have assessed the major risks for the charity, including financial sustainability and the safeguarding of exhibits, and are confident in their risk mitigation strategies.

**Financial Sustainability:** The Finance and Audit Committee regularly collaborates with Senior Management to review financial performance, annual budgets, and strategic objectives; any significant changes in financial performance and reforecasting by Management is overseen by the Committee. The Museum maintains a three to six months' reserves policy for operating costs.

**Attracting and Retaining Talent:** A Nominations Committee oversees Trustee recruitment and retention. Staff salaries are in line with sector-equivalent institutions, and every effort is made to provide an environment in which staff feel supported, valued and developed.

**Relationships with Major Supporters:** The Museum ensures consistent communication with major supporters and provides Trustees with performance

## RISK MANAGEMENT CONT.

updates from Senior Management regarding agreed objectives.

Ownership of 40 Brunswick Square: A condition survey and insurance review were conducted prior to acquiring the 999-year lease. Post-acquisition, a 10-year maintenance plan is being developed, to be funded through reserves and fundraising efforts.

## RESERVES POLICY

The Trustees have assessed the charity's scale, complexity, and risk profile, considering its funding sources: grants, donations, investment income, and self-generated income. Account has been taken of the effects of economic downturns particularly on self-generated income, and the time restrictions on applications to trusts and foundations especially for core funding. Consequently, income generation can be unpredictable, leading to short-term fluctuations in working capital, although reserves remain positive over the long term.

The Board has revised its policy on the Museum's level of free reserves, with the intention henceforth to maintain reserves within a range representing three to six months' of expenditure. The Board's expectation is that free reserves would generally be targeted at the mid-point of the range, while allowing some flexibility of movement within the range to cater for temporary fluctuations in the Museum's finances. At 31 March 2024 the Museum's free reserves were £845,676, equivalent to 4.5 months' expenditure.

The reserves policy is reviewed annually by the Trustees during the planning and budgeting process.

At the end of the financial year the Unrestricted Reserves were:

General Fund	£3,320,407
Designated Fund	£410,000

The designated funds are detailed in Note 24 and reviewed each year by the Trustees.

The largest balance is £350,000 remaining of a grant made in 2022-23 to provide £525,000 of match funding for the Arts Council England National Portfolio Organisation grant awarded for 2023-26.

A permanent endowment fund of £3 million was created during the year from the conversion of a loan from the National Heritage Memorial Fund. The purpose of this endowment is to generate investment income to fund the future costs of the Museum.

Restricted reserves are also held but ring-fenced to the project for which the income was provided. These are detailed in Note 24 and amount to £12,817,383 at the end of the financial year. The largest of these is the balance of £10,323,502 representing the heritage assets owned by the Museum.

## INVESTMENT POLICY

Under the Memorandum and Articles of Association, the charity has powers to invest in any way the Trustees decide.

The Museum had a £3 million loan from the National Heritage Memorial Fund which was converted to a permanent endowment fund during the year. The investment policy applied to the fund reflects the Trustees' commitment to sustain the objects of the Museum by maintaining the capital and income of the fund, and to grow both of these over time. This will enable the Museum to expand its activities, increase visitor engagement, acquire heritage assets from Coram, and improve its building; these ambitions require continuous capital and income improvement.

Additionally, the Museum operates a Supporters' Loan scheme, allowing supporters to loan funds, which are invested without generating immediate income for lenders, who can require repayment of their loans back with accrued interest under certain conditions.

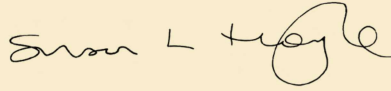
In August 2024, the Trustees appointed Waverton as the new fund manager, replacing Meridiem Investment Management, to oversee a diverse multi-asset portfolio of property, fixed interest, global equities, and cash.

The Trustees are also mindful of their responsibilities to invest in ethical ways, with fund managers instructed not to invest in armaments, pornography, gambling, and alcohol. The portfolio is reviewed at biannual Investment Committee meetings that include Trustees and external experts. In 2023-24 the fund managers achieved investment income of £153k against a budget of £140k.

## APPROVAL & AUTHORISATION

The Trustees' Report has been prepared in accordance with the special provisions under Part 15 of the Companies Act 2006 relating to small companies and the Museum has taken advantage of the small companies' exemptions in preparing the Trustees' Report and the requirement to prepare a Strategic Report.

This report was approved and authorised for issue by the Trustees and signed on its behalf by:



.....  
Sue Hoyle OBE  
Chair of Trustees

Date: 18 November 2024

## REFERENCE AND ADMINISTRATIVE DETAILS

### Independent Auditor

MHA  
Statutory Auditor

6th Floor  
2 London Wall Place  
London EC2Y 5AU

### Bankers

National Westminster Bank Plc  
332 High Holborn  
London WC1V 7PS

CAF Bank Limited  
25 Kings Hill  
West Malling  
Kent ME19 4JQ

C. Hoare & Co.  
37 Fleet Street  
London EC4P 4DQ

### Investment Managers

Waverton  
16 Babmaes Street  
London SW1Y 6AH

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

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

Company law requires the Trustees to prepare financial statements for each financial 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Members of the Board of Trustees and signed on their behalf by:



.....  
**Sue Hoyle OBE**

Chair

Date: 18 November 2024

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOUNDLING MUSEUM**

### **Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### **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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

## **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

## **Responsibilities of Trustees**

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

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

### **Auditor's 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 Auditor's 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:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's 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, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditor's 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.



**Stuart McKay BSc FCA DChA (Senior Statutory Auditor)**

for and on behalf of

**MHA**

Statutory Auditor

London, United

Kingdom

Date: 10/12/2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

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

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income and endowments from:</b>						
Donations grants and legacies	4	923,476	4,645,300	3,000,000	8,568,776	1,606,219
Charitable activities	5	203,744	-	-	203,744	96,309
Other trading activities	6	232,803	-	-	232,803	215,065
Investments	7	135,210	-	44,508	179,718	139,620
Other income	8	364,402	-	-	364,402	-
<b>Total income and endowments</b>		<b>1,859,635</b>	<b>4,645,300</b>	<b>3,044,508</b>	<b>9,549,443</b>	<b>2,057,213</b>
<b>Expenditure on:</b>						
Raising funds:	9					
Expenditure incurred by trading subsidiary		102,374	-	-	102,374	57,334
General fundraising		435,370	-	-	435,370	240,021
Charitable activities	10	1,421,166	394,478	44,508	1,860,152	1,826,199
<b>Total expenditure</b>		<b>1,958,910</b>	<b>394,478</b>	<b>44,508</b>	<b>2,397,896</b>	<b>2,123,554</b>
Net losses/gains on investments		(19,554)	-	90,261	70,707	(124,794)
<b>Net (expenditure)/ income</b>		<b>(118,829)</b>	<b>4,250,822</b>	<b>3,090,261</b>	<b>7,222,254</b>	<b>(191,135)</b>
Transfers between funds	24	1,382,319	(1,382,319)	-	-	-
<b>Net movement in funds before other recognised gains</b>		<b>1,263,490</b>	<b>2,868,503</b>	<b>3,090,261</b>	<b>7,222,254</b>	<b>(191,135)</b>
<b>Other recognised gains:</b>						
Actuarial gains	29	5,350	-	-	5,350	3,600
<b>Net movement in funds</b>		<b>1,268,840</b>	<b>2,868,503</b>	<b>3,090,261</b>	<b>7,227,604</b>	<b>(187,535)</b>

Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	2,461,567	9,948,880	-	12,410,447	12,597,982
Net movement in funds	1,268,840	2,868,503	3,090,261	7,227,604	(187,535)
<b>Total funds carried forward</b>	<u>3,730,407</u>	<u>12,817,383</u>	<u>3,090,261</u>	<u>19,638,051</u>	<u>12,410,447</u>

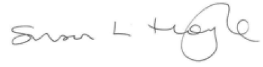
The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 47 to 80 form part of these financial statements.

	Note	2024 £	2024 £	2023 £	2023 £
<b>Fixed assets</b>					
Tangible fixed assets	16		4,474,731		965,662
Heritage assets	17		10,323,502		9,554,390
Investments	18		2,967,665		2,940,011
			<u>17,765,898</u>		<u>13,460,063</u>
<b>Current assets</b>					
Stocks	20	19,261		25,246	
Debtors: Amounts falling due within one year	21	349,398		200,974	
Investments	19	1,632,686		1,620,582	
Cash at bank and in hand	27	1,332,388		1,523,401	
			<u>3,333,733</u>		<u>3,370,203</u>
Creditors: Amounts falling due within one year	22	(1,415,680)		(1,356,569)	
<b>Net current assets</b>			<u>1,918,053</u>		<u>2,013,634</u>
<b>Total assets less current liabilities</b>			<u>19,683,951</u>		<u>15,473,697</u>
Creditors: Amounts falling due after more than one year	23		-		(3,000,000)
Defined benefit pension scheme liability	29		(45,900)		(63,250)
<b>Total net assets</b>			<u><u>19,638,051</u></u>		<u><u>12,410,447</u></u>
<b>Charity funds</b>					
Endowment funds	24		3,090,261		-
Restricted funds	24		12,817,383		9,948,880
Unrestricted funds	24		3,730,407		2,461,567
<b>Total funds</b>			<u><u>19,638,051</u></u>		<u><u>12,410,447</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 have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

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

A handwritten signature in black ink, appearing to read "Sue Hoyle".

**Sue Hoyle OBE**  
Chair

Date: 18 November 2024

The notes on pages 47 to 80 form part of these financial statements.

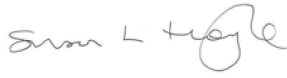
	Note	2024 £	2024 £	2023 £	2023 £
<b>Fixed assets</b>					
Tangible fixed assets	16		4,474,731		965,662
Heritage assets	17		10,323,502		9,554,390
Investments	18		2,967,667		2,940,013
			<u>17,765,900</u>		<u>13,460,065</u>
<b>Current assets</b>					
Debtors: Amounts falling due within one year	21	460,096		298,144	
Investments	19	1,632,686		1,620,582	
Cash at bank and in hand		1,187,115		1,419,051	
		<u>3,279,897</u>		<u>3,337,777</u>	
Creditors: Amounts falling due within one year	22	(1,350,836)		(1,308,066)	
<b>Net current assets</b>			<u>1,929,061</u>		<u>2,029,711</u>
<b>Total assets less current liabilities</b>			<u>19,694,961</u>		<u>15,489,776</u>
Creditors: amounts falling due after more than one year	23		-		(3,000,000)
Defined benefit pension scheme liability	29		(45,900)		(63,250)
<b>Total net assets</b>			<u><u>19,649,061</u></u>		<u><u>12,426,526</u></u>
<b>Charity funds</b>					
Endowment funds	24		3,090,261		-
Restricted funds	24		12,817,383		9,948,880
Unrestricted funds	24		3,741,417		2,477,646
<b>Total funds</b>			<u><u>19,649,061</u></u>		<u><u>12,426,526</u></u>

The Charity's net movement in funds for the year was £7,222,535 (2023 - £(189,261)).

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

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



.....  
**Sue Hoyle OBE**  
Chair

Date: 18 November 2024

The notes on pages 47 to 80 form part of these financial statements.

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

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash from operating activities	26	<b>4,208,629</b>	726,027
<b>Cash flows from investing activities</b>			
Investment income	7	<b>176,836</b>	139,620
Purchase of tangible fixed assets	16	<b>(3,826,315)</b>	(100,076)
Proceeds from sale of investments	18,19	<b>709,486</b>	299,190
Purchase of investments	18,19	<b>(663,422)</b>	(912,997)
Purchase of heritage assets	17	<b>(769,112)</b>	(36,192)
<b>Net cash used in investing activities</b>		<b>(4,372,527)</b>	<b>(610,455)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(163,898)</b>	<b>115,572</b>
Cash and cash equivalents at the beginning of the year		<b>1,884,891</b>	1,769,319
<b>Cash and cash equivalents at the end of the year</b>	27	<b>1,720,993</b>	1,884,891

The notes on pages 47 to 80 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 1. General information

The Foundling Museum is a charitable company limited by guarantee and is registered with the Charity Commission (Charity Registered Number: 1071167) and the Registrar of Companies (Company Registration Number: 03621861) England and Wales.

The address of the registered office is given in the Group and Charity information on the back page.

The nature of the Group and Charity's operations and principal activities are detailed within the Trustees' Report.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 2. Accounting policies

#### 2.1 Basis of preparation & consolidation 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Foundling Museum 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 financial statements have been presented in sterling, which is also the functional currency of the Group and are rounded to the nearest pound.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary 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.

#### 2.2 Going concern

The Trustees have assessed the applicability of going concern concept and have considered possible events or conditions that might cast significant doubt on the ability of the Group and Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Group and Charity has adequate resources to continue in operational existence for the foreseeable future, with no material uncertainties. The Museum adopts the going concern basis in preparing its financial statements.

## 2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to it (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

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

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

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

## 2.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Expenditure is inclusive of irrecoverable VAT.

## 2.5 Tangible fixed assets & depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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. Land is not depreciated.

Depreciation is provided on the following bases:

Long-term leasehold property cost	- 1% on
Leasehold improvements	- Leasehold improvements made prior to October 2023 are being depreciated to the end of the original lease in 2027. Leasehold improvements from October 2023 are being depreciated over their useful lives.
Office equipment and fixtures and fittings	- 25% on cost
Website and digital branding	- 25% on cost

## 2.6 Heritage assets

The Museum safeguards its heritage assets and offers the public access to its collections. The Museum's artefacts include paintings, furniture and items from the Foundling Hospital Collection as well as items of contemporary art, ceramics and archival material relating to the Foundling Hospital and also the Gerald Coke Handel Collection. The Museum contains three rooms and a staircase from the original Foundling Hospital and, on the acquisition of the lease, these were recognised as heritage assets and accounted for separately from the land and buildings. The assets are defined as heritage assets for the purpose of these financial statements as they are held as part of the primary purposes of the charity and to further an understanding of social history and culture.

Heritage assets are included on the balance sheet at cost, or where cost is not available, a valuation that reflects the value of the asset at the time it was acquired by the charity. Such assets are not depreciated. Any impairment in the value of an asset is treated as charitable expenditure in the year in which it arises.

## 2.7 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.

## **2.8 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.

## **2.9 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.

## **2.10 Cash at bank & 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.

## **2.11 Liabilities & provisions**

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

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

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

Concessionary loans represent loans received by the Charity to further its purposes at an interest rate below the prevailing market rates. The Charity recognises its concessionary loan at the loan's net present value but considers the difference between this value and its original value to be immaterial; as such, the concessionary loan has been recognised at its original value in these financial statements.

## **2.12 Financial instruments**

The Trust holds only basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 21. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Notes 22 and 23. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

## **2.13 Pensions**

The Charity contributed to a defined benefit scheme operated by The Pensions Trust, which provides benefit based on average pensionable salary. The Charity ceased to offer the scheme to its current employees on 31 December 2011, but continues to operate the scheme for the former employees who were part of the scheme. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Scheme is a multi- employer scheme where the Scheme assets are co- mingled for investment purposes, and benefits are paid from the total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS 102 represents the employer contribution payable. Contributions in respect to personal pension schemes and defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the relevant scheme. The Charity also contributes to a defined contribution scheme, currently operated by Royal London.

## **2.14 Termination payments**

Termination benefits, including redundancy costs, are recognised when the Company has the obligation to pay the benefits and they can be reliably measured.

## 2.15 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

Permanent endowment funds represent amounts for which the capital must be retained. Any income arising on these funds may be spent in line with the restrictions placed on each fund.

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

## 3. Critical accounting estimates & areas of judgement

Estimates and judgements are frequently 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:

- estimating the useful economic life of tangible fixed assets for the purposes of calculating depreciation;
- estimating the value of heritage assets as at the date they were acquired where this information is not available;
- estimating the value of the rooms and staircase recognised as heritage assets using a square metre basis;
- estimating any necessary provision against slow moving or obsolete stock held at year- end;
- assessing the appropriateness of the underlying assumptions made by the actuary in the valuation of the defined benefit pension scheme;
- determining the basis for the allocation of support and governance costs between expenditure on raising funds and on charitable activities;
- estimating taxation recoverable under the Exhibition Tax Relief Scheme for charities;
- and estimating future income and expenditure flows for the purpose of assessing going concern

4. Income from donations, grants & legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Donations	99,811	1,591,024	-	1,690,835
Legacies	21,692	1,173	-	22,865
Grants	801,973	3,053,103	3,000,000	6,855,076
	<u>923,476</u>	<u>4,645,300</u>	<u>3,000,000</u>	<u>8,568,776</u>

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Donations	155,045	292,008	447,053
Legacies	5,239	34,362	39,601
Grants	923,598	195,967	1,119,565
	<u>1,083,882</u>	<u>522,337</u>	<u>1,606,219</u>

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Admissions and other museum income	<u>203,744</u>	<u>203,744</u>

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Admissions and other museum income	<u>50,275</u>	<u>46,034</u>	<u>96,309</u>

6. Income from other trading activities

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Income received by trading subsidiary	232,803	<b>232,803</b>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Income received by trading subsidiary	215,065	215,065

7. Investment income

	<b>Unrestricted funds 2024 £</b>	<b>Endowment funds 2024 £</b>	<b>Total funds 2024 £</b>
Interest receivable	26,543	-	<b>26,543</b>
Investment income	108,667	44,508	<b>153,175</b>
	135,210	44,508	<b>179,718</b>
		<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Interest receivable		7,802	7,802
Investment income		131,818	131,818
		139,620	139,620

8. Other income

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Miscellaneous	364,402	<b>364,402</b>	-

Miscellaneous income includes £289,703 (2022 - £NIL) being an insurance claim.

9. Expenditure on raising funds

Fundraising trading expenses

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Raising funds	46,629	<b>46,629</b>
Investment manager fees	26,713	<b>26,713</b>
Support costs	171,855	<b>171,855</b>
Support costs - Staff costs	190,173	<b>190,173</b>
Expenditure incurred by trading subsidiary	102,374	<b>102,374</b>
	<u>537,744</u>	<u><b>537,744</b></u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Raising funds	5,550	5,550
Investment manager fees	28,260	28,260
Support costs	96,052	96,052
Support costs - Staff costs	110,159	110,159
Expenditure incurred by trading subsidiary	57,334	57,334
	<u>297,355</u>	<u>297,355</u>

Fundraising expenditure has increased due to the Securing the Future campaign and improved reallocation of costs to activities.

**Raising funds - Analysis of support costs**

	<b>Total funds</b>	<i>Total funds</i>
	<b>2024</b>	<i>2023</i>
	<b>£</b>	<i>£</i>
Staff costs	<b>190,173</b>	<i>110,159</i>
Depreciation	<b>52,669</b>	<i>34,801</i>
Governance costs	<b>3,743</b>	<i>3,329</i>
Development costs	<b>7,775</b>	<i>1,694</i>
Press and marketing	<b>20,918</b>	<i>11,109</i>
Office costs	<b>37,804</b>	<i>2,134</i>
Subscriptions/memberships	<b>2,755</b>	<i>259</i>
Legal, audit and professional fees	<b>6,827</b>	<i>4,237</i>
Finance costs/irrecoverable VAT	<b>8,606</b>	<i>12,834</i>
Occupancy costs	<b>30,758</b>	<i>25,655</i>
	<b>362,028</b>	<i>206,211</i>

10. Analysis of expenditure on charitable activities - by fund

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Endowment funds 2024 £</b>	<b>Total 2024 £</b>
Museum Operating Costs	1,294,293	394,478	44,508	<b>1,733,279</b>
Conservation	126,873	-	-	<b>126,873</b>
	<u>1,421,166</u>	<u>394,478</u>	<u>44,508</u>	<u><b>1,860,152</b></u>

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total 2023 £</i>
Museum Operating Costs	1,283,568	526,087	1,809,655
Conservation	16,544	-	16,544
	<u>1,300,112</u>	<u>526,087</u>	<u>1,826,199</u>

11. Analysis of expenditure by charitable activities - by type

	<b>Activities undertaken directly 2024 £</b>	<b>Support costs 2024 £</b>	<b>Total funds 2024 £</b>
Museum Operating Costs	754,347	978,932	<b>1,733,279</b>
Conservation	55,217	71,656	<b>126,873</b>
	<hr/> <b>809,564</b>	<hr/> <b>1,050,588</b>	<hr/> <b>1,860,152</b> <hr/>

	<i>Activities undertaken directly 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Museum Operating Costs	558,567	1,251,088	1,809,655
Conservation	5,071	11,473	16,544
	<hr/> <b>563,638</b>	<hr/> <b>1,262,561</b>	<hr/> <b>1,826,199</b> <hr/>

## Analysis of support costs

	<b>Total funds 2024</b>	<i>Total funds 2023</i>
	£	£
Staff costs	<b>392,060</b>	681,225
Depreciation	<b>242,655</b>	215,210
Governance costs	<b>17,243</b>	20,584
Development costs	-	10,473
Press and marketing	<b>96,371</b>	68,700
Office costs	<b>76,753</b>	13,195
Subscriptions/memberships	<b>12,695</b>	1,603
Legal, audit and professional fees	<b>31,454</b>	26,202
Finance costs/irrecoverable VAT	<b>39,650</b>	66,718
Occupancy costs	<b>141,707</b>	158,651
	<b>1,050,588</b>	1,262,561

### 12. Governance costs

	<b>2024</b>	2023
	£	£
Auditor's remuneration - Audit services	<b>17,500</b>	16,450
Auditor's remuneration - Non-audit services	<b>10,786</b>	6,800
Auditor's remuneration - Audit services under accrual	-	15,000
Other governance costs	-	13
	<b>28,286</b>	38,263

The table above discloses the Group's total governance costs. This total is made up of the Charity's governance costs, as detailed in Notes 9 and 11 above, and the Subsidiary's governance costs, which totalled £7,300 (2023 - £14,350) and which are included within 'Expenditure incurred by trading subsidiary' in Note 9 above.

13. Staff costs

	<b>Group 2024</b>	<i>Group 2023</i>	<b>Charity 2024</b>	<i>Charity 2023</i>
	£	£	£	£
Wages and salaries	<b>939,775</b>	816,466	<b>939,775</b>	816,466
Social security costs	<b>77,320</b>	79,300	<b>77,320</b>	79,300
Pension costs	<b>26,738</b>	29,540	<b>26,738</b>	29,540
	<b>1,043,833</b>	925,306	<b>1,043,833</b>	925,306

Included in total wages and salaries above are non-contractual termination benefits of £NIL (2023 - £46,250) paid in full during the year to no employees (2022 - one). The Trustees considered this payment to be in the best interests of the Charity.

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

	<b>Group 2024</b>	<i>Group 2023</i>
	No.	No.
Senior management	<b>4</b>	2
Museum administration	<b>30</b>	31
	<b>34</b>	33

The average headcount expressed as full-time equivalents was:

	<b>Group 2024</b>	<i>Group 2023</i>
	No.	No.
Senior management	<b>3</b>	2
Museum administration	<b>24</b>	21
	<b>27</b>	23

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

	<b>Group 2024 No.</b>	<b>Group 2023 No.</b>
In the band £60,001 - £70,00	-	1
In the band £70,001 - £80,000	1	1

The Key Management Personnel of the Museum in charge of directing and controlling, running and operating the museum on a day-to-day basis comprise the Trustees together with the Director, the Finance Director, Director of Programming and Audiences and Director of Commercial and Operations.

The total remuneration (including taxable benefits, employer's pension and national insurance contributions) payable to Key Management Personnel during the year was £224,599 (2023 - £220,048).

#### **14. Trustees' remuneration & expenses**

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

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

#### **15. Taxation**

The Foundling Museum is a registered Charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The Foundling Museum Trading Company Limited donates its taxable profits (if any) to the Foundling Museum via a Gift Aid compliant deed of covenant.

## 16. Tangible fixed assets

### Group & charity

	Long-term leasehold property £	Leasehold improvements £	Office equipment, fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 April 2023	-	4,039,815	306,197	4,346,012
Additions	3,807,471	-	18,844	3,826,315
Disposals	-	-	(21,922)	(21,922)
At 31 March 2024	<u>3,807,471</u>	<u>4,039,815</u>	<u>303,119</u>	<u>8,150,405</u>
<b>Depreciation</b>				
At 1 April 2023	-	3,236,021	144,329	3,380,350
Charge for the year	30,996	200,777	63,551	295,324
At 31 March 2024	<u>30,996</u>	<u>3,436,798</u>	<u>207,880</u>	<u>3,675,674</u>
<b>Net book value</b>				
At 31 March 2024	<u>3,776,475</u>	<u>603,017</u>	<u>95,239</u>	<u>4,474,731</u>
At 31 March 2023	<u>-</u>	<u>803,794</u>	<u>161,868</u>	<u>965,662</u>

In October 2023 the Museum acquired from Coram a 999-year lease of its premises at 40 Brunswick Square for a consideration of £4.5M. This represented the acquisition of land £915,023, heritage assets £760,256 and the building £2,892,448.

Included within office equipment, fixtures and fittings are assets with a net book value of £46,337 (2023 - £42,912) in respect to the Charity's website and digital branding.

## 17. Heritage assets

### Group & charity

#### Assets recognised at cost

	<b>Museum artefacts, rooms and staircase 2024 £</b>
Carrying value at 1 April 2023	9,554,390
Additions	769,112
	<hr/> <hr/> <b>10,323,502</b>

The Museum has in the past obtained various assets where the donors have placed conditions or legal charges to restrict their use. Primarily these assets are allowed to be displayed to the public, but the Museum cannot benefit from the intrinsic value of these assets other than from the income they generate. In the event that the Museum were no longer to comply with the conditions imposed by the donors, the assets would be removed from the Museum and offered to other charities, without compensation to the Museum for the loss of those assets.

The Museum holds two assets which fall into this category, a painting obtained with funding from The National Heritage Memorial Fund ("NHMF") and The Gerald Coke Handel Collection received from The Museums and Libraries Archives Council. In accordance with the requirement of the Charities SORP FRS 102, both these assets are recognised in the financial statements. The painting is included at £4,000,000 which reflects the value when acquired by the NHMF in 2003 and The Gerald Coke Handel Collection is included at £4,825,240 as valued by Christie's in 2006.

The Museum contains three rooms and a staircase from the original Foundling Hospital. The Trustees consider these to be heritage assets acquired on the acquisition of the lease, and they are included on the balance sheet at cost. No provision has been made for the depreciation or impairment of these heritage assets due to the longevity of the 999-year lease and the resulting immateriality of any impairment in value.

Other heritage assets acquired by the Museum are included on the Balance Sheet at cost.

Heritage assets are held in a separate fund as this represents assets where the Charity owns the legal title but where the original owners or the donors of the assets have placed legal restrictions on the assets' sale or disposal.

18. Fixed asset investments

<b>Group</b>	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2023	2,940,011
Additions	651,318
Disposals	(709,486)
Revaluations	70,707
Increase in cash held for reinvestment	15,115
At 31 March 2024	<u>2,967,665</u>

<b>Charity</b>	<b>Investments in subsidiary company £</b>	<b>Listed investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 April 2023	2	2,940,011	2,940,013
Additions	-	651,318	651,318
Disposals	-	(709,486)	(709,486)
Revaluations	-	70,707	70,707
Cash held for reinvestment	-	15,115	15,115
At 31 March 2024	<u>2</u>	<u>2,967,665</u>	<u>2,967,667</u>

The historic cost of these investments is £2,601,769 (2023 - £2,627,087).

## Principal subsidiaries

The following is a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Holding
The Foundling Museum Trading Company Limited	05131580	40 Brunswick Square, London, WC1N 1AZ	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
The Foundling Museum Trading Company Limited	235,685	(230,616)	5,069	(11,008)

## 19. Current asset investments

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Listed investments	<u>1,632,686</u>	<u>1,620,582</u>	<u>1,632,686</u>	<u>1,620,582</u>

Current asset investments represent managed listed investments funded by loans from supporters.

20. Stocks

	<b>Group 2024</b>	<i>Group 2023</i>	<i>Charity 2023</i>
	£	£	£
Finished goods	<b>19,261</b>	25,246	-
	<b>19,261</b>	25,246	-

21. Debtors

	<b>Group 2024</b>	<i>Group 2023</i>	<b>Charity 2024</b>	<i>Charity 2023</i>
	£	£	£	£
<b>Due within one year</b>				
Trade debtors	<b>92,200</b>	57,903	<b>62,723</b>	42,089
Amounts owed by group undertakings	-	-	<b>140,175</b>	119,265
Other debtors	<b>10,082</b>	100,824	<b>10,082</b>	98,824
Prepayments and accrued income	<b>174,560</b>	25,947	<b>174,560</b>	21,666
Gift aid tax recoverable	<b>72,556</b>	16,300	<b>72,556</b>	16,300
	<b>349,398</b>	200,974	<b>460,096</b>	298,144

22. Creditors: Amounts falling due within one year

	<b>Group 2024</b>	<i>Group 2023</i>	<b>Charity 2024</b>	<i>Charity 2023</i>
	£	£	£	£
Other loan	<b>500,000</b>	500,000	<b>500,000</b>	500,000
Supporters' loan endowment scheme (Note 33)	<b>544,313</b>	616,790	<b>544,313</b>	616,790
Trade creditors	<b>165,997</b>	114,235	<b>163,698</b>	111,692
Other creditors	<b>39,985</b>	23,122	<b>39,972</b>	23,122
Accruals and deferred income	<b>165,385</b>	102,422	<b>102,853</b>	56,462
	<b>1,415,680</b>	1,356,569	<b>1,350,836</b>	1,308,066

Other loans are unsecured, interest-free and repayable on demand. Funds lent by supporters are managed by third-party managers and are held as current asset investments (Note 19) as they are repayable with a minimum of two months' notice.

	<b>Group 2024</b>	<i>Group 2023</i>	<b>Charity 2024</b>	<i>Charity 2023</i>
	£	£	£	£
Deferred income brought forward	<b>36,860</b>	49,490	-	-
Resources deferred during the year	<b>56,210</b>	36,860	<b>978</b>	-
Amounts released from previous periods	<b>(36,860)</b>	(49,490)	-	-
Carried forward	<b>56,210</b>	36,860	<b>978</b>	-

Deferred income in the year relates to income received in advance for events and weddings taking place after the year-end.

**23. Creditors: Amounts falling due after more than one year**

	<b>Group 2024</b>	<i>Group 2023</i>	<b>Charity 2024</b>	<i>Charity 2023</i>
	£	£	£	£
Loan	-	3,000,000	-	3,000,000

In 2002, The National Heritage Memorial Fund (NHMF) provided the Museum with an unsecured and interest-free endowment loan of £3m. Whilst the original loan agreement stated that the loan was repayable in full on 31 March 2028, on 23 November 2023 a deed of variation was executed and the loan was permanently endowed to the Museum. The capital element of the endowment is now recognised as a restricted permanent endowment, with related income and expenditure recognised in a corresponding restricted fund - see Note 24 below.

24. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Exhibition shortfall fund	5,000	-	-	(5,000)	-	-
General Refurbishment/ Sash windows	60,000	-	-	-	-	60,000
NHLF Shortfall fund	300,000	-	-	(300,000)	-	-
NPO Match funding	525,000	-	-	(175,000)	-	350,000
	<b>890,000</b>	<b>-</b>	<b>-</b>	<b>(480,000)</b>	<b>-</b>	<b>410,000</b>
<b>General funds</b>						
Tangible fixed assets fund	965,662	-	(280,404)	1,789,473	-	2,474,731
General fund	621,982	1,623,950	(1,447,890)	72,846	(14,204)	856,684
Non-charitable trading funds	(16,077)	235,685	(230,616)	-	-	(11,008)
	<b>1,571,567</b>	<b>1,859,635</b>	<b>(1,958,910)</b>	<b>1,862,319</b>	<b>(14,204)</b>	<b>3,320,407</b>
<b>Total unrestricted funds</b>	<b>2,461,567</b>	<b>1,859,635</b>	<b>(1,958,910)</b>	<b>1,382,319</b>	<b>(14,204)</b>	<b>3,730,407</b>

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
<b>Permanent endowment funds</b>						
NHMF endowment fund	-	3,044,508	(44,508)	-	90,261	3,090,261
<b>Restricted funds</b>						
Paul Mellon Centre/Pilgrim Trust fund	3,000	-	(3,000)	-	-	-
The Clore Duffield Foundation fund	9,690	-	(9,101)	(589)	-	-
Exhibitions fund	12,846	63,550	(14,738)	9,915	-	71,573
Learning running costs fund	210,797	42,500	(173,472)	1,774	-	81,599
Collection purchases fund	60,389	3,173	-	(22,853)	-	40,709
Gerald Coke Handel Foundation fund	7,919	-	-	(7,919)	-	-
Other funds	85,040	172,053	(172,053)	(85,040)	-	-
Front Desk Project	4,809	-	(4,809)	-	-	-
Heritage assets fund	9,554,390	-	-	769,112	-	10,323,502
40 Brunswick Square lease reserve	-	4,364,024	(17,305)	(2,346,719)	-	2,000,000
NHMF endowment fund	-	-	-	300,000	-	300,000
	<u>9,948,880</u>	<u>4,645,300</u>	<u>(394,478)</u>	<u>(1,382,319)</u>	<u>-</u>	<u>12,817,383</u>
<b>Total of funds</b>	<u><u>12,410,447</u></u>	<u><u>9,549,443</u></u>	<u><u>(2,397,896)</u></u>	<u><u>-</u></u>	<u><u>76,057</u></u>	<u><u>19,638,051</u></u>

The specific purposes for which the funds are to be applied are as follows:

### **Designated funds**

#### **Exhibition shortfall fund**

The Trustees appreciate that it is not always possible to fund our temporary exhibitions fully and recognise the need for a designated fund to provide for this eventuality. This fund was fully utilised during the year on two temporary exhibitions.

#### **General refurbishment/ sash windows**

The sash windows at 40 Brunswick Square are in need of refurbishment and this fund for general refurbishment costs includes an allowance for this. It is anticipated that this fund will be utilised in the next two to three years.

#### **NHMF shortfall fund**

During the year the £3M loan from the National Heritage Memorial Fund was converted to a permanent endowment fund. The designated fund has been transferred to a NHMF restricted fund.

#### **NPO match funding**

This fund represents an individual donation made to provide match funding for 2023-26 for the grant awarded by Arts Council England as part of the Museum's National Portfolio Organisation status.

### **Restricted funds**

#### **Paul Mellon Centre fund**

The Paul Mellon Centre for Studies in British Art have funded the creation of a catalogue of the collection.

#### **The Clore Duffield Foundation fund**

The Clore Duffield Foundation has funded the Foundling Fellowship, a scheme to find the contemporary Coram, Hogarth and Handel to work with the Museum to develop original, creative initiatives for children and to raise the profile of the museum in those areas.

#### **Exhibitions fund**

The Exhibitions Fund is for the costs of various upcoming exhibitions and displays.

#### **Learning running costs fund**

The Learning running costs Fund is to finance the day-to-day operating activities of the Learning Programme.

#### **Collection purchases fund**

The Collection purchases fund comprises donations from a variety of sources for the enhancement of the collections.

#### **Gerald Coke Handel Foundation fund**

The Gerald Coke Handel Foundation fund is for expenditure directly related to the Gerald Coke Handel collection. Following a review, it was discovered that income and expenditure had been incorrectly allocated to this fund in previous years and a transfer was made to rectify this.

#### **China project fund**

The China project fund was for establishing new ways of generating income.

### **Covid Emergency grants**

These grants, principally from Arts Council England, covered a wide range of special projects as well as contributing to payroll and overhead costs to ease the impact of the pandemic on the Museum's programmes and finances.

### **Front desk project**

This project was for the remodelling of the front desk area to make it more welcoming, improve the lighting and the retail shop display area and thereby improve the visitor experience.

### **Other funds**

Other funds comprise items of miscellaneous restricted income to be spent on various museum projects. Last year £85,000 of donations for the Securing the Future campaign were included in 'other funds'. These were transferred to the '40 Brunswick Square lease reserve' during the year.

### **Heritage assets fund**

Heritage assets fund matches the cost of the heritage assets as shown in Note 17.

### **40 Brunswick Square lease reserve**

This comprises funds raised for the acquisition of the 999-year lease of 40 Brunswick Square with ongoing restrictions, and associated costs including depreciation. Securing the Future donations of £2.4M had no ongoing restrictions following the acquisition of the lease and were transferred to unrestricted funds.

### **NHMF endowment fund**

The restricted NHMF endowment fund represents income generated by, and expenditure incurred in line with the restrictions associated with the NHMF permanent endowment fund.

After a review, it was discovered that income & expenditure had been incorrectly allocated to some of these funds over the years so transfers have been made to ensure the restricted fund balances are now correct.

### **Permanent endowment funds**

#### **NHMF endowment fund**

The NHMF permanent endowment fund represents the loan originally provided by the National Heritage Memorial Fund which was converted into a permanent endowment under a deed of variation dated 23 November 2023. Under the deed, the capital value of the fund must be preserved and the income generated by the fund is restricted to the management and operation of the Foundling Museum. A corresponding restricted fund reflects income generated by the fund and expenditure incurred in relation to these restrictions.

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
40 Brunswick Square	650,000	-	-	(650,000)	-	-
Exhibition shortfall fund	45,000	-	-	(40,000)	-	5,000
General refurbishment/sash windows	60,000	-	-	-	-	60,000
NHLF shortfall fund	300,000	-	-	-	-	300,000
NPO match funding	-	525,000	-	-	-	525,000
	<u>1,055,000</u>	<u>525,000</u>	<u>-</u>	<u>(690,000)</u>	<u>-</u>	<u>890,000</u>
<b>General funds</b>						
Tangible fixed assets fund	1,137,519	-	(250,011)	78,154	-	965,662
General fund	552,862	748,133	(1,133,473)	575,654	(121,194)	621,982
Non-charitable trading funds	(17,803)	215,709	(213,983)	-	-	(16,077)
	<u>1,672,578</u>	<u>963,842</u>	<u>(1,597,467)</u>	<u>653,808</u>	<u>(121,194)</u>	<u>1,571,567</u>
<b>Total unrestricted funds</b>	<u>2,727,578</u>	<u>1,488,842</u>	<u>(1,597,467)</u>	<u>(36,192)</u>	<u>(121,194)</u>	<u>2,461,567</u>

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£	£	£
<b>Restricted funds</b>						
Paul Mellon Centre/Pilgrim Trust fund	6,211	-	(3,211)	-	-	3,000
The Clore Duffield Foundation fund	26,389	-	(16,699)	-	-	9,690
Exhibitions fund	261	198,938	(186,353)	-	-	12,846
Learning running costs fund	236,055	100,603	(125,861)	-	-	210,797
Collection purchases fund	14,547	92,934	(47,092)	-	-	60,389
Gerald Coke Handel Foundation fund	(1,146)	22,446	(13,381)	-	-	7,919
China project fund	26,869	35,000	(61,869)	-	-	-
Covid Emergency grants	4,241	-	(4,241)	-	-	-
Other funds	17,281	105,950	(38,191)	-	-	85,040
Front desk project	21,498	12,500	(29,189)	-	-	4,809
Heritage assets fund	9,518,198	-	-	36,192	-	9,554,390
	<u>9,870,404</u>	<u>568,371</u>	<u>(526,087)</u>	<u>36,192</u>	<u>-</u>	<u>9,948,880</u>
<b>Total of funds</b>	<u><u>12,597,982</u></u>	<u><u>2,057,213</u></u>	<u><u>(2,123,554)</u></u>	<u><u>-</u></u>	<u><u>(121,194)</u></u>	<u><u>12,410,447</u></u>

25. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	2,474,731	2,000,000	-	4,474,731
Fixed asset investments	-	-	2,967,665	2,967,665
Heritage assets	-	10,323,502	-	10,323,502
Current assets	2,717,256	493,881	122,596	3,333,733
Creditors due within one year	(1,415,680)	-	-	(1,415,680)
Provisions for liabilities and charges	(45,900)	-	-	(45,900)
<b>Total</b>	<u>3,730,407</u>	<u>12,817,383</u>	<u>3,090,261</u>	<u>19,638,051</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	965,662	-	965,662
Fixed asset investments	2,940,011	-	2,940,011
Heritage assets	-	9,554,390	9,554,390
Current assets	2,975,713	394,490	3,370,203
Creditors due within one year	(1,356,569)	-	(1,356,569)
Creditors due in more than one year	(3,000,000)	-	(3,000,000)
Provisions for liabilities and charges	(63,250)	-	(63,250)
<b>Total</b>	<u>2,461,567</u>	<u>9,948,880</u>	<u>12,410,447</u>

26. Reconciliation of net movement in funds to net cash flow from operating activities

		<b>Group 2024 £</b>	<i>Group 2023 £</i>
Net income/expenditure for the period (as per Statement of Financial Activities)		<b>7,222,254</b>	<i>(191,135)</i>
<b>Adjustments for:</b>			
Depreciation charges	16	<b>295,324</b>	<i>250,011</i>
Losses/(gains) on investments	18,19	<b>(70,707)</b>	<i>124,794</i>
Investment income	7	<b>(176,836)</b>	<i>(139,620)</i>
Loss on the sale of fixed assets		<b>21,922</b>	<i>21,922</i>
(Increase)/decrease in stocks	20	<b>5,985</b>	<i>(337)</i>
Decrease/(increase) in debtors	21	<b>(148,424)</b>	<i>18,033</i>
Increase/(decrease) in creditors	22,23	<b>(2,940,889)</b>	<i>642,359</i>
Decrease in provisions	29	<b>17,350</b>	<i>16,250</i>
Defined benefit pension scheme finance cost	29	<b>(5,350)</b>	<i>(3,600)</i>
Pension scheme costs less contributions paid	29	<b>(12,000)</b>	<i>(12,650)</i>
<b>Net cash provided by operating activities</b>		<b>4,208,629</b>	<i>726,027</i>

27. Analysis of cash & cash equivalents

		<b>Group 2024 £</b>	<i>Group 2023 £</i>
Cash in hand		<b>1,332,388</b>	<i>1,523,401</i>
Cash held by investment managers		<b>388,605</b>	<i>361,490</i>
<b>Total cash and cash equivalents</b>		<b>1,720,993</b>	<i>1,884,891</i>

## 28. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	Movement £	At 31 March 2024 £
Cash at bank and in hand	1,523,401	(191,013)	-	1,332,388
Debt due within 1 year	(1,116,790)	72,477	-	(1,044,313)
Debt due after 1 year	(3,000,000)	-	3,000,000	-
Liquid investments	1,620,582	12,104	-	1,632,686
	<u>(972,807)</u>	<u>(106,432)</u>	<u>3,000,000</u>	<u>1,920,761</u>

## 29. Defined benefit pension scheme liability

The Charity participates in the Career Average Revalued Earnings ('CARE') Scheme operated by The Pensions Trust, a multi-employer scheme which provides benefits to some 37 non-associated employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last- man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2022. This valuation showed assets of £49.6m, liabilities of £57.1m and a deficit of £7.5m. To eliminate this funding shortfall, the Trustees and the participating employers have agreed that additional contributions will be paid to the scheme as follows:

### Deficit contributions

From 1 April 2024 to 31 March 2027:	£1,672,000 per annum (payable monthly & increasing by 3% each year on 1 April)
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Note that the scheme's previous valuation was carried out with an effective date of 30 September 2019. This valuation showed assets of £79m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2021 to 30 September 2027: £1,530,000 per annum (payable monthly and increasing by 3.0% each year on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	2024	2023	2022	2021
	£	£	£	£
Present value of provision	45,900	63,250	79,500	96,000

### Reconciliation of opening and closing provisions:

	2024	2023
	£	£
Provision at start of period	63,250	79,500
Unwinding of the discount factor (interest expense)	2,900	1,820
Deficit contribution paid	(14,900)	(14,470)
Remeasurements - impact of any change in assumptions	150	(3,600)
Remeasurements - amendments to the contribution schedule	(5,500)	-
<b>Provision at end of period</b>	<b>45,900</b>	<b>63,250</b>

### Income and expenditure impact

	2023	2023
	£	£
Interest expense	2,900	1,820
Remeasurements - impact of any change in assumptions	150	(3,600)
Remeasurements - amendments to the contribution schedule	(5,500)	-
Income (costs) recognised in statement of financial activities	(2,450)	(1,780)

### Assumptions

	2024	2023	2022	2021
	%	%	%	%
Present value of provision	4.95	5.18	2.55	0.98

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

## 29. Operating lease commitments

At 31 March 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2024</b>	Group 2023
	£	£
Not later than 1 year	9,923	13,115
Later than 1 year and not later than 5 years	11,614	65,479
	<u>21,537</u>	<u>78,594</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	<b>Group 2024</b>	<i>Group 2023</i>	<b>Charity 2024</b>	<i>Charity 2023</i>
	£	£	£	£
Operating lease rentals	<u>10,472</u>	<u>16,904</u>	<u>10,472</u>	<u>16,904</u>

## 31. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

## 32. Connected charities

### Coram

The Foundling Hospital (subsequently the Thomas Coram Foundation and now known as Coram) was established in 1739 by the philanthropist Thomas Coram. The Foundling Museum's objects include the ability "to support such of the purposes of the charity now known as Coram as the Museum, in consultation with Coram, shall from time to time determine". A number of important collections are housed within the Foundling Museum, which is a nationally accredited museum. Of those, many of the paintings and other artefacts housed within the Museum belong to the Foundling Hospital Collection which is owned by Coram, but they are held and managed by the Foundling Museum in accordance with a legal agreement coterminous with the 999 year lease of the Museum. The Museum will use all reasonable endeavours to purchase collection items according to agreed valuation provisions. Coram is not permitted to sell any collection items without the Museum having pre-emption purchase rights.

During the year, excluding VAT, the Museum paid Coram £4,500,000 to acquire the long-term leasehold interest of the Museum (2023 - £NIL), £7,274 in respect of insurance (2023 - £14,591), £5,945 (2023 - £5,945) for rent and service charge, £735 (2023 - £1,260) for waste collection and £8,000 (2023 - £NIL) for the purchase of fine art.

Coram paid The Foundling Museum Trading Company £2,769 (2023 - £3,835) for venue hire. At 31 March 2024, the Museum owed Coram £NIL (2023 - £20,000). At 31 March 2024, Coram owed the Museum £1,800 (2023 - £NIL).

### The Gerald Coke Handel Foundation

The Gerald Coke Handel Collection is an internationally important collection of material relating to the composer George Frideric Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera.

The Collection was assembled by Gerald Coke over a period of sixty years and left to the nation by his widow with a wish that it be allocated to the Museum in the care of the Handel Institute. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation.

Formed in 1996, the Gerald Coke Handel Foundation administers the endowment that accompanies the Gerald Coke Handel Collection and assists the Foundling Museum with the care of the Collection, which came to the Museum through the Government's Allocation in Lieu scheme.

The Foundation's objectives are to advance public education by providing research facilities for academics, musicologists, musicians, students, writers, researchers and all those interested in the life and work of Handel, his associates and contemporaries, the musical environment of his time, the printing and publishing of music in the eighteenth century, and related subjects.

Under the terms of a Management Deed dated 23rd July 2003, the Museum received the following sums from the Foundation during the year: £41,094 in respect of licence fees (2023 - £38,015), £59,429 in respect of reimbursement of librarians' employment costs (2023 - £53,799) and £49,040 in relation to premises costs (2023 - £56,784).

A former Museum Trustee Christopher Cotton DL served as a Trustee for The Gerald Coke Handel Foundation until August 2024 when he was replaced by Ronald Gould, a current Museum Trustee.

### 33. Related party transactions

#### Supporters' loan endowment scheme

The Museum has established a supporters' loan endowment scheme to enable it to benefit from the income generated by the investment of the loaned funds (Notes 19 and 22). The Museum withdraws the income on the fund on a monthly basis and applies such monies towards its charitable objectives. Lenders may withdraw the loan principal by giving 60 days' notice in advance of each quarter date and they are entitled to the original capital plus any capital gains (payable as interest) up to a maximum of 1.5% over the Bank of England base rate over the duration of their loan, or less any capital losses.

The amount loaned to the Museum by Trustees in the year under the scheme and invested in the fund was £NIL (2023 - £NIL), and the accrued interest due to those Trustees was £7,987 (2023 - £7,760). The amounts due to the Trustees at 31 March 2024 was £57,987 (2023 - £82,760).

#### Other related party transactions

Total trustee donations in the year amounted to £86,516 (2023 - £5,163).

Of these donations, £83,049 were restricted for the acquisition of the long-term leasehold interest of the Museum (2023 - £NIL), and £3,467 (2023 - £5,163) were unrestricted.

A company which former Trustee Larissa Joy OBE is also a Director of was engaged by the Charity during the year to conduct recruitment services in return for fees of £21,000 (2023 - £27,600), of which £8,130 (2023 - £13,230) were payable as at the year-end.

A Museum Trustee Andrew McIntyre is a non-executive director of the Museum's bank C.Hoare & Co.



Foundling  
Museum

**PATRON**

HRH The Princess of Wales

**REGISTERED OFFICE**

Foundling Museum  
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London WC1N 1AZ

+44 (0)20 7841 3600

[enquiries@foundlingmuseum.org.uk](mailto:enquiries@foundlingmuseum.org.uk)

Registered charity no. 11071167 (England and Wales)  
Company Limited by Guarantee 03621861

Front cover (right-hand image): Hetain Patel, *Omega Chokra*, 2023.  
Courtesy the artist

**THE FOUNDLING MUSEUM**

England & Wales - Charity number 1071167

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# Accounts

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**Company Registered Number: 03621861**  
**Charity Registered Number: 1071167**

**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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<b>Trustees</b>	Anne Beckwith-Smith Christopher Cotton Shereka Dunbar William Gore Ronald Gould Edward Humphrey Perdita Hunt OBE Claire Jeffers Larissa Joy OBE, Chair Andrew McIntyre Grayson Perry CBE RA Lord Simon Russell of Liverpool Lemn Sissay OBE
<b>Company registered number</b>	03621861
<b>Charity registered number</b>	1071167
<b>Registered office</b>	40 Brunswick Square London, United Kingdom WC1N 1AZ
<b>Director</b>	Caro Howell MBE (resigned 6 April 2023) Emma Ridgway (appointed 5 June 2023)
<b>Independent auditor</b>	MHA Statutory Auditor 6th Floor 2 London Wall Place London, United Kingdom EC2Y 5AU

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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<b>Bankers</b>	National Westminster Bank Plc Chancery Lane & Holborn Branch 332 High Holborn London WC1V 7PS
	CAF Bank Limited 25 Kings Hill West Malling Kent ME19 4JQ
	C Hoare & Co Bank 37 Fleet Street London EC4P 4DQ
<b>Investment Managers</b>	Veritas Investment Partners (UK) Limited Riverside House 2a Southwark Bridge Road London SE1 9HA

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**THE FOUNDLING MUSEUM**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Chair's and Director's Review**

It has been a significant and successful year for the Museum, both in its continued progress to transform lives through creative action, and in several key steps towards laying the foundations for long-term sustainability.

In February 2023, the Trustees were delighted to announce the appointment of Emma Ridgway as Director, taking over at the helm from Caro Howell. Emma, a Clore Cultural Leadership Fellow, joined from Modern Art Oxford where she was Chief Curator, Head of Exhibitions and Learning since 2015. The Trustees and team look forward to the Museum going from strength to strength under her leadership. We owe a huge vote of thanks to Caro, who as Director for 12 years, led with talent, energy and inspiration through very challenging times and set the foundation stones for the Museum's growth and development.

As a result of a strategic resource review in 2022/23, the Trustees worked with Caro and then with Emma to support the addition of increased capacity to the team through the creation of several new roles, including a role leading audience development and a role to lead the Museum's operations and commercial income generation. This key step to support the capacity of the organisation to grow was made possible through the support of the National Lottery Heritage Fund, for which support the trustees and team are immensely grateful. The Museum would like to mark the long service of Nigel Cudlipp, the Museum's Finance Director who served the museum for 12 years. He will be much missed by colleagues and the museum community.

The Museum was saddened and shocked to learn of the death of William (Bill) Gore in October 2023. Bill had served as a highly respected and valued Trustee of the Museum since 29 October 2012. We owe enormous thanks to Bill, who also served as Treasurer and member of the Operations and Finance Committee of the Museum during Covid-19. The Board of Trustees has supported the organisation and the team with advice, support, guidance and wise counsel during a period of enormous change and accomplishment. I would like to thank all of the Trustees and the members of the Museum team who have pulled together to continue to fulfil the Museum's goals and ambitions in an extremely challenging year. We would not have been able to achieve any of this without our loyal supporters, whose encouragement and goodwill is treasured and cherished.

In May 2022 *Tracing our Tales*, our pioneering arts training programme for care-leavers, received the prestigious Museum & Heritage Awards Learning Programme of the Year. Judges praised the longterm impact of the programme and its strong relevance to the Museum's story. For the first time, the Museum worked with Tracing Our Tales care-experienced training graduates and the National Gallery, to co-curate the innovative exhibition *Finding Family* that opened in March 2023.



*The Observer photoshoot celebrating remarkable care-experienced people to inspire children in care and challenge stigma, taken on the Museum's steps, on 4 July 2022. Photo: Suki Dhanda*

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In July 2022, our trustee, Lemn Sissay, OBE, initiated an alternative 'school photo' of people who had been adopted, fostered or grown up in children's homes, and who had gone on to success in their chosen fields. Several of the participants had never gone public about their childhoods and none had ever been in a place where so many people who shared their lived experience of childhood, were gathered. The day turned out to be profoundly moving for everyone involved.

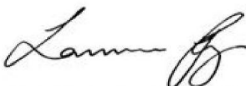
Following significant joint working with Coram over an extended period, in November 2022 the Museum also launched an appeal to secure its long-term future. This was necessary because the initial arrangements that established the Museum for 25 years in 2002 were due to expire. The ambitious intention was for the Foundling Museum to acquire a 999-year lease of its historic home at 40 Brunswick Square and to agree new long-term arrangements for the continued care and display of the Foundling Hospital Collection. The Museum also adopted revised Articles of Association consistent with securing its long-term future as an independent charity, on the condition of successful fundraising.

We are tremendously grateful to our Patron, HRH The Princess of Wales, for her unique support during the appeal. Also, to the members of the Museum's Campaign Advisory Group for their advice, to Steph Dennison and Ron Gould for their sage assistance, to the Museum's Vice Presidents and Trustees who joined arms to help ensure that the appeal was successful. The National Heritage Memorial Fund extended a loan of £3m to the Museum in 2022 as an endowment to generate investment income, to help the new charity. By October 2023, with the generous help of over 225 supporters, the campaign to secure the future has succeeded. We are indebted to the trusts, foundations and individuals who have supported this significant effort so enthusiastically and without whose support this would not have been possible. Even amidst current economic challenges, we look forward to enlarging our supplier base over the coming year for the Museum's exciting future plans.

Following the unprecedented impact of the Covid-19 pandemic, the effects continue to be felt by the Museum and its communities in many ways. It has negatively affected the lives and health of the many families, young people and children the Museum seeks to support through its participation and learning work, and also in terms of the Museum's own operations. Visitor numbers are steadily increasing but have not yet returned to pre-pandemic levels.

This year marked 74 years of the Old Coram Association. The Association has been such an important part of the Museum's life, bringing together former pupils of the Foundling Hospital. The Museum was delighted to complete the display of commissioned portraits of the Hospital's former pupils in October 2022 and the works have now entered the Museum's permanent collection. Despite the formal winding up of the Association this year, links with the members continue, as their remarkable life stories of compassion, generosity, and challenge are a vital reminder of why the Museum exists.

I would like to thank all the members of the Museum team who have pulled together to continue to fulfil the Museum's goals and ambitions in an extremely challenging year. And to the Board of Trustees, who have supported the organisation and the team with advice, support, guidance and wise counsel during a period of enormous change and accomplishment. We would not be able to achieve any of this without our loyal supporters, whose encouragement and goodwill is treasured and cherished.



.....  
Larissa Joy, OBE

Chair of Trustees

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**THE FOUNDLING MUSEUM**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees present their report together with the financial statements of The Foundling Museum for the year to 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out on pages 26 to 30 of the attached financial statements and comply with the charitable company's Articles of Association, the Charities Act 2011 and 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 United Kingdom and Republic of Ireland (FRS 102).

About the Museum

Opened in 2004, the Museum sits on the site of the Foundling Hospital; the UK's first children's charity and first public art gallery. Founded in 1739, the Hospital cared for babies at risk of abandonment. Supported by leading artists of all disciplines, who donated their work to raise awareness and funds, the Hospital continues today as the children's charity Coram.

Mission

The Foundling Museum brings past and present together, to celebrate the power of art as a catalyst for change. Inspired by three great 18th century activists - Thomas Coram, William Hogarth and George Frideric Handel - the Museum is a force for change. We believe in creative action that brings past and present together, to stimulate imaginations and enrich young lives. We celebrate the work of artists and inspire people to take positive action that transforms lives and creates a lasting impact

Some of the highlights in the year

*Major Exhibitions*

We launched into 2022 with an exciting programme of Public exhibitions, alongside historical displays. Our summer exhibition *Superheroes, Orphans & Origins: 125 years in comics* saw a new demographic of visitors as we delved into the complex history of Comic books and their characters. Building upon the mural *Superman was a Foundling*, created by trustee Lemn Sissay for the Museum in 2014, the exhibition was drawing striking parallels between real foundlings and their illustrated counterparts. *Tiny Traces; African and Asian Children at London's Foundling Hospital*, co-curated by our PhD candidate, Hannah Dennett, shed light for the first time on the lives of children of colour who were admitted to the Foundling Hospital in the eighteenth century. Opened in autumn 2022, The Londonist praised the exhibition as 'one of this excellent museum's best exhibitions yet'. The museum saw the flagship *Tracing our Tales* graduates co-curate *Finding Family*. Visitor feedback has been overwhelmingly positive. 'Extraordinary poignant and powerful exhibition - thought provoking with amazing imagery and poetry'.

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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*Photo Begin Again © 2021 Bex Glendining*

*Collections: Major Displays, Commissions and Acquisitions*

Our rich creative programme has inspired artists and historians across all disciplines, leading to impactful and insightful responses to our collection through commissions and displays.

*Major Partnerships*

We are thrilled with our ongoing partnership with The National Gallery. Our first co-curated exhibition *Finding Family* questioned the idea of family through art from the 17th Century to the present day. It was an ambitious exhibition in scope, partnership and innovative process. Central to the intention of this show was the inclusion of care-leavers in the exhibition making process. The benefit of this was to trial new working methods for both institutions, enable professional development for our *Tracing Our Tales* trainee, and enrich audiences' understanding of lived experiences of care-leavers. The works were accompanied by creative writing by participants from *Tracing Our Tales* and the exhibition included three iconic masterpieces from the National Gallery's collection, by Hogarth, Gainsborough and the Le Nain Brothers. The Foundling team commissioned new artworks from Helen Barff, Annabel Dover, Harold Offeh, Mark Titchner and Tamsin van Essen, whose work appeared alongside Louise Allen, Matthew Finn, Sunil Gupta, Chantal Joffe, Sikelela Owen, Hetain Patel, Barbara Walker, Caroline Walker and Gillian Wearing. *Finding Family* was supported by The Kusuma Trust and The Esmée Fairbairn Collections Fund – delivered by the Museums Association.

We were also delighted to partner with Derby Museum & Art Gallery in an exchange of outstanding 18<sup>th</sup> Century British paintings to show our audiences. From March, our collections display included Joseph Wright's revered *A Philosopher Giving That Lecture on the Orrery in Which a Lamp is Put in Place of the Sun* (1766). The dramatic painting, loaned from Derby Museum & Art Gallery offers a fascinating window to changing social attitudes and public understanding of science, education and technology in the eighteenth century. Wright of Derby, and his large network of friends and acquaintances, has multiple points of connection with key people in the Foundling Hospital's history and objects in our collection. Whilst the masterpiece was on display, *The March of the Guards to Finchley* (1750) by William Hogarth was lent by us to Derby Museum & Art Gallery, strengthening our relationship with the organisation and profiling our story on a national level.

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**TRUSTEES' REPORT**  
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*Contemporary Arts Commissions*

In addition to the commissioning of new artworks by five contemporary artists for *Finding Family*, as part of our *Foundling Portraits Campaign*, we were pleased to work with artist Eileen Perrier on commissioning the first double portrait to enter the Museum collection. *Pamela and Nybs* (2022) presented best friends Pamela and Sylvia who first met at the Foundling Hospital over 60 years ago. The portrait shows them seated in the Museum's Court Room and their enduring friendship is celebrated through the intimacy of the work. We wanted to work with Perrier as her work is full of empathy, they probe into the ways we construct public and private identities, and how others construct them for us. These themes complemented the experiences of Pamela and Sylvia, creating an open dialogue between artist and sitters and an organic portrait that provides a voice to the children of the hospital.

*Major Acquisition*

In November 2022, we were alerted to a painting by the Dutch artist Thérèse Schwartze (1851-1918), for sale in auction in Holland. To our knowledge, it is the only large-scale oil painting in existence of Foundling Hospital girls singing in the Hospital's Chapel. After a process of telephone bidding, we were able to secure the painting for the Museum's collection, thanks to a number of generous donors. We look forward to hanging the piece in the coming year, where it will be pivotal in the experience of children being at the heart of all we do.

Digital engagement

Following on from our major strategic initiatives of the previous year, we have seen a vast improvement in digital engagement in both our learning programme and curatorial offering. The success of our digital fundraising campaigns led to the Museum receiving pledge funding from the Childhood Trust to secure the Big Give Challenge, in which the Museum's visitors and donors raised over £30,000 for our Early Years programme.

It was great to collaborate with the National Gallery on their online exhibition *Fruits of the Spirit: Art from the Heart*. The project saw nine paintings from the National Gallery paired with nine works in public collections across the UK, creating diverse dialogues and juxtapositions to well-known works from their collection. Under the theme of *Faithfulness*, the Museum paired *Isabella, Duchess of Manchester* (1738) by Andrea Soldi with Orazio Gentileschi's, *The Finding of Moses* (early 1630s) discussing maternal faith and the sacrifices attached to this.

Our digital transformation plan continues to grow with plans to expand Venue Hire capabilities and new systems to implement a robust Development & Events strategy, increasing our capacity to build financial resilience. This is the second phase of our plan led by our Digital Transformation Consultant which will continue over the next few years and will be the foundation of which we can pilot new initiatives and ways of working.

Campaign: Secure the Future

In November 2022, we unveiled our plans to secure the Museum's home and custodianship of the Foundling Hospital Collection for 999 years with support from our Royal Patron, HRH The Princess of Wales.

We are delighted to announce that our campaign was successful and we have acquired the lease which secures our long-term strategic objectives, more details of which can be found below.

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Impact and Public Benefit

The Board of Trustees continue to have due regard to the Charity Commission in England and Wales's guidance on public benefit.

The Foundling Museum is unique. No other UK museum celebrates the lives of care-experienced people, and none tells the story of the birth of creative philanthropy. For people who have been in care, the Museum is a home – a place to feel seen and proud. Today we work with outstanding contemporary artists and musicians to keep our historic story relevant and ensure that artists continue to improve the lives of disadvantaged young people. We have recognised the need in our local area for our robust engagement programme, as many children live below the poverty line. We continue to grow our partnerships with local charities, schools and nurseries to support the development of children and young people. We have a focus on social wellbeing and our social prescribing programmes and community provisions have been proven to improve mental wellbeing and widen access and the impact of the Museum's work.

The year ahead

In the year ahead, we look forward to two landmark exhibitions that offer a unique opportunity to explore the Museum's historic collection from a fresh perspective. The first, *The Mother & The Weaver: Art from the Ursula Hauser Collection*, showcasing over 40 works from the Ursula Hauser Collection, all created by accomplished women artists. Among them are esteemed names such as Louise Bourgeois and Marlene Dumas. Following with an awe-inspiring photographic documentary project about the Ukrainian refugee crisis by Photographer, Polly Braden. Polly will be working to record and document the experience of refugee Ukrainian families over the first year of their displacement.

Emma Ridgway has joined as our new Museum Director (CEO & Artistic Director), starting 5 June. Emma was the curator of the British Pavilion for the 59th Venice Art Biennale, a collaboration with artist Sonia Boyce Feeling Her Way that won the international Golden Lion for Best National Participation 2022, a first for the UK. Emma will continue to drive forward our ambitious work, bringing with her considerable curatorial expertise in the field of contemporary art and an excellent track record in learning and participation. We're also delighted to announce that, thanks to support from the National Heritage Lottery Fund, we have introduced two new senior staff roles, to help us continue and build upon the ambitious work we do. The roles, which include Programmes and Participation and Commercial and Operations, were filled by Dr Clare Barlow and Rosie Baker.

Lease Acquisition

In autumn 2023 the Museum successfully completed a fundraising campaign to acquire the lease of its premises at 40 Brunswick Square. On 11 October 2023 the Museum purchased the 999 year lease for a consideration of £4.5M including £1.5M granted to the Museum for the acquisition of the lease by the National Heritage Memorial Fund.

This is treated as a post balance sheet event which will be accounted for in the 2024 financial statements. However this provides the Museum with security over its long term future and gives us an excellent foundation from which we can achieve our strategic aims.

Structure, Governance and Management

The Foundling Museum ('The Museum') was incorporated at the instigation of The Thomas Coram Foundation for Children ('Coram' - registered charity number 312278) on 20 August 1998 as a company limited by guarantee and is governed by its Articles of Association. It was registered with the Charity Commission on 24 August 1998 (registered charity number 1071167). Coram was formerly known as The Foundling Hospital. In July 2014 the Museum filed new Articles with the Charity Commission which removed Coram's sole membership, thereby guaranteeing the Museum's independence. In autumn 2023 new Articles were adopted which enabled the acquisition of the 999 year lease of the building and incorporated further changes necessary for the long term future of the Museum.

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Charitable Objects

The Museum was established in 1998 to safeguard the Foundling Hospital Collection, to preserve its integrity in its original context and to provide public access. The Museum subsequently took ownership of the Gerald Coke Handel Collection which is also housed in the building.

The Foundling Museum's charitable objects are:

- To establish and maintain a Museum for the advancement of the education of the general public and of scholars by the documentation, maintenance, conservation, exhibition, study and interpretation of the Collection; and
- To support such of the purposes of the charity now known as Coram, as the Museum, in consultation with Coram, shall from time to time determine.

Trading Company

The Museum has a wholly owned subsidiary, The Foundling Museum Trading Company Limited. The company's main activities are the sale of promotional goods and the organisation of events for the benefit of The Foundling Museum. It pays a management charge to the Museum each year as the management and day-to-day activities of the company are carried out by Museum staff. Any profits made by the company are transferred to the Museum under a Gift Aid compliant Deed of Covenant.

Trustees

The Museum's Board of Trustees meets every three months. It considers an extensive report from the Museum Director about past, current and future activity and, as appropriate, additional papers on future and long-term strategy, education, fundraising and development. The Board receives and considers management accounts and financial reports presented by the Chair of the Finance and Audit Committee and the Chair of the Trading Company. The Director and Finance Director attend Board meetings.

The Board of Trustees is supported in its work by Committees of the Board; namely the Finance and Audit Committee which meets formally every three months and includes reports from the Trading Company and the Investment Committee; and the Nominations Committee which meets approximately twice a year to discuss appointment to the Board of Directors. All Committees of the Board are comprised of Trustees plus at least one independent member.

The trustees who served during the period are listed on Page 1 of this report.

None of the Trustees has any beneficial interest in the company. At 31 March 2023 the company had 14 members, comprising the 13 Trustees and Coram, who each guarantee to contribute £1 in the event of a winding up.

Qualifying third-party indemnity provision for the benefit of the Directors was in force during the year.

Trustees are appointed following a review by the Nominations Committee and the Board of the relevant skills and experience required by the Museum. Trustees' contribution is assessed formally every two years by the Chair. The Chair and the Nominations Committee formally review Board effectiveness every other year. A formal review of the Chair's performance is carried out every other year by a Trustee, taking feedback from Trustees and senior leadership team members.

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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Trustee recruitment focusses on securing a committed and engaged Board of individuals from diverse backgrounds and with broad experience across finance, the arts, architecture, business and commerce, communications, education, childcare and risk management. New Trustees receive induction, including extensive background material to ensure they are familiar with the history of the Museum and its relationship with Coram, as well as Charity Commission documents outlining their responsibilities under charity law. Trustees also meet with the Director to familiarise themselves with the Museum's running, its aims, objectives and financial results. Trustees are required to undergo ongoing training during their period in post in accordance with recommended practice. The nature of the Board, being a diverse mix of skills and experience enables informal training between trustees as well as more formal instruction as necessary.

Management of the Museum

Trustees delegate executive leadership and management of the Foundling Museum to the Museum Director and other senior managers. Trustee committees meet in order for the trustees to take decisions as agreed and delegated by the full Board and as detailed in each committee's Terms of Reference. Full Board authority is required for major financial and organisational decisions, generally recommended as a course of action by the Finance and Audit Committee. Day-to-day operational decisions are made by senior management, in conjunction with trustees whose specific experience in a particular field may provide vital advice and direction.

Senior Management pay and benefits are authorised by the Board whereas the staff annual pay review is considered as part of the annual budget process. Benchmarking is undertaken for all new staff recruitment to ensure competitiveness of salaries offered. The budget is set in the fourth quarter of each year for the following year and requires full Board approval before implementation.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, which include the financing of the Museum's operations and safeguarding the Museum's exhibits. The Trustees are satisfied that systems are in place to mitigate the exposure to the major risks which are:

- Failure to maintain a sustainable financial business model:

The Finance and Audit Committee meet regularly with Senior Management to review financial performance, the annual budget, and strategic objectives. Senior Management respond to any significant changes in financial performance by reforecasting & resetting objectives with the oversight of the Finance & Audit Committee. The Museum has a six-month reserves policy to cover operational costs.

- Failure to attract & retain high calibre staff & trustees:

The Museum has a Nominations Committee which oversees the recruitment & retention of Trustees. Staff salaries are in line with sector-equivalent institutions, and every effort is made to provide an environment in which staff feel supported, valued and developed.

- Loss of support of major sponsors & supporters

The Museum maintains regular contact with all its major sponsors & supporters. The Trustees receive enhanced reporting from the Senior Management on performance against objectives agreed with major funders.

- Risks arising from ownership of 40 Brunswick Square:

The Museum commissioned a condition survey & reviewed all insurance arrangements prior to the acquisition of the lease.

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Relationship with the Gerald Coke Handel Foundation

The Gerald Coke Handel Collection is owned by the Museum. It is an internationally- important collection of material relating to Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera. It was assembled by Gerald Coke and left to the nation by his widow, and came to the Museum through the Government's Allocation in Lieu scheme in 2008. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation (registered charity number 1058589), formed in 1996 to administer the endowment and assist the Museum with the Collection's care. The Museum receives funding from the Foundation in relation to services provided, amounting to £148,598 (2022: £153,683) in the year under review.

Fundraising

The Museum takes care with both the tone of its communications and the accuracy of its data, it never swaps data with other organisations and ensures that its communication preferences can be changed at any time. Broadly speaking, the Museum uses data of a personal nature to keep in touch with people who are interested in its activities; to keep them informed about activities and developments; to provide services to visitors and supporters; and to identify ways in which people can support the Museum, through donations and/or other forms of financial and non-financial support. The Museum manages its own fundraising activities and does not employ the services of external professional fundraisers.

The Museum undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year under review, the Museum received no complaints about its fundraising activities. The Museum's fundraising activities are also conducted in line with its Ethics Policy which includes Ethical Fundraising, requiring the Museum to proactively carry out due diligence on prospective donors and sponsors. The Ethics Policy is regularly reviewed by Trustees and is consistent with the Museums Association's Code of Ethics for Museums and the Code of Ethics for Museums Worldwide produced by ICOM, and the Seven Principles of Public Life (Nolan Committee, March 1996).

Our Supporters during the year ended 31 March 2023

The Museum is an independent charity and receives no regular core public funding. The Trustees would like to pay tribute to the generosity of donors, supporters and volunteers, without whom the Museum would be unable to realise its ambitions and run its programmes.

We are grateful to every one of our donors. In Spring 2023, we formally launched our Secure the Future campaign to secure the 999 year lease of the Foundling Museum and Collection. As that campaign successfully concluded in Autumn 2023, those supporters will appear in the accounts for 2023/24. The following lists show our supporters for the financial year covered by this annual report.

*1700 Club Members*

Grant and Brigitte Gordon  
Isobel and Michael Holland  
Larissa Joy  
Julia and Jamie Korner  
Annie Mackerson-Sandbach  
Jim Moyes  
David Pike  
Sir Simon and Lady Robey  
Sir David and Lady Verey  
Vernon Ellis Foundation

And those who wish to remain anonymous

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*Individual Supporters*

Robert Aitken  
Richard and Diana Allen  
Judith and William Bollinger  
Deborah Loeb Brice  
Peter Brown  
John Caldicott  
Professor Graham Chase  
Tim Clark  
Justine and Patrick Cowan  
Jane King  
Steven and Sonya Larcombe  
Jim Moyes  
James Paradise  
David Pike  
Rhoderick Voremberg  
And those who wish to remain anonymous

*Trusts and Foundations*

Art Fund  
The Artisa Foundation (now Woven Foundation)  
Arts Council England  
Baring Foundation  
The Blyth Watson Charitable Trust  
The Childhood Trust  
The Clore Duffield Foundation  
Daiwa Anglo-Japanese Foundation  
Esmée Fairbairn Foundation  
Ethos Foundation  
The Golden Bottle Trust  
The Great Britain Sasakawa Foundation  
John Lyons Charity  
The Murray Family  
The Loveday Charitable Trust  
The Museums Association  
Oak Foundation  
The Old Coram Association  
The Pilgrim Trust  
The Rose Foundation  
And those who wish to remain anonymous

*Corporate Supporters*

Ecclesiastical Insurance

The Trustees would also like to thank the many guides and members of the Open College of the Arts (OCA), who donate their speakers' fees to support Collection acquisitions, as well as the Museum's wonderful team of volunteers, who undertake research and help care for visitors and the collections.

The Trustees would also like to acknowledge the continuing active support of the Museum's Vice Presidents, Brian Allen, Alan Borg, David Coke, Jamie Korner and Carolyn Steen, International Trustee Emeritus, Judy Bollinger, and the many advisers whose invaluable expertise contributes greatly to the Museum's success.

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Financial Review

The statement of financial activities for the year ended 31 March 2023 shows total income of £2,057,213 (2022 - £1,745,520). This included a donation from the Deborah Loeb Brice Foundation of £525,000 and a grant from the Oak Foundation of £200,000 (2022- £350,000). The increase in income over last year is due to improved fundraising outcomes and increased admissions and other trading activities as visitor numbers have increased following Covid. The trustees are awaiting the outcome of an insurance claim for the negative financial impact of the Covid closure period on the Museum's income.

The total expenditure in the year was £2,123,554 (2022 - £1,881,611) of which expenditure on conserving the Collection and developing and maintaining the Museum amounted to £1,826,199 (2022 - £1,708,697). The net loss for the year before investment gains was £66,341 (2022 – net loss of £136,091).

Net investment losses of £124,794 (2022 - gains of £313,510) were recognised in the year ended 31 March 2023 and £3,600 actuarial gains have been recognised (2022 - gains of £3,500).

In accordance with Financial Reporting Standard 102, the financial statements include heritage assets with a total valuation of £9,554,390. Further details are in Note 16 to the financial statements. As at 31 March 2023, the net assets of The Foundling Museum Group were £12,410,447 (2022 - £12,597,982).

Reserves policy

The Trustees have considered the scale, complexity and risk profile of the charity and taken account of the funding base which consists of grants from trusts and foundations, investment income, donations and self-generated income. Account has been taken of the effects of economic downturns particularly on self-generated income and the time bars on applications to trusts and foundations especially for core funding. As a result, income generation can be variable and cause material fluctuations in working capital which, although often unpredictable, generally are short term and longer term our reserves position continues to be positive.

In order to mitigate the effects of the variable reserves position, the Trustees, consider it prudent for the Museum to carry free reserves equivalent to approximately six months budgeted operating expenditure and also to designate specific sums from the unrestricted reserve for particular areas of expenditure.

The reserves policy is reviewed by the Trustees annually as part of the planning and budget process.

At the end of the financial year the Unrestricted Reserves are:

General Fund £1,571,567  
Designated Fund £890,000

The designated funds are detailed in Note 23; the two largest balances are:

- The Museum has a £3 million endowment loan from the National Heritage Memorial Fund, repayable in 2028. The NHLF Shortfall designated fund is set aside to cover any difference between the loan balance and the listed investment portfolio. At 31 March 2023, this designated fund balance was £300,000.
- During the year the Museum received a donation of £525,000 from the Deborah Loeb Brice Foundation. This money is match funding for the Arts Council England National Portfolio Organisation Grant & will be spent over the three years from 1 April 2023. At 31 March 2023, this designated fund balance was £525,000.

The designated funds are reviewed each year by the trustees; this year they have un-designated two of the funds back to the general reserve and created a new designation for the Arts Council England National Portfolio Organisation Match Funding.

The general fund net of fixed assets is £605,905 which when combined with the designated funds provide a free reserve of £1,495,905. The budget for 2023/24 estimates operational expenditure to be £2.08M so the amount of free reserve comfortably provides the Museum with the required cover of six months expenditure.

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Restricted reserves are also held but ring fenced to the project for which the income was provided. These are detailed in Note 23 and amount to £9,948,880 at the end of the financial year. The largest of these is the balance of £9,554,390 representing the heritage assets owned by the Museum.

Investment policy

Under the Memorandum and Articles of Association, the charity has powers to invest in any way the Trustees wish.

The Museum has a £3 million loan from the National Heritage Memorial Fund, repayable in 2028, which has been invested in a fund managed by our appointed investment managers. The investment policy applied to the fund reflects the Trustees' commitment to sustain the objects of the Museum by maintaining the capital and income of the sum and to grow both of these over time. In this manner the Trustees aim to realise their ambitions to promote the Museum, to expand its activities to an increasing visitor base and to purchase the assets from its sister charity, Coram Family. The achievement of these and other aims requires continuous capital and income improvement.

The Museum also has a Supporter's Loan scheme whereby supporters may loan funds to the Museum which we then invest. The lenders receive no income during the period of the loan but may at any time request their loan to be returned with income added, subject to certain limits. These funds are managed in the same way but disclosed separately in the balance sheet as current assets due to their nature.

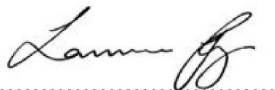
The Trustees have appointed Veritas Investment Management to manage, on a discretionary basis, a multi-asset portfolio which comprises, within defined and flexible ranges, a mixture of property, fixed interest, global equities and cash. To satisfy the Museum's financial objectives and targets, in which returns from their investments play an essential role, the Trustees have focused on total return, to which reliable and sustainable income make an important contribution.

The trustees are also mindful of their responsibilities to invest in an ethical way and have instructed Veritas accordingly. The portfolio is reviewed and discussed at twice yearly Investment Committee meetings. The Committee comprises trustees and third party experts whose freely given advice and guidance is much appreciated.

In 2022/23 the managers achieved a return of 2.9%.

The Trustees' Report has been prepared in accordance with the special provisions under Part 15 of the Companies Act 2006 relating to small companies and the Museum has taken advantage of the small companies' exemptions in preparing the Trustees' Report and the requirement to prepare a Strategic Report."

This report was approved and authorised for issue by the Trustees and signed on its behalf by:



.....  
**Larissa Joy OBE**  
**Chair**

**Date:** 4th December 2023

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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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:

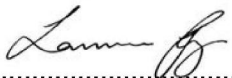
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Members of the Board of Trustees and signed on their behalf by:



.....  
**Larissa Joy OBE**  
Trustee

Date: 4th December 2023

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOUNDLING MUSEUM**

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**Opinion**

We have audited the financial statements of The Foundling Museum (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 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 and the Charities Act 2011.

**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 Auditor's 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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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOUNDLING MUSEUM (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 Auditor's 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of Trustees**

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

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOUNDLING MUSEUM (CONTINUED)**

---

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.

**Auditor's 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 Auditor's 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:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

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

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOUNDLING MUSEUM (CONTINUED)**

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**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, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditor's 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.



**Stuart McKay BSc FCA DChA (Senior Statutory Auditor)**

for and on behalf of

**MHA**

Statutory Auditor

London, United Kingdom

Date: 15/12/2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations, grants and legacies	4	1,083,882	522,337	1,606,219	1,397,202
Charitable activities	5	50,275	46,034	96,309	124,972
Other trading activities	6	215,065	-	215,065	128,008
Investments	7	139,620	-	139,620	95,338
<b>Total income</b>		<b>1,488,842</b>	<b>568,371</b>	<b>2,057,213</b>	<b>1,745,520</b>
<b>Expenditure on:</b>					
Raising funds:	8				
Expenditure incurred by trading subsidiary		57,334	-	57,334	49,280
Raising funds		240,021	-	240,021	123,634
Charitable activities	9	1,300,112	526,087	1,826,199	1,708,697
<b>Total expenditure</b>		<b>1,597,467</b>	<b>526,087</b>	<b>2,123,554</b>	<b>1,881,611</b>
Net (losses)/gains on investments		(124,794)	-	(124,794)	313,510
<b>Net (expenditure)/income</b>		<b>(233,419)</b>	<b>42,284</b>	<b>(191,135)</b>	<b>177,419</b>
Transfers between funds	23	(36,192)	36,192	-	-
<b>Net movement in funds before other recognised gains</b>		<b>(269,611)</b>	<b>78,476</b>	<b>(191,135)</b>	<b>177,419</b>
<b>Other recognised gains:</b>					
Actuarial gains	28	3,600	-	3,600	3,500
<b>Net movement in funds</b>		<b>(266,011)</b>	<b>78,476</b>	<b>(187,535)</b>	<b>180,919</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		2,727,578	9,870,404	12,597,982	12,417,063
Net movement in funds		(266,011)	78,476	(187,535)	180,919
<b>Total funds carried forward</b>		<b>2,461,567</b>	<b>9,948,880</b>	<b>12,410,447</b>	<b>12,597,982</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 59 form part of these financial statements.

**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03621861**

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

	Note	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Tangible fixed assets	15		965,662		1,137,519
Heritage assets	16		9,554,390		9,518,198
Investments	17		2,940,011		3,049,840
			<u>13,460,063</u>		<u>13,705,557</u>
<b>Current assets</b>					
Stocks	19	25,246		24,909	
Debtors: Amounts falling due within one year	20	200,974		219,007	
Investments	18	1,620,582		1,062,519	
Cash at bank and in hand	26	1,523,401		1,367,050	
			<u>3,370,203</u>		<u>2,673,485</u>
Creditors: Amounts falling due within one year	21	(1,356,569)		(701,560)	
			<u>2,013,634</u>		<u>1,971,925</u>
<b>Net current assets</b>					
			<u>2,013,634</u>		<u>1,971,925</u>
<b>Total assets less current liabilities</b>					
			<u>15,473,697</u>		<u>15,677,482</u>
Creditors: amounts falling due after more than one year	22		(3,000,000)		(3,000,000)
Defined benefit pension scheme liability	28		(63,250)		(79,500)
			<u>12,410,447</u>		<u>12,597,982</u>
<b>Total net assets</b>					
			<u>12,410,447</u>		<u>12,597,982</u>
<b>Charity funds</b>					
Restricted funds	23		9,948,880		9,870,404
Unrestricted funds	23		2,461,567		2,727,578
			<u>12,410,447</u>		<u>12,597,982</u>
<b>Total funds</b>					
			<u>12,410,447</u>		<u>12,597,982</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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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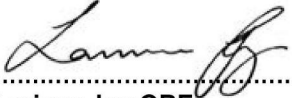
**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03621861**

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**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

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



.....

**Larissa Joy OBE**

Trustee

Date: 4th December 2023

The notes on pages 26 to 59 form part of these financial statements.

**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03621861**

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

	Note	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Tangible fixed assets	15		965,662		1,137,519
Heritage assets	16		9,554,390		9,518,198
Investments	17		2,940,013		3,049,842
			<u>13,460,065</u>		<u>13,705,559</u>
<b>Current assets</b>					
Stocks	19	-		4,279	
Debtors: Amounts falling due within one year	20	298,144		319,536	
Investments	18	1,620,582		1,062,519	
Cash at bank and in hand		1,419,051		1,237,490	
			<u>3,337,777</u>	<u>2,623,824</u>	
Creditors: Amounts falling due within one year	21	(1,308,066)		(634,096)	
			<u>2,029,711</u>	<u>1,989,728</u>	
<b>Net current assets</b>			<u>2,029,711</u>		<u>1,989,728</u>
<b>Total assets less current liabilities</b>			<u>15,489,776</u>		<u>15,695,287</u>
Creditors: amounts falling due after more than one year	22	(3,000,000)		(3,000,000)	
Defined benefit pension scheme liability	28	(63,250)		(79,500)	
<b>Total net assets</b>			<u>12,426,526</u>		<u>12,615,787</u>
<b>Charity funds</b>					
Restricted funds	23	9,948,880		9,870,404	
Unrestricted funds	23	2,477,646		2,745,383	
<b>Total funds</b>			<u>12,426,526</u>		<u>12,615,787</u>

The Charity's net movement in funds for the year was £(189,261) (2022 - £183,319).

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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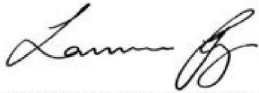
**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03621861**

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**CHARITY BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

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



.....  
**Larissa Joy OBE**

Trustee

Date: 4th December 2023

The notes on pages 26 to 59 form part of these financial statements.

**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

	<b>Note</b>	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	25	<b>726,027</b>	<i>(74,663)</i>
<b>Cash flows from investing activities</b>			
Investment income	7	<b>139,620</b>	<i>95,338</i>
Purchase of tangible fixed assets	15	<b>(100,076)</b>	<i>(205,505)</i>
Proceeds from sale of investments	17	<b>299,190</b>	<i>633,157</i>
Purchase of investments	17,18	<b>(912,997)</b>	<i>(483,653)</i>
Purchase of heritage assets	16	<b>(36,192)</b>	<i>(60,000)</i>
<b>Net cash used in investing activities</b>		<b>(610,455)</b>	<b>(20,663)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>115,572</b>	<b>(95,326)</b>
Cash and cash equivalents at the beginning of the year		<b>1,769,319</b>	<i>1,864,645</i>
<b>Cash and cash equivalents at the end of the year</b>	26	<b>1,884,891</b>	<i>1,769,319</i>

The notes on pages 26 to 59 form part of these financial statements

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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**1. General information**

The Foundling Museum is a charitable company limited by guarantee and is registered with the Charity Commission (Charity Registered Number: 1071167) and the Registrar of Companies (Company Registration Number: 03621861) England and Wales.

The address of the registered office is given in the Group and Charity information on page 1 of these financial statements.

The nature of the Group and Charity's operations and principal activities are detailed within the Trustees' Report.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**2. Accounting policies**

**2.1 Basis of preparation and consolidation 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Foundling Museum 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 financial statements have been presented in sterling, which is also the functional currency of the Group and are rounded to the nearest pound.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary 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.

**2.2 Going concern**

The Trustees have assessed the applicability of going concern concept and have considered possible events or conditions that might cast significant doubt on the ability of the Group and Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Group and Charity has adequate resources to continue in operational existence for the foreseeable future, with no material uncertainties. The Group and Charity therefore continues to adopt the going concern basis in preparing its financial statements.

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

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**2. Accounting policies (continued)**

**2.3 Income**

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to it (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

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

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

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

**2.4 Expenditure**

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Expenditure is inclusive of irrecoverable VAT.

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

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**2. Accounting policies (continued)**

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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:

Leasehold improvements	- From the date of completion of the relevant improvement to the end of the lease term
Office equipment and Fixtures and fittings	- 25% on cost
Website and digital branding	- 25% on cost

**2.6 Heritage assets**

The Museum safeguards its Heritage Assets and offers the public access to its collections. The Museum's artefacts include paintings, furniture and items from the Foundling Hospital Collection as well as items of contemporary art, ceramics and archival material relating to the Foundling Hospital and also the Gerald Coke Handel Collection. The assets are defined as Heritage Assets for the purpose of these financial statements as they are held as part of the primary purposes of the charity and to further an understanding of social history and culture.

Heritage assets are included on the balance sheet at cost, or where cost is not available, a valuation that reflects the value of the asset at the time it was acquired by the charity. Such assets are not depreciated. Any impairment in the value of an asset is treated as charitable expenditure in the year in which it arises.

**2.7 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.

**2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Accounting policies (continued)**

**2.9 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.

**2.10 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.

**2.11 Liabilities and provisions**

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

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

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

Concessionary loans represent loans received by the Charity to further its purposes at an interest rate below the prevailing marked rates. The Charity recognises its concessionary loan at the loan's net present value but considers the difference between this value and its original value to be immaterial; as such, the concessionary loan has been recognised at its original value in these financial statements.

**2.12 Financial instruments**

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 20. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Notes 21 and 22. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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

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**2. Accounting policies (continued)**

**2.13 Pensions**

The Charity contributed to a defined benefit scheme operated by The Pensions Trust, which provides benefit based on average pensionable salary. The Charity ceased to offer the scheme to its current employees on 31 December 2011, but continues to operate the scheme for the former employees who were part of the scheme. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Scheme is a multi-employer scheme where the Scheme assets are commingled for investment purposes, and benefits are paid from the total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS 102 represents the employer contribution payable. Contributions in respect to personal pension schemes and defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the relevant scheme. The Charity also contributes to a defined contribution scheme, currently operated by Royal London.

**2.14 Termination payments**

Termination benefits, including redundancy costs, are recognised when the Company has the obligation to pay the benefits and they can be reliably measured.

**2.15 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 2023**

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**3. Critical accounting estimates and areas of judgement**

Estimates and judgements are frequently 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:

- estimating the useful economic life of tangible fixed assets for the purposes of calculating depreciation;
- estimating the value of heritage assets as at the date they were acquired where this information is not available;
- estimating any necessary provision against slow moving or obsolete stock held at year- end;
- assessing the appropriateness of the underlying assumptions made by the actuary in the valuation of the defined benefit pension scheme;
- determining the basis for the allocation of support and governance costs between expenditure on raising funds and on charitable activities;
- estimating taxation recoverable under the Exhibition Tax Relief Scheme for charities;
- and estimating future income and expenditure flows for the purpose of assessing going concern.

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**4. Income from donations, grants and legacies**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Donations	155,045	292,008	<b>447,053</b>
Legacies	5,239	34,362	<b>39,601</b>
Grants	923,598	195,967	<b>1,119,565</b>
	<u>1,083,882</u>	<u>522,337</u>	<u><b>1,606,219</b></u>

Included within Grants above are Government grants of £Nil (2022 - £7,847) relating to the Coronavirus Job Retention Scheme. There were no unfulfilled conditions attached to these Government grants as at either year end.

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	114,100	205,801	319,901
Legacies	50,000	-	50,000
Grants	561,530	465,771	1,027,301
	<u>725,630</u>	<u>671,572</u>	<u>1,397,202</u>

**5. Income from charitable activities**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Admissions and other museum income	<u>50,275</u>	<u>46,034</u>	<u><b>96,309</b></u>
		<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Admissions and other museum income		<u>124,972</u>	<u>124,972</u>

**THE FOUNDLING MUSEUM**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**6. Income from other trading activities**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Income received by trading subsidiary	215,065	<b>215,065</b>
	<u>215,065</u>	<u>215,065</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income received by trading subsidiary	128,008	128,008
	<u>128,008</u>	<u>128,008</u>

**7. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Interest receivable	7,802	<b>7,802</b>
Investment income	131,818	<b>131,818</b>
	<u>139,620</u>	<u>139,620</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Interest receivable	220	220
Investment income	95,118	95,118
	<u>95,338</u>	<u>95,338</u>

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

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**8. Expenditure on raising funds**

**Fundraising trading expenses**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Raising funds	5,550	<b>5,550</b>
Investment manager fees	28,260	<b>28,260</b>
Support costs	96,052	<b>96,052</b>
Support costs - Staff costs	110,159	<b>110,159</b>
Expenditure incurred by trading subsidiary	57,334	<b>57,334</b>
	<hr/> <b>297,355</b> <hr/>	<hr/> <b>297,355</b> <hr/>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Raising funds	5,216	5,216
Investment manager fees	19,008	19,008
Support costs	55,178	55,178
Support costs - Staff costs	44,232	44,232
Expenditure incurred by trading subsidiary	49,280	49,280
	<hr/> <b>172,914</b> <hr/>	<hr/> <b>172,914</b> <hr/>

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

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**Expenditure on raising funds (continued)**

**8. Raising funds - Analysis of support costs**

	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Staff costs	<b>110,159</b>	44,232
Depreciation	<b>34,801</b>	18,919
Governance costs	<b>3,329</b>	974
Development costs	<b>1,694</b>	2,031
Press and Marketing	<b>11,109</b>	7,098
Office costs	<b>2,134</b>	3,454
Subscriptions/Memberships	<b>259</b>	254
Legal, Audit and Professional Fees	<b>4,237</b>	1,434
Finance Costs/Irrecoverable VAT	<b>12,834</b>	6,697
Occupancy costs	<b>25,655</b>	14,317
	<b>206,211</b>	99,410

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**9. Analysis of expenditure on charitable activities - by fund**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total 2023 £</b>
Museum Operating Costs	1,283,568	526,087	<b>1,809,655</b>
Conservation	16,544	-	<b>16,544</b>
	<u>1,300,112</u>	<u>526,087</u>	<u><b>1,826,199</b></u>
	<u><u>1,300,112</u></u>	<u><u>526,087</u></u>	<u><u><b>1,826,199</b></u></u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Museum Operating Costs	1,082,851	616,316	1,699,167
Conservation	9,530	-	9,530
	<u>1,092,381</u>	<u>616,316</u>	<u>1,708,697</u>
	<u><u>1,092,381</u></u>	<u><u>616,316</u></u>	<u><u>1,708,697</u></u>

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**10. Analysis of expenditure by charitable activities - by type**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Museum Operating Costs	558,567	1,251,088	<b>1,809,655</b>
Conservation	5,071	11,473	<b>16,544</b>
	<u>563,638</u>	<u>1,262,561</u>	<u><b>1,826,199</b></u>
	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Museum Operating Costs	722,301	976,866	1,699,167
Conservation	4,051	5,479	9,530
	<u>726,352</u>	<u>982,345</u>	<u>1,708,697</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. Analysis of expenditure by charitable activities - by type (continued)**

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Staff costs	<b>681,225</b>	437,093
Depreciation	<b>215,210</b>	186,955
Governance costs	<b>20,584</b>	9,627
Development Costs	<b>10,473</b>	20,065
Press and Marketing	<b>68,700</b>	70,142
Office costs	<b>13,195</b>	34,140
Subscriptions/Memberships	<b>1,603</b>	2,509
Legal, Audit and Professional Fees	<b>26,202</b>	14,168
Finance Costs/Irrecoverable VAT	<b>66,718</b>	66,173
Occupancy costs	<b>158,651</b>	141,473
	<b>1,262,561</b>	982,345

**11. Governance costs**

	<b>2023 £</b>	<i>2022 £</i>
Auditor's remuneration - Audit services	<b>16,450</b>	12,000
Auditor's remuneration - Non-audit services	<b>6,800</b>	6,575
Auditor's remuneration - Under accrual	<b>15,000</b>	-
Other governance costs	<b>13</b>	76
	<b>38,263</b>	18,651

The table above discloses the Group's total governance costs. This total is made up of the Charity's governance costs, as detailed in Notes 8 and 10 above, and the Subsidiary's governance costs, which totaled £14,350 (2022 - £8,050) and which are included within 'Expenditure incurred by trading subsidiary' in Note 8 above.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**12. Staff costs**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Wages and salaries	<b>816,466</b>	671,902	<b>816,466</b>	671,902
Social security costs	<b>79,300</b>	65,582	<b>79,300</b>	65,582
Pension costs	<b>29,540</b>	15,979	<b>29,540</b>	15,979
	<b>925,306</b>	753,463	<b>925,306</b>	753,463

Included in total wages and salaries above are non-contractual termination benefits of £46,250 (2022 - £NIL) paid in full during the year to one employee (2022 - NIL). The Trustees considered the this payment to be in the best interests of the Charity.

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

	<b>Group 2023 No.</b>	<i>Group 2022 No.</i>
Senior management	<b>2</b>	2
Museum administration	<b>31</b>	31
	<b>33</b>	33

The average headcount expressed as full-time equivalents was:

	<b>Group 2023 No.</b>	<i>Group 2022 No.</i>
Senior management	<b>2</b>	2
Museum administration	<b>21</b>	16
	<b>23</b>	18

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

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**12. Staff costs (continued)**

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

	<b>Group 2023 No.</b>	<i>Group 2022 No.</i>
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	2

The Key Management Personnel of the Museum in charge of directing and controlling, running and operating the museum on a day to day basis comprise the Trustees together with the Director and the Finance Director.

The total remuneration (including taxable benefits, employers's pension and national insurance contributions) payable to Key Management Personnel during the year was £220,048 (2022 - £209,766). Executives remuneration is set by the Finance and Audit Committee and reviewed annually.

**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, no Trustee expenses have been incurred (2022 - £1,200 reimbursed to 1 Trustee).

**14. Taxation**

The Foundling Museum is a registered Charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The Foundling Museum Trading Company Limited donates its taxable profits (if any) to The Foundling Museum via a Gift Aid compliant deed of covenant.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. Tangible fixed assets**

**Group and Charity**

	Leasehold improvements £	Office equipment, fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 April 2022	3,989,967	501,290	4,491,257
Additions	49,848	50,228	100,076
Disposals	-	(245,321)	(245,321)
At 31 March 2023	<u>4,039,815</u>	<u>306,197</u>	<u>4,346,012</u>
<b>Depreciation</b>			
At 1 April 2022	3,047,974	305,764	3,353,738
Charge for the year	188,047	61,964	250,011
On disposals	-	(223,399)	(223,399)
At 31 March 2023	<u>3,236,021</u>	<u>144,329</u>	<u>3,380,350</u>
<b>Net book value</b>			
At 31 March 2023	<u>803,794</u>	<u>161,868</u>	<u>965,662</u>
At 31 March 2022	<u>941,993</u>	<u>195,526</u>	<u>1,137,519</u>

Included within office equipment, fixtures and fittings are assets with a net book value of £42,912 (2022 - £82,791) in respect to the Charity's website and digital branding.

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

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**16. Heritage assets**

**Group and Charity**

**Assets recognised at cost**

	<b>Museum artefacts 2023 £</b>
Carrying value at 1 April 2022	9,518,198
Additions	36,192
	<hr/>
	<b>9,554,390</b>
	<hr/> <hr/>

The Museum has in the past obtained various assets where the donors have placed conditions or legal charges to restrict their use. Primarily these assets are allowed to be displayed to the public, but the Museum cannot benefit from the intrinsic value of these assets other than from the income they generate. In the event that the Museum were no longer to comply with the conditions imposed by the donors, the assets would be removed from the Museum and offered to other charities, without compensation being due to the Museum for the loss of those assets.

The Museum holds two assets which fall into this category, a painting obtained with funding from The National Heritage Memorial Fund ("NHMF") and The Gerald Coke Handel Collection received from The Museums and Libraries Archives Council. In accordance with the requirement of the Charities SORP FRS 102, both these assets are recognised in the financial statements. The painting is included at £4,000,000 which reflects the value when acquired by the NHMF in 2003 and The Gerald Coke Handel Collection is included at £4,825,240 as valued by Christie's in 2006.

Other heritage assets acquired by the Museum are included on the Balance Sheet at cost.

Heritage assets are held in a separate fund as this represents assets where the Charity owns the legal title but where the original owners or the donors of the assets have placed legal restrictions on the assets' sale or disposal.

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**17. Fixed asset investments**

<b>Group</b>	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2022	3,049,840
Additions	328,559
Disposals	(299,190)
Revaluations	(91,589)
Cash held for reinvestment	(47,609)
At 31 March 2023	<u>2,940,011</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	3,049,840	3,049,842
Additions	-	328,559	328,559
Disposals	-	(299,190)	(299,190)
Revaluations	-	(91,589)	(91,589)
Cash held for reinvestment	-	(47,609)	(47,609)
At 31 March 2023	<u>2</u>	<u>2,940,011</u>	<u>2,940,013</u>

The historic cost of these investments is £2,601,769 (2022 - £2,627,087).

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

**17. Fixed asset investments (continued)**

**Principal subsidiaries**

The following was a subsidiary undertaking of the Charity:

<b>Name</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Holding</b>
The Foundling Museum Trading Company Limited	05131580	40 Brunswick Square, London, WC1N 1AZ	100%

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus / (Deficit) for the year £</b>	<b>Net assets £</b>
The Foundling Museum Trading Company Limited	215,709	(213,983)	1,726	(16,077)

**18. Current asset investments**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Listed investments	<b>1,620,582</b>	<i>1,062,519</i>	<b>1,620,582</b>	<i>1,062,519</i>

Current asset investments represent managed listed investments held under the Supporters' loan endowment scheme.

**19. Stocks**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Finished goods	<b>25,246</b>	<i>24,909</i>	<b>-</b>	<i>4,279</i>

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**20. Debtors**

	<b>Group 2023</b>	<i>Group 2022</i>	<b>Charity 2023</b>	<i>Charity 2022</i>
	£	£	£	£
<b>Due within one year</b>				
Trade debtors	<b>57,903</b>	121,518	<b>42,089</b>	93,142
Amounts owed by group undertakings	-	-	<b>119,265</b>	130,100
Other debtors	<b>100,824</b>	58,749	<b>98,824</b>	58,525
Prepayments and accrued income	<b>25,947</b>	23,385	<b>21,666</b>	22,414
Gift aid tax recoverable	<b>16,300</b>	15,355	<b>16,300</b>	15,355
	<b>200,974</b>	219,007	<b>298,144</b>	319,536

**21. Creditors: Amounts falling due within one year**

	<b>Group 2023</b>	<i>Group 2022</i>	<b>Charity 2023</b>	<i>Charity 2022</i>
	£	£	£	£
Other loans	<b>500,000</b>	-	<b>500,000</b>	-
Supporters' loan endowment scheme (Note 32)	<b>616,790</b>	450,000	<b>616,790</b>	450,000
Trade creditors	<b>114,235</b>	116,245	<b>111,692</b>	105,658
Other creditors	<b>23,122</b>	21,830	<b>23,122</b>	21,543
Accruals and deferred income	<b>102,422</b>	113,485	<b>56,462</b>	56,895
	<b>1,356,569</b>	701,560	<b>1,308,066</b>	634,096

Other loans are unsecured, interest-free and repayable on demand. Loans from supporters have been invested with Veritas and are held as current asset investments (Note 18) as they are repayable with a minimum of two months' notice.

	<b>Group 2023</b>	<i>Group 2022</i>	<b>Charity 2023</b>	<i>Charity 2022</i>
	£	£	£	£
Deferred income at brought forward	<b>49,490</b>	30,000	-	30,000
Resources deferred during the year	<b>36,860</b>	49,490	-	-
Amounts released from previous periods	<b>(49,490)</b>	(30,000)	-	(30,000)
Carried forward	<b>36,860</b>	49,490	-	-

Deferred income in the year relates to income received in advance for events and weddings taking place after the year-end.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**22. Creditors: Amounts falling due after more than one year**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Loan	<b>3,000,000</b>	<i>3,000,000</i>	<b>3,000,000</b>	<i>3,000,000</i>

An endowment loan of £3 million was awarded to the Museum by The National Heritage Memorial Fund. The entire loan is unsecured and interest-free. Whilst the original loan agreement stated that the loan was repayable in full on 31 March 2028, the Charity are currently in discussions with The National Heritage Memorial Fund regarding converting the loan into a permanent endowment fund and it is probable that this conversion will occur by the end of the 2023. Accordingly, the concessionary loan has not been discounted.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. 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>						
<b>Designated funds</b>						
40 Brunswick Square	650,000	-	-	(650,000)	-	-
Exhibition shortfall fund	45,000	-	-	(40,000)	-	5,000
General Refurbishment/ Sash windows	60,000	-	-	-	-	60,000
NHLF Shortfall fund	300,000	-	-	-	-	300,000
NPO Matching funding	-	525,000	-	-	-	525,000
	<b>1,055,000</b>	<b>525,000</b>	<b>-</b>	<b>(690,000)</b>	<b>-</b>	<b>890,000</b>
<b>General funds</b>						
Tangible fixed assets fund	1,137,519	-	(250,011)	78,154	-	965,662
General fund	552,862	748,133	(1,133,473)	575,654	(121,194)	621,982
Non-charitable trading funds	(17,803)	215,709	(213,983)	-	-	(16,077)
	<b>1,672,578</b>	<b>963,842</b>	<b>(1,597,467)</b>	<b>653,808</b>	<b>(121,194)</b>	<b>1,571,567</b>
<b>Total Unrestricted funds</b>	<b>2,727,578</b>	<b>1,488,842</b>	<b>(1,597,467)</b>	<b>(36,192)</b>	<b>(121,194)</b>	<b>2,461,567</b>

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**23. 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>						
Paul Mellon Centre/Pilgrim Trust fund	6,211	-	(3,211)	-	-	3,000
The Clore Duffield Foundation fund	26,389	-	(16,699)	-	-	9,690
Exhibitions fund	261	198,938	(186,353)	-	-	12,846
Learning running costs fund	236,055	100,603	(125,861)	-	-	210,797
Collection purchases fund	14,547	92,934	(47,092)	-	-	60,389
Gerald Coke Handel Foundation fund	(1,146)	22,446	(13,381)	-	-	7,919
China Project fund	26,869	35,000	(61,869)	-	-	-
Covid Emergency Grants	4,241	-	(4,241)	-	-	-
Other funds	17,281	105,950	(38,191)	-	-	85,040
Front Desk Project	21,498	12,500	(29,189)	-	-	4,809
Heritage assets fund	9,518,198	-	-	36,192	-	9,554,390
	<u>9,870,404</u>	<u>568,371</u>	<u>(526,087)</u>	<u>36,192</u>	<u>-</u>	<u>9,948,880</u>
<b>Total of funds</b>	<u><u>12,597,982</u></u>	<u><u>2,057,213</u></u>	<u><u>(2,123,554)</u></u>	<u><u>-</u></u>	<u><u>(121,194)</u></u>	<u><u>12,410,447</u></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Statement of funds (continued)**

The specific purposes for which the funds are to be applied are as follows:

**Designated funds**

**Redundancy costs**

This fund was intended to provide funds for potential redundancy costs during the last two years. This was no longer considered necessary in the prior year and so the funds were repurposed to the 40 Brunswick Square fund.

**40 Brunswick Square**

During the year the Museum launched a campaign to secure the lease for the Museum building. The success of the fundraising campaign means there is no longer a requirement for a designated fund.

**Vaults**

The work has been carried out on the vaults during the past financial year so this fund is no longer required and the trustees have repurposed the balance to the Exhibition shortfall fund.

**Exhibition shortfall fund**

This fund has been increased this year using the vaults fund that is no longer required. The Trustees appreciate that it is not always possible to fund our temporary exhibitions fully and recognise the need for a designated fund to provide for this eventuality.

**General Refurbishment/ Sash windows**

The sash windows at 40 Brunswick square are in need of refurbishment and this fund for general refurbishment costs includes an allowance for this. We are waiting for permission from our local council to proceed with the work on the sash windows after which the work will commence as soon as is practical.

**NHLF Shortfall fund**

The Trustees provide at the level of 10% for a possible shortfall in the NHLF funding we hold on the balance sheet. The shortfall provision would only become payable should the fund fall significantly below the £3m that is due to be repaid at the point when the debt crystallises.

**NPO Match funding**

This fund represents an individual donation made to provide match funding for 2023-26 for the grant awarded by Arts Council England as part of the Museum's National Portfolio Organisation status.

**Restricted funds**

**Paul Mellon Centre fund**

The Paul Mellon Centre for Studies in British Art have funded the creation of a catalogue of the collection.

**The Clore Duffield Foundation fund**

The Clore Duffield Foundation has funded the Foundling Fellowship, a scheme to find the contemporary Coram, Hogarth and Handel to work with the Museum to develop original, creative initiatives for children and to raise the profile of the museum in those areas.

**Exhibitions fund**

The Exhibitions Fund is for the costs of various upcoming exhibitions and displays.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Statement of funds (continued)**

**Learning running costs fund**

The Education Running Costs Fund is to finance the day to day operating activities of the Education Centre, including the Museum's Nursery Project.

**Collection purchases fund**

The Collection purchases fund comprises donations from a variety of sources for the enhancement of the collections.

**Gerald Coke Handel Foundation fund**

The Gerald Coke Handel Foundation fund is for expenditure directly related to the Gerald Coke Handel collection.

**China project fund**

The China project fund is for establishing new ways of generating income.

**Covid Emergency grants**

These grants, principally from Arts Council England, covered a wide range of special projects as well as contributing to payroll and overhead costs to ease the impact of the pandemic on the Museum's programmes and finances.

**Front Desk project**

This project was for the remodelling of the front desk area to make it more welcoming, improve the lighting and the retail shop display area and thereby improve the visitor experience.

**Other funds**

Other funds comprise items of miscellaneous restricted income to be spent on various museum projects.

**Heritage assets fund**

Heritage assets fund matches the cost of the Heritage assets as shown in Note 16.

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**23. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Redundancy costs	50,000	-	-	(50,000)	-	-
40 Brunswick Square	600,000	-	-	50,000	-	650,000
Vaults	25,000	-	-	(25,000)	-	-
Exhibition shortfall fund	20,000	-	-	25,000	-	45,000
General Refurbishment/ Sash windows	60,000	-	-	-	-	60,000
NHLF Shortfall fund	300,000	-	-	-	-	300,000
	<u>1,055,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,055,000</u>
<b>General funds</b>						
Tangible fixed assets fund	1,137,888	-	(205,874)	205,505	-	1,137,519
General fund	580,430	945,926	(941,999)	(265,505)	313,510	632,362
Pension reserve fund	(96,000)	-	13,000	-	3,500	(79,500)
Non-charitable trading funds	(15,403)	128,022	(130,422)	-	-	(17,803)
	<u>1,606,915</u>	<u>1,073,948</u>	<u>(1,265,295)</u>	<u>(60,000)</u>	<u>317,010</u>	<u>1,672,578</u>
<b>Total Unrestricted funds</b>	<u>2,661,915</u>	<u>1,073,948</u>	<u>(1,265,295)</u>	<u>(60,000)</u>	<u>317,010</u>	<u>2,727,578</u>

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**23. Statement of funds (continued)**

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
<b>Restricted funds</b>						
Conservation fund	640	-	(640)	-	-	-
Paul Mellon Centre/Pilgrim Trust fund	6,316	-	(105)	-	-	6,211
The Clore Duffield Foundation fund	26,951	10,800	(11,362)	-	-	26,389
Exhibitions fund	27,620	61,274	(88,633)	-	-	261
Learning running costs fund	73,536	261,766	(99,247)	-	-	236,055
Collection purchases fund	29,851	87,453	(102,757)	-	-	14,547
Gerald Coke Handel Foundation fund	1,201	7,079	(9,426)	-	-	(1,146)
Oak Foundation fund	15,000	-	(15,000)	-	-	-
China Project fund	32,256	35,000	(40,387)	-	-	26,869
Foyle Foundation fund	16,178	-	(16,178)	-	-	-
Covid Emergency Grants	18,294	150,000	(164,053)	-	-	4,241
Other funds	19,307	33,200	(35,226)	-	-	17,281
Front Desk Project	29,800	25,000	(33,302)	-	-	21,498
Heritage assets fund	9,458,198	-	-	60,000	-	9,518,198
	<u>9,755,148</u>	<u>671,572</u>	<u>(616,316)</u>	<u>60,000</u>	<u>-</u>	<u>9,870,404</u>
<b>Total of funds</b>	<u><u>12,417,063</u></u>	<u><u>1,745,520</u></u>	<u><u>(1,881,611)</u></u>	<u><u>-</u></u>	<u><u>317,010</u></u>	<u><u>12,597,982</u></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>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Tangible fixed assets	965,662	-	<b>965,662</b>
Fixed asset investments	2,940,011	-	<b>2,940,011</b>
Heritage assets	-	9,554,390	<b>9,554,390</b>
Current assets	2,975,713	394,490	<b>3,370,203</b>
Creditors due within one year	(1,356,569)	-	<b>(1,356,569)</b>
Creditors due in more than one year	(3,000,000)	-	<b>(3,000,000)</b>
Provisions for liabilities and charges	(63,250)	-	<b>(63,250)</b>
<b>Total</b>	<b>2,461,567</b>	<b>9,948,880</b>	<b>12,410,447</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	1,137,519	-	1,137,519
Fixed asset investments	3,049,840	-	3,049,840
Heritage assets	-	9,518,198	9,518,198
Current assets	2,321,279	352,206	2,673,485
Creditors due within one year	(701,560)	-	(701,560)
Creditors due in more than one year	(3,000,000)	-	(3,000,000)
Provisions for liabilities and charges	(79,500)	-	(79,500)
<b>Total</b>	<b>2,727,578</b>	<b>9,870,404</b>	<b>12,597,982</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>	<i>Group 2022 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)		<b>(191,135)</b>	177,419
<b>Adjustments for:</b>			
Depreciation charges	15	<b>250,011</b>	205,874
Losses/(gains) on investments	17,18	<b>124,794</b>	(313,510)
Investment income	7	<b>(139,620)</b>	(95,338)
Loss on the sale of fixed assets		<b>21,922</b>	-
(Increase)/decrease in stocks	19	<b>(337)</b>	12,497
Decrease/(increase) in debtors	20	<b>18,033</b>	(124,183)
Increase in creditors	21,22	<b>642,359</b>	62,578
Decrease in provisions	28	<b>16,250</b>	16,500
Defined benefit pension scheme finance cost	28	<b>(3,600)</b>	(3,500)
Pension scheme costs less contributions paid	28	<b>(12,650)</b>	(13,000)
<b>Net cash provided by/(used in) operating activities</b>		<b>726,027</b>	(74,663)

**26. Analysis of cash and cash equivalents**

		<b>Group 2023 £</b>	<i>Group 2022 £</i>
Cash in hand		<b>1,523,401</b>	1,367,050
Cash held by investment managers		<b>361,490</b>	402,269
<b>Total cash and cash equivalents</b>		<b>1,884,891</b>	1,769,319

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**27. Analysis of changes in net debt**

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	1,367,050	156,351	1,523,401
Debt due within 1 year	(450,000)	(666,790)	(1,116,790)
Debt due after 1 year	(3,000,000)	-	(3,000,000)
Liquid investments	1,062,519	558,063	1,620,582
	<u>(1,020,431)</u>	<u>47,624</u>	<u>(972,807)</u>

**28. Defined benefit pension scheme liability**

The Charity participates in the Career Average Revalued Earnings ('CARE') Scheme operated by The Pensions Trust, a multi- employer scheme which provides benefits to some 37 non- associated employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last- man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2016. This actuarial valuation showed assets of £60.45m, liabilities of £85.30m and a deficit of £24.86m.

A full actuarial valuation for the scheme was carried out at 30 September 2019. This valuation showed assets of £79m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Trustees and the participating employers have agreed that additional contributions will be paid to the scheme as follows:

**Deficit contributions**

From 1 April 2021 to 30 September 2027:	£1,530,000 per annum
	(payable monthly and increasing by 3.0% each year on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

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**28. Defined benefit pension scheme liability (continued)**

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	<b>2023</b>	2022	2021	2020
	<b>£</b>	£	£	£
Present value of provision	<b>63,250</b>	79,500	96,000	107,000

**Reconciliation of opening and closing provisions:**

	<b>2023</b>	2022
	<b>£</b>	£
Provision at start of period	79,500	96,000
Unwinding of the discount factor (interest expense)	1,820	1,000
Deficit contribution paid	(14,470)	(14,000)
Remeasurements - impact of any change in assumptions	(3,600)	(3,500)
<b>Provision at end of period</b>	<b>63,250</b>	<b>79,500</b>

**Income and expenditure impact**

	<b>2023</b>	2022
	<b>£</b>	£
Interest expense	1,820	1,000
Remeasurements - impact of any change in assumptions	(3,600)	(3,500)
Income (costs) recognised in statement of financial activities	<b>(1,780)</b>	<b>(2,500)</b>

**Assumptions**

	<b>2023</b>	2022	2021	2020
	<b>%</b>	%	%	%
Present value of provision	<b>5.18</b>	2.55	0.98	2.58

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**29. Operating lease commitments**

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2023</b>	<i>Group 2022</i>
	<b>£</b>	<b>£</b>
Not later than 1 year	<b>13,115</b>	<i>10,040</i>
Later than 1 year and not later than 5 years	<b>65,479</b>	<i>15,926</i>
	<b>78,594</b>	<i>25,966</i>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	<b>Group 2023</b>	<i>Group 2022</i>	<b>Charity 2023</b>	<i>Charity 2022</i>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Operating lease rentals	<b>16,904</b>	<i>10,040</i>	<b>16,904</b>	<i>10,040</i>

**30. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

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

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**31. Connected charities**

**Coram**

The Foundling Hospital (subsequently the Thomas Coram Foundation and now known as Coram) was established in 1739 by the philanthropist Thomas Coram. Instrumental in helping Coram realise his vision were the artist, William Hogarth and the composer, George Frideric Handel. Hogarth initiated the donation of artworks and Handel gave fundraising performances of Messiah in the Hospital's Chapel. In the process, they created the UK's first public art gallery and set the template for the way the arts could support philanthropy. In 1998 Coram created the Museum to safeguard the Foundling Hospital Collection, to offer public access to the Collection, and to preserve its integrity in its original context. The Foundling Museum's objects include the ability " to support such of the purposes of the charity now known as Coram as the Museum, in consultation with Coram, shall from time to time determine."

Coram is one of 13 company members of The Foundling Museum and nominates up to one third of the trustees of The Foundling Museum and holds retained powers to safeguard its founding principles.

Many of the paintings and other artefacts housed within The Foundling Museum Collection belong to the Foundling Hospital Collection which is owned by Coram but they are held and managed by The Foundling Museum in accordance with a legal agreement for a period of 25 years which commenced in June 2002. Whilst Coram is able to sell any item it owns from the Foundling Hospital Collection to a third party during the period to June 2027, any such sale must be at full market value and the purchaser would have to accept that the item would be sold subject to the unexpired term of the agreement. In addition, The Foundling Museum has the automatic right to be given twelve months in which to raise the money to buy any item that Coram has indicated that it wishes to sell.

During the year, excluding VAT, the Museum paid Coram £14,591 in respect of insurance (2022 - £14,978), £5,945 (2022 - £5,945) for rent and service charge, £1,260 (2022 - £1,575) for waste collection and £Nil (2022 - £60,000) for the purchase of fine art.

Coram paid The Foundling Museum Trading Company £3,835 (2022 - £Nil) for venue hire.

At 31 March 2023, the Museum owed Coram £20,000 (2022 - £2,161).

**The Gerald Coke Handel Foundation**

The Gerald Coke Handel Collection is an internationally-important collection of material relating to the composer George Frideric Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera.

The Collection was assembled by Gerald Coke over a period of sixty years and left to the nation by his widow with a wish that it be allocated to the Museum in the care of the Handel Institute. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation.

Formed in 1996, the Gerald Coke Handel Foundation administers the endowment that accompanies the Gerald Coke Handel Collection and assists the Foundling Museum with the care of the Collection, which came to the Museum through the Government's Allocation in Lieu scheme.

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

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**Connected charities (continued)**

The Foundation's objectives are to advance public education by providing research facilities for academics, musicologists, musicians, students, writers, researchers and all those interested in the life and work of Handel, his associates and contemporaries, the musical environment of his time, the printing and publishing of music in the eighteenth century, and related subjects.

Under the terms of a Management Deed dated 23rd July 2003, the Museum received the following sums from The Foundation during the year: £38,015 in respect of licence fees (2022 - £38,015), £53,799 in respect of reimbursement of librarians' employment costs (2022 - £53,799) and £56,784 in relation to premises costs (2022 - £61,869).

**32. Related party transactions**

**Supporters' loan endowment scheme**

The Museum has established a supporters' loan endowment scheme to enable it to benefit from the income generated by the investment of the loaned funds (Notes 18 and 21). The Museum withdraws the income on the fund on a monthly basis and applies such monies towards its charitable objectives. Lenders may withdraw the loan principal by giving 60 days' notice in advance of each quarter date and they are entitled to the original capital plus any capital gains (payable as interest) up to a maximum of 1.5% over the Bank of England base rate over the duration of their loan, or less any capital losses.

The amount loaned to the Museum by Trustees in the year under the scheme and invested in the fund was £NIL (2022 - £NIL), and the accrued interest due to those Trustees was £7,760 (2022 - £5,007). The amounts due to the Trustees at 31 March 2023 was £82,760 (2022 - £80,007).

**Chinese Connections Limited**

On 4 June 2019, a private limited company wholly owned by a former Trustee, Judy Bollinger (who resigned as a Trustee in December 2019), and the former charity secretary and Finance Director, Nigel Cudlipp, was established with the aim of generating income for the Museum. No income was generated by the company during the year. An application was made to Companies House on 28 April 2023 to strike the company off the register.

**Other related party transactions**

Total trustee donations in the year amounted to £5,163 (2022 - £20,178).

Total donations in the both years were unrestricted.

A company which Trustee Larissa Joy is also a Director of was engaged by the Charity during the year to conduct recruitment services in return for fees of £27,660 (2022 - £26,430), of which £13,230 (2022 - £NIL) were payable as at the year-end.

**33. Post balance sheet events**

In autumn 2023 the Museum successfully completed a fundraising campaign to acquire the lease of its premises at 40 Brunswick Square. On 11 October 2023 the Museum purchased the 999 year lease for a consideration of £4.5M. Following the acquisition of the lease the Museum registered a charge over the property for £1.5M granted to the Museum for the acquisition of the lease by the National Heritage Memorial Fund.

**THE FOUNDLING MUSEUM**

England & Wales - Charity number 1071167

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# Accounts

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**Company Registered Number: 03621861**  
**Charity Registered Number: 1071167**

**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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<b>Trustees</b>	Anne Beckwith-Smith Christopher Cotton Jeremy Deller (resigned 14 March 2022) Shereka Dunbar (appointed 6 December 2021) William Gore Ronald Gould Edward Humphrey (appointed 26 January 2022) Perdita Hunt OBE Claire Jeffers Larissa Joy OBE, Chair Andrew McIntyre (appointed 26 January 2022) Grayson Perry CBE RA (appointed 6 December 2021) Lord Simon Russell of Liverpool Lemn Sissay OBE Spencer Hyman (resigned 4 October 2021) Robert Aitkin (resigned 6 December 2021) Geraldine MacDonald (resigned 7 June 2021) Paul Zuckerman (resigned 7 June 2021) Margaret Reynolds (resigned 7 June 2021)
<b>Company registered number</b>	03621861
<b>Charity registered number</b>	1071167
<b>Registered office</b>	40 Brunswick Square London, United Kingdom WC1N 1AZ
<b>Company secretary</b>	Nigel Cudlipp (resigned 6 June 2022)
<b>Director</b>	Caro Howell MBE
<b>Independent auditor</b>	MHA MacIntyre Hudson Statutory Auditor 6th Floor 2 London Wall Place London, United Kingdom EC2Y 5AU

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**THE FOUNDLING MUSEUM**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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<b>Bankers</b>	National Westminster Bank Plc Chancery Lane & Holborn Branch 332 High Holborn London WC1V 7PS
	CAF Bank Limited 25 Kings Hill West Malling Kent ME19 4JQ
<b>Investment Managers</b>	Veritas Investment Partners (UK) Limited Riverside House 2a Southwark Bridge Road London SE1 9HA

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**THE FOUNDLING MUSEUM**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Chair's and Director's Review**

The year under review saw many successes and reasons to celebrate, even while Covid-19 continued to disrupt activities, with the second lockdown in April and May 2021 forcing the Museum's closure. Building on lessons learnt in 2020, particularly around digital engagement, we seized opportunities to reach new audiences and grew our social impact work with some of the most vulnerable members of our community.

The Museum continued to benefit from the Government's furlough scheme and emergency funding it received in response to the Covid-19 pandemic and we remain grateful to the Arts Council England Culture Recovery Fund, the National Lottery Heritage Fund Heritage Emergency Fund, and the London Community Response Fund & The Rank Foundation DCMS Covid-19 Response Programme.

Thanks to support from the Deborah Loeb Brice Foundation, the Oak Foundation, the Murray Family, the Museums Association and John Lyons' Charity, we were able to adapt and grow our vital learning programmes and introduce a number of important new initiatives, designed to increase the Museum's impact and reach. These included a project to put our collection of eighteenth-century tokens online, a digital creative portal for care-experienced young people, and a year-long Career Development Fellowship for a young care-leaver.

Tracing Our Tales, our pioneering training programmes for care-leavers, continued as strongly as ever. Teaching art, creative writing and life-skills, and building trainees' self-confidence, self-esteem and mental resilience, the training enables graduates to secure employment, including at the Museum, take up apprenticeships, and return to education.



TRH The Prince and Princess of Wales with Kriss Akabusi, MBE, Lemn Sissay, OBE and Allan Jenkins, in the Museum's historic Court Room, discussing the long-term impact of growing up in care and the challenges facing care-leavers today. Photo: Dan Weil

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**THE FOUNDLING MUSEUM**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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In January, our Royal Patron, the Princess of Wales, visited with her husband, the Prince, to take part in a series of discussions exploring the challenges faced by young people leaving care. They met with leaders in the sector, care-experienced adults and Tracing Our Tales graduates, including care-experienced young mothers, to hear first-hand the remarkable resilience required of care-experienced young people to overcome stigma and systemic obstacles to success.

Throughout the year, people responded to our collections through discussion, music-making and art, in the galleries, online and beyond our walls. Pre-school children at our partner nurseries had musical storytelling workshops in their classrooms and used our weekly Art Explorer Boxes, while schools were unable to visit the Museum due to public health restrictions. Creative workshops also ran with young inpatients at Maudsley Hospital, while Tracing Our Tales and our public events programme successfully juggled online and in-person sessions. A display by PhD student, Lizzy Buckle, *Friends with Benefits*, drew visitors' attention to the musical networks behind charity benefit concerts in eighteenth-century London, while gifted young musicians returned to performing in the Museum's Picture Gallery as part of our Young Artists Programme. Also returning to the Museum were members of our local community, including South Asian families who took part in a collaboration with 1A Arts over the summer holidays, and local residents participating in a new social prescribing partnership with Camden MIND.



Children enjoying the Museum's exhibition, *Quentin Blake: Gifted* and early years' pupils taking part in an artist-led music and storytelling in their classroom.

The Museum's continued ability to overcome challenges and punch above its weight is underpinned by the calibre and dedication of its staff, volunteers and supporters. We remain immensely grateful to the many generous individuals, who share their knowledge and experience with us, and help fund our vital work. We would particularly like to thank our trustees, Jeremy Deller, Spencer Hyman, Robert Aitkin, Geraldine MacDonald, Paul Zuckerman and Margaret Reynolds, who retired from the board this year after periods of long service. We are delighted to welcome as new trustees, Grayson Perry, Shereka Dunbar, Edward Humphries and Andrew McIntyre, our new Treasurer.

We look forward with anticipation to the coming years, in which we will take significant steps to continue our work transforming lives through creative action, and to put further foundations in place to secure the Foundling Museum's future sustainability.

Larissa Joy, OBE

Caro Howell, MBE

Chair of Trustees

Director

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**THE FOUNDLING MUSEUM**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees present their report together with the financial statements of The Foundling Museum for the year to 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out on pages 27 to 32 of the attached financial statements and comply with the charitable company's Articles of Association, the Charities Act 2011 and 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 United Kingdom and Republic of Ireland (FRS 102).

About the Museum

Opened in 2004, the Museum sits on the site of the Foundling Hospital; the UK's first children's charity and first public art gallery. Founded in 1739, the Hospital cared for babies at risk of abandonment. Supported by leading artists of all disciplines, who donated their work to raise awareness and funds, the Hospital continues today as the children's charity Coram.

Mission

The Foundling Museum brings past and present together, to celebrate the power of art as a catalyst for change.

Inspired by three great 18th century activists - Thomas Coram, William Hogarth and George Frideric Handel - the Museum is a force for change. We believe in creative action that brings past and present together, to stimulate imaginations and enrich young lives. We celebrate the work of artists and inspire people to take positive action that transforms lives and creates a lasting impact

Some of the highlights in the year

The year saw a varied and exciting series of public exhibitions. *The Covid Letters: A vital response*, an exhibition of over 200 artworks created by children across the country, which opened as we re-entered lockdown, was extended until June. Our summer exhibition, *Quentin Blake: Gifted*, showcased Sir Quentin Blake's remarkable donation of 24 large scale drawings and poems written in response to Blake's drawings, by Opefoluwa Sarah Adegbite, Jackie Kay, Michael Rosen, Yomi Sode, Ben Westwood and 4 BROWN GIRLS WHO WRITE (Roshni Goyate, Sharan Hunjan, Sheena Patel and Sunnah Khan).

This creative dialogue across disciplines and generations continued in projects, commissions and displays across the year. Celebrated children's author and illustrator, Lauren Child CBE, curated a month-long programme of live and digital events over the summer, which included a specially commissioned song from Kerry Andrews setting Rosen's poem to music. In the autumn, the loan of William Hogarth's painting, *The March of the Guards to Finchley* to Tate Britain, enabled us to borrow from Tate a large-scale work, *(Untitled), We Will No Longer Be Seen And Not Heard*, by the American contemporary artist, Barbara Kruger, giving visitors an opportunity to explore the ways in which two artists separated by 250 years, use wit and print as powerful mediums for social commentary. *Ship's Tack*, new and existing work by artist Ingrid Pollard, was shown alongside our autumn exhibition, *Fighting Talk: One Boy's Journey from Abandonment to Trafalgar*, providing an opportunity to consider ideas of identity and belonging, and the history of British trade, navy and Empire, from the perspective of eighteenth-century foundling, George King, and through the lens of Pollard's art.

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**THE FOUNDLING MUSEUM**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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Visitors looking at Wolfgang Tillmans' portrait of former pupil, Ruth Amberley, and artist Ingrid Pollard installing her work. Photo: Stuart Leech

Pollard was also one of five artists commissioned to create portraits of former pupils of the twentieth-century Foundling Hospital. Supported by Art Fund, private donors and a very successful Art Happens campaign, portraits by Pollard, Jillian Edelstein, Mahtab Hussain, David Moore and Wolfgang Tillmans, joined those of the Hospital's Governors on the Museum's main staircase in October, enabling visitors to see the faces and celebrate the lives of these remarkable men and women for the first time. Also on show was *Stigma*, a film made by graduates of our training programme for care-leavers. In describing the prejudice care-experienced children face today, their film highlighted the ongoing relevance of our historic story.

A series of major and interlinked strategic initiatives, designed to improve the Museum's sustainability and deliver its long-term ambitions, were successfully completed. These included a new visual identity, articulating our mission and story; a new website designed to support a new Audience Development Plan, based on our work with the Audience Agency; and a digital transformation project. The impact of these initiatives will be felt over the coming years. However, an immediate effect was the facilitation of a range of activities to maximise audience engagement and reach, including digital versions of our exhibitions on the Smartify app; animated trailers, artist takeovers and half term family activities on Instagram; a 360 interactive tour of the Museum to support venue hire; podcasts; and two successful digital fundraising campaigns.

***Impact and Public Benefit***

The Board of Trustees continue to have due regard to the Charity Commission in England and Wales's guidance on public benefit.

Our 280-year history is rooted in supporting struggling families and marginalised young people in creative ways. The pandemic exacerbated many of the systemic inequalities we aim to reduce. Our local area has above-average levels of childhood poverty, some live in digital poverty, and many are struggling with poor mental health due to isolation, worry and lack of support. In recent years we have allocated additional resources to scale-up work with these under-served audiences. We have also maintained provision to our partner nurseries and primary schools, to tackle COVID's impact on critical early-years development; we've increased pastoral support for care-experienced young adults; and we've developed new strands of community provision, to improve mental wellbeing and widen physical and digital access to the Museum.

Our work with early-years, looked after children and care-experienced young adults is really strong and embedded, and we have further developed plans to bring previously unserved families into our programmes. In addition to extending free admission from 16 to 21 years, we directly mailed 'golden tickets' to over 6,000 households characterised by low levels of cultural engagement and low incomes, to encourage visits. We've recently changed our tone of voice and exhibition titles, to make them more accessible and we have been building a new website around the specific and varied needs of families, particularly those on lower incomes, and we'll be using interactions with it to shape future planning.

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**THE FOUNDLING MUSEUM**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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*The year ahead*

In the year ahead, we look forward to realising two major exhibitions that are underpinned by significant collaborative research. The first, *Superheroes, Orphans & Origins: 125 years in comics* is supported by a curatorial Fellowship funded by the Artisa Foundation, which is enabling us to work with international collections across three continents. The second, *Tiny Traces: African & Asian children at London's Foundling Hospital*, is the result of a Collaborative Doctoral Award studentship between the Museum and the Global History Department at University of Warwick. These exhibitions will involve contemporary art commissions and displays, as well as a rich programme of public events and workshops, designed to reveal the contemporary relevance of these overlooked historic stories.

Work will continue to improve the Museum's sustainability and energy-efficiency, including further lighting upgrades, disconnecting from gas, and renovating the under-pavement vaults, as well as maintaining and conserving the important heritage collections in our care, including our historic building.



Sir Quentin Blake, 'Children with birds and dogs #3', 2019 © The Foundling Museum

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**THE FOUNDLING MUSEUM**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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Structure, Governance and Management

The Foundling Museum ('The Museum') was incorporated at the instigation of The Thomas Coram Foundation for Children ('Coram' - registered charity number 312278) on 20 August 1998 as a company limited by guarantee and is governed by its Articles of Association. It was registered with the Charity Commission on 24 August 1998 (registered charity number 1071167). Coram was formerly known as The Foundling Hospital. In July 2014 the Museum filed new Articles with the Charity Commission. These removed Coram's sole membership, thereby guaranteeing the Museum's independence

Charitable Objects

The Museum was established in 1998 to safeguard the Foundling Hospital Collection, to preserve its integrity in its original context and to provide public access. The Museum subsequently took ownership of the Gerald Coke Handel Collection which is also housed in the building.

The Foundling Museum's charitable objects are:

- To establish and maintain a Museum for the advancement of the education of the general public and of scholars by the documentation, maintenance, conservation, exhibition, study and interpretation of the Collection; and
- To support such of the purposes of the charity now known as Coram as the Museum, in consultation with Coram, shall from time to time determine.

Trading Company

The Museum has a wholly owned subsidiary, The Foundling Museum Trading Company Limited. The company's main activities are the sale of promotional goods and the organisation of events for the benefit of The Foundling Museum. It pays a management charge to the Museum each year as the management and day to day activities of the company are carried out by Museum staff. Any profits made by the company are transferred to the Museum under a Gift Aid compliant Deed of Covenant.

Trustees

The Museum's Board of Trustees meets every three months. It considers an extensive report from the Director about past, current and future activity and, as appropriate, additional papers on future and long term strategy, education, fundraising and development. The Board receives and considers management accounts and financial reports presented by the Chair of the Finance & Audit Committee and the Chair of the Trading Company. The Director and Finance Director attend Board meetings.

The Board of Trustees is supported in its work by Committees of the Board; namely the Finance and Audit Committee which meets formally every three months and includes reports from the Trading Company and the Investment Committee; and the Nominations and Governance Committee which meets approximately twice a year to discuss appointment to the Board of Directors. All Committees of the Board are comprised of Trustees plus at least one independent member. The Board receives advice through the Director from an Exhibitions Advisory Group.

The trustees who served during the period are listed on Page 1 of this report.

None of the Trustees has any beneficial interest in the company. At 31 March 2022 the company had 14 members, comprising the 13 Trustees and Coram, who each guarantee to contribute £1 in the event of a winding up.

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**THE FOUNDLING MUSEUM**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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Qualifying third-party indemnity provision for the benefit of the Directors was in force during the year.

Trustees are appointed following a review by the Nominations and Governance Committee and the Board of the relevant skills and experience required by the Museum. Trustees' contribution is assessed formally every two years by the Chairman. The Chair and the Nominations Committee formally review Board effectiveness every other year. A formal review of the Chair's performance is carried out every other year by a Trustee, taking feedback from Trustees and senior leadership team members.

Trustee recruitment focusses on securing a committed and engaged Board of individuals from diverse backgrounds and with broad experience across finance, the arts, architecture, business and commerce, communications, education, childcare and risk management. New Trustees receive induction, including extensive background material to ensure they are familiar with the history of the Museum and its relationship with Coram, as well as Charity Commission documents outlining their responsibilities under charity law. Trustees also meet with the Director to familiarise themselves with the Museum's running, its aims, objectives and financial results. Trustees are required to undergo ongoing training during their period in post in accordance with recommended practice. The nature of the Board, being a diverse mix of skills and experience enables informal training between trustees as well as more formal instruction as necessary.

Management of the Museum

Trustees delegate day to day management of the Museum to the Director and other senior management under a Board-approved delegated authority framework. Trustee committees are held in order for the trustees to take decisions as agreed and delegated by the full Board and as detailed in each committee's Terms of Reference. Full Board authority is required for major financial and organisational decisions, generally recommended a course of action by the Finance and Audit Committee. Day to day operational decisions are made by senior management, in conjunction with trustees whose specific experience in a particular field may provide vital advice and direction.

Senior Management pay and benefits are authorised by the Board whereas the staff annual pay review is considered as part of the annual budget process. Benchmarking is undertaken for all new staff recruitment to ensure competitiveness of salaries offered. The budget is set in the fourth quarter of each year for the following year and requires full Board approval before implementation.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, which include the financing of the Museum's operations and safeguarding the Museum's exhibits. The Trustees are satisfied that systems are in place to mitigate the exposure to the major risks which are:

- The uncertain financial climate caused by general economic conditions and the continued effect of the Covid-19 pandemic:

The Museum has a six-month reserves policy to cover operational costs. Senior management review the income and costs on a regular basis and present their reports to trustees for examination and review of strategic objectives and annual plans. Future expenditure and income projections are reforecast and objectives reset according to the latest figures. After salaries, exhibitions are the Museum's biggest expenditure. They have to be confirmed 18-24 months in advance of opening and usually before funding is in place. Therefore, the Museum holds an Exhibition Shortfall designated reserve to mitigate the financial risk.

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**THE FOUNDLING MUSEUM**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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- **Loss of key personnel:**

The Museum's staff team is small, many work part-time or freelance, and most staff have sole responsibility for their area of work. Succession planning is therefore hard and the loss of senior staff can be particularly problematic. To mitigate this risk, senior managers have a three month notice period, staff are prevented from building up untaken leave, salaries are in line with sector-equivalent institutions, and every effort is made to provide an environment in which staff feel supported, valued and developed.

- **Pensions deficit:**

The Museum participates in a scheme operated by The Pensions Trust which is classified as a 'last man standing arrangement'. The deficit attributable to the Museum is being repaid on a monthly basis and reduces each year.

Relationship with the Gerald Coke Handel Foundation

The Gerald Coke Handel Collection is owned by the Museum. It is an internationally- important collection of material relating to Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera. It was assembled by Gerald Coke and left to the nation by his widow, and came to the Museum through the Government's Allocation in Lieu scheme in 2008. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation (registered charity number 1058589), formed in 1996 to administer the endowment and assist the Museum with the Collection's care. The Foundation's primary aim is to ensure the maintenance, conservation and development of the Collection. Its objectives are to advance public education by providing research facilities in relation to Handel and his contemporaries. The Foundation continues to acquire heritage assets. The Museum receives funding from the Foundation in relation to services provided, amounting to £153,683 (2021:£119,865) in the year under review.

Fundraising

The Museum takes care with both the tone of its communications and the accuracy of its data, it never swaps data with other organisations and ensures that its communication preferences can be changed at any time. Broadly speaking, the Museum uses data of a personal nature to keep in touch with people who are interested in its activities; to keep them informed about activities and developments; to provide services to visitors and supporters; and to identify ways in which people can support the Museum, through donations and/or other forms of financial and non-financial support. The Museum manages its own fundraising activities and does not employ the services of external professional fundraisers.

The Museum undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year under review, the Museum received no complaints about its fundraising activities. The Museum's fundraising activities are also conducted in line with its Ethics Policy which includes Ethical Fundraising, requiring the Museum to proactively carry out due diligence on prospective donors and sponsors. The Ethics Policy is regularly reviewed by Trustees and is consistent with the Museums Association's Code of Ethics for Museums and the Code of Ethics for Museums Worldwide produced by ICOM, and the Seven Principles of Public Life (Nolan Committee, March 1996).

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**THE FOUNDLING MUSEUM**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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Our Supporters

The Museum is an independent charity and receives no regular core public funding. The Trustees would like to pay tribute to the generosity of donors, supporters and volunteers, without whom the Museum would be unable to realise its ambitions and run its programmes.

*1700 Club Members*

David Bernstein  
Andrew Fane  
Grant and Brigitte Gordon  
Isobel and Michael Holland  
Larissa Joy  
Julia and Jamie Komer  
Annie Mackerson-Sandbach  
Jim Moyes  
David Pike  
Sir Simon and Lady Robey  
Sir David and Lady Verey  
Vernon Ellis Foundation

*Individual Supporters*

Robert Aitken  
Richard and Diana Allen  
Judith and William Bollinger  
Peter Brown  
John Caldicott  
Professor Graham Chase  
Tim Clark  
Justine and Patrick Cowan  
Jane King  
Steven and Sonya Larcombe  
Jim Moyes  
James Paradise  
David Pike  
Rhoderick Voremberg

And those who wish to remain anonymous

*Corporate Supporters*

Ecclesiastical Insurance

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**THE FOUNDLING MUSEUM**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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*Trusts and Foundations*

Art Fund  
The Artisa Foundation  
Arts Council England  
Baring Foundation  
The Blyth Watson Charitable Trust  
The Childhood Trust  
The Clore Duffield Foundation  
Daiwa Anglo-Japanese Foundation  
Esmée Fairbairn Foundation  
Ethos Foundation  
The Golden Bottle Trust  
The Great Britain Sasakawa Foundation  
John Lyons Charity  
The Murray Family  
The Loveday Charitable Trust  
The Museums Association  
Oak Foundation  
The Old Coram Association  
The Pilgrim Trust  
The Rose Foundation

And those who wish to remain anonymous

*Covid-19 Emergency Funding*

The Museum continued to benefit from emergency funding it received in response to the Covid-19 pandemic and remains grateful Arts Council England's Culture Recovery Fund, the National Lottery Heritage Fund Heritage Emergency Fund, and the London Community Response Fund & The Rank Foundation DCMS Covid-19 Response Programme.

The Trustees would also like to thank the many guides and members of the Open College of the Arts (OCA), who donate their speakers' fees to support Collection acquisitions, as well as the Museum's wonderful team of volunteers, who undertake research and help care for visitors and the collections.

The Trustees would also like to acknowledge the continuing active support of the Museum's Vice Presidents, Brian Allen, Alan Borg, David Coke, Jamie Komer and Carolyn Steen, International Trustee Emeritus, Judy Bollinger, and the many advisers whose invaluable expertise contributes greatly to the Museum's success.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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Financial Review

The statement of financial activities for the year ended 31 March 2022 shows total income of £1,745,520 (2021 - £2,237,310). This included the final Covid emergency grants of £150,000 (2021 - £567,300), grants from the Oak Foundation of £350,000 (2021 - £531,853) and income from the Coronavirus Job Retention Scheme of £7,847 (2021 - £129,598). The reduction in income over last year is in large part due to the reduced Covid grants. The trustees are currently submitting a business interruption insurance claim which, if successful, could further mitigate the negative financial impact of the Covid closure period on income.

The total expenditure in the year was £1,881,611 (2021 - £1,521,987) of which expenditure on conserving the Collection and developing and maintaining the Museum amounted to £1,836,776 (2021 - £1,500,555). The net loss for the year before investment gains was £136,091 (2021 - net income £715,323).

Net investment gains of £313,510 (2021 - gains of £387,939) were recognised in the year ended 31 March 2022 and actuarial gains of £3,500 have been recognised (2021 - gains of £1,500).

In accordance with Financial Reporting Standard 102, the financial statements include heritage assets with a total valuation of £9,518,198. Further details are in Note 16 to the financial statements. As at 31 March 2022, the net assets of The Foundling Museum Group were £12,597,982 (2021 - £12,417,063).

Reserves policy

The Trustees have considered the scale, complexity and risk profile of the charity and taken account of the funding base which consists of grants from trusts and foundations, investment income, donations and self-generated income. Account has been taken of the effects of economic downturns particularly on self-generated income and the time bars on applications to trusts and foundations especially for core funding. As a result, income generation can be variable and cause material fluctuations in working capital which, although often unpredictable, generally are short term and longer term our reserves position continues to be positive.

In order to mitigate the effects of the variable reserves position, the Trustees, consider it prudent for the Museum to carry free reserves equivalent to approximately six month's budgeted operating expenditure and also to designate specific sums from the unrestricted reserve for particular areas of expenditure.

The reserves policy is reviewed by the Trustees annually as part of the planning and budget process.

At the end of the financial year the Unrestricted Reserves are:

General Fund	£1,672,578
Designated Fund	£1,055,000

The designated funds are detailed in Note 23; the two largest balances are:

- The Museum has a £3 million endowment loan from the National Heritage Memorial Fund, repayable in 2028. The NHLF Shortfall designated fund is set aside to cover any difference between the loan balance and the listed investment portfolio. At 31 March 2022, this designated fund balance was £300,000.

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**THE FOUNDLING MUSEUM**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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- The Museum is about to enter a period of fundraising to secure its long-term future. It is setting out to secure 40 Brunswick Square under a 999 year lease so that it can remain open as a Museum to the public and to ensure that the Foundling Hospital Collection, Foundling Museum Collection and Gerald Coke Handel Collection can be cared for and kept together for the nation and that the Museum's award winning creative work with care leavers and in the early years continues. A fund of £600,000 has been set aside as a contribution to this and to the costs associated with the campaign.

The designated funds are reviewed each year by the trustees; this year they have repurposed some of the funds but the level remains the same as there is no requirement to designate further funds or to un-designate any back to general reserve at this time.

The general fund net of fixed assets is £535,059 which when combined with the designated funds provide a free reserve of £1,590,059. The budget for 2022/23 estimates expenditure to be £1.88m so the amount of free reserve comfortably provides the Museum with the required cover of six month's expenditure.

Restricted reserves are also held but ring fenced to the project for which the income was provided. These are detailed in Note 23 and amount to £9,870,404 at the end of the financial year. The largest of these is the balance of £9,518,198 representing the heritage assets owned by the Museum.

#### Investment policy

Under the Memorandum and Articles of Association, the charity has powers to invest in any way the Trustees wish.

The Museum has a £3 million loan from the National Heritage Memorial Fund, repayable in 2028, which has been invested in a fund managed by our appointed investment managers. The investment policy applied to the fund reflects the Trustees' commitment to sustain the objects of the Museum by maintaining the capital and income of the sum and to grow both of these over time. In this manner the Trustees aim to realise their ambitions to promote the Museum, to expand its activities to an increasing visitor base and to purchase the assets from its sister charity, Coram Family. The achievement of these and other aims requires continuous capital and income improvement.

The Museum also has a Supporters' Loan scheme whereby supporters may loan funds to the Museum which we then invest. The lenders receive no income during the period of the loan but may at any time request their loan to be returned with income added, subject to certain limits. These funds are managed in the same way but disclosed separately in the balance sheet as current assets due to their nature.

The Trustees have appointed Veritas Investment Management to manage, on a discretionary basis, a multi-asset portfolio which comprises, within defined and flexible ranges, a mixture of property, fixed interest, global equities and cash. To satisfy the Museum's financial objectives and targets, in which returns from their investments play an essential role, the Trustees have focussed on total return, to which reliable and sustainable income make an important contribution.

The trustees are also mindful of their responsibilities to invest in an ethical way and have instructed Veritas accordingly. The portfolio is reviewed and discussed at twice yearly Investment Committee meetings. The Committee comprises trustees and third party experts whose freely given advice and guidance is much appreciated.

In 2021/22 the managers achieved a return of 3.5%.

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**THE FOUNDLING MUSEUM**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees' Report has been prepared in accordance with the special provisions under Part 15 of the Companies Act 2006 relating to small companies and the Museum has taken advantage of the small companies' exemptions in preparing the Trustees' Report and the requirement to prepare a Strategic Report."

This report was approved and authorised for issue by the Trustees and signed on their behalf by:



.....  
**Larissa Joy OBE**  
**Chair**

Date: 5/12/2022

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Members of the Board of Trustees and signed on their behalf by:



**Larissa Joy OBE**  
Trustee  
Date: 5.12.22

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOUNDLING MUSEUM**

---

**Opinion**

We have audited the financial statements of The Foundling Museum (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 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 and the Charities Act 2011.

**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 Auditor's 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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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOUNDLING MUSEUM (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 Auditor's 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of Trustees**

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

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOUNDLING MUSEUM (CONTINUED)**

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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.

**Auditor's 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 Auditor's 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:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

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

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOUNDLING MUSEUM (CONTINUED)**

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**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, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditor's 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.



**Stuart McKay BSc FCA DChA (Senior Statutory Auditor)**

for and on behalf of

**MHA MacIntyre Hudson**

Statutory Auditor

London, United Kingdom

Date: 19.12.2022

**THE FOUNDLING MUSEUM**  
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	As restated Total funds 2021 £
<b>Income from:</b>					
Donations, grants and legacies	4	725,630	671,572	1,397,202	2,062,008
Charitable activities	5	124,972	-	124,972	38,230
Other trading activities	6	128,008	-	128,008	24,462
Investments	7	95,338	-	95,338	112,610
<b>Total income</b>		<b>1,073,948</b>	<b>671,572</b>	<b>1,745,520</b>	<b>2,237,310</b>
<b>Expenditure on:</b>					
Raising funds:	8				
Expenditure incurred by trading subsidiary		49,280	-	49,280	22,102
Raising funds		123,634	-	123,634	89,462
Charitable activities	9	1,092,381	616,316	1,708,697	1,410,423
<b>Total expenditure</b>		<b>1,265,295</b>	<b>616,316</b>	<b>1,881,611</b>	<b>1,521,987</b>
Net gains on investments		313,510	-	313,510	387,939
<b>Net income</b>		<b>122,163</b>	<b>55,256</b>	<b>177,419</b>	<b>1,103,262</b>
Transfers between funds	23	(60,000)	60,000	-	-
<b>Net movement in funds before other recognised gains</b>		<b>62,163</b>	<b>115,256</b>	<b>177,419</b>	<b>1,103,262</b>
<b>Other recognised gains:</b>					
Actuarial gains	28	3,500	-	3,500	1,500
<b>Net movement in funds</b>		<b>65,663</b>	<b>115,256</b>	<b>180,919</b>	<b>1,104,762</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		2,661,915	9,755,148	12,417,063	11,312,301
Net movement in funds		65,663	115,256	180,919	1,104,762
<b>Total funds carried forward</b>		<b>2,727,578</b>	<b>9,870,404</b>	<b>12,597,982</b>	<b>12,417,063</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 27 to 60 form part of these financial statements.

**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03621861**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Tangible fixed assets	15		<b>1,137,519</b>		<b>1,137,888</b>
Heritage assets	16		<b>9,518,198</b>		<b>9,458,198</b>
Investments	17		<b>3,049,840</b>		<b>3,076,615</b>
			<b>13,705,557</b>		<b>13,672,701</b>
<b>Current assets</b>					
Stocks	19	<b>24,909</b>		<b>37,406</b>	
Debtors: Amounts falling due within one year	20	<b>219,007</b>		<b>95,178</b>	
Investments	18	<b>1,062,519</b>		<b>829,041</b>	
Cash at bank and in hand	26	<b>1,367,050</b>		<b>1,517,719</b>	
		<b>2,673,485</b>		<b>2,479,344</b>	
Creditors: Amounts falling due within one year	21	<b>(701,560)</b>		<b>(638,982)</b>	
<b>Net current assets</b>			<b>1,971,925</b>		<b>1,840,362</b>
<b>Total assets less current liabilities</b>			<b>15,677,482</b>		<b>15,513,063</b>
Creditors: amounts falling due after more than one year	22		<b>(3,000,000)</b>		<b>(3,000,000)</b>
Defined benefit pension scheme liability	28		<b>(79,500)</b>		<b>(96,000)</b>
<b>Total net assets</b>			<b>12,597,982</b>		<b>12,417,063</b>
<b>Charity funds</b>					
Restricted funds	23		<b>9,870,404</b>		<b>9,755,148</b>
Unrestricted funds	23		<b>2,727,578</b>		<b>2,661,915</b>
<b>Total funds</b>			<b>12,597,982</b>		<b>12,417,063</b>

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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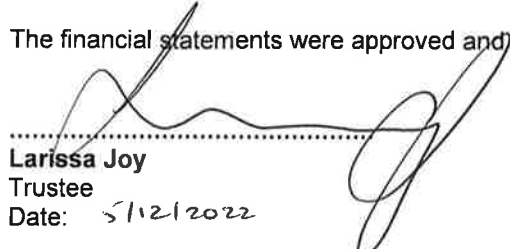
**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03621861**

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**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2022**

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



.....  
**Larissa Joy**

Trustee

Date: 5/12/2022

The notes on pages 27 to 60 form part of these financial statements.

**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03621861**

**CHARITY BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Tangible fixed assets	15		<b>1,137,519</b>		<i>1,137,888</i>
Heritage assets	16		<b>9,518,198</b>		<i>9,458,198</i>
Investments	17		<b>3,049,842</b>		<i>3,076,617</i>
			<b>13,705,559</b>		<i>13,672,703</i>
<b>Current assets</b>					
Stocks	19	<b>4,279</b>		<i>5,228</i>	
Debtors: Amounts falling due within one year	20	<b>319,536</b>		<i>146,642</i>	
Investments	18	<b>1,062,519</b>		<i>829,041</i>	
Cash at bank and in hand		<b>1,237,490</b>		<i>1,504,767</i>	
		<b>2,623,824</b>		<i>2,485,678</i>	
Creditors: Amounts falling due within one year	21	<b>(634,096)</b>		<i>(629,913)</i>	
<b>Net current assets</b>			<b>1,989,728</b>		<i>1,855,765</i>
<b>Total assets less current liabilities</b>			<b>15,695,287</b>		<i>15,528,468</i>
Creditors: amounts falling due after more than one year	22		<b>(3,000,000)</b>		<i>(3,000,000)</i>
Defined benefit pension scheme liability	28		<b>(79,500)</b>		<i>(96,000)</i>
<b>Total net assets</b>			<b>12,615,787</b>		<i>12,432,468</i>
<b>Charity funds</b>					
Restricted funds	23		<b>9,870,404</b>		<i>9,755,148</i>
Unrestricted funds	23		<b>2,745,383</b>		<i>2,677,320</i>
<b>Total funds</b>			<b>12,615,787</b>		<i>12,432,468</i>

The Charity's net movement in funds for the year was £183,319 (2021 - £1,120,167).

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03621861**

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**CHARITY BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2022**

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



.....  
**Larissa Joy**  
Trustee

Date: 5/12/2022

The notes on pages 27 to 60 form part of these financial statements.

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	25	<b>(74,663)</b>	989,725
<b>Cash flows from investing activities</b>			
Investment income	7	<b>95,338</b>	112,610
Purchase of tangible fixed assets	15	<b>(205,505)</b>	(59,902)
Proceeds from sale of investments	17	<b>(483,653)</b>	516,095
Purchase of investments	17	<b>633,157</b>	(650,452)
Purchase of heritage assets	16	<b>(60,000)</b>	-
<b>Net cash used in investing activities</b>		<b>(20,663)</b>	<b>(81,649)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(95,326)</b>	<b>908,076</b>
Cash and cash equivalents at the beginning of the year		<b>1,864,645</b>	956,569
<b>Cash and cash equivalents at the end of the year</b>	26	<b>1,769,319</b>	1,864,645

The notes on pages 27 to 60 form part of these financial statements

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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**1. General information**

The Foundling Museum is a charitable company limited by guarantee and is registered with the Charity Commission (Charity Registered Number: 1071167) and the Registrar of Companies (Company Registration Number: 03621861) England and Wales.

The address of the registered office is given in the Group and Charity information on page 1 of these financial statements.

The nature of the Group and Charity's operations and principal activities are detailed within the Trustees Report.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**2. Accounting policies**

**2.1 Basis of preparation and consolidation 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Foundling Museum 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 financial statements have been presented in sterling, which is also the functional currency of the Group and are rounded to the nearest pound.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary 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.

**2.2 Going concern**

The Trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Group and Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Group and Charity has adequate resources to continue in operational existence for the foreseeable future, with no material uncertainties. The Group and Charity therefore continues to adopt the going concern basis in preparing its financial statements.

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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**2. Accounting policies (continued)**

**2.3 Income**

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

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

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

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

**2.4 Expenditure**

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Expenditure is inclusive of irrecoverable VAT.

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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**2. Accounting policies (continued)**

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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:

Leasehold improvements	- From the date of completion of the relevant improvement to the end of the lease term
Office equipment and Fixtures and fittings	- 25% on cost
Website and digital branding	- 25% on cost

**2.6 Heritage assets**

The Museum safeguards its Heritage Assets and offers the public access to its collections. The Museum's artefacts include paintings, furniture and items from the Foundling Hospital Collection as well as items of contemporary art, ceramics and archival material relating to the Foundling Hospital and also the Gerald Coke Handel Collection. The assets are defined as Heritage Assets for the purpose of these financial statements as they are held as part of the primary purposes of the charity and to further an understanding of social history and culture.

Heritage assets are included on the balance sheet at cost, or where cost is not available, a valuation that reflects the value of the asset at the time it was acquired by the charity. Such assets are not depreciated. Any impairment in the value of an asset is treated as charitable expenditure in the year in which it arises.

**2.7 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.

**2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Accounting policies (continued)**

**2.9 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.

**2.10 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.

**2.11 Liabilities and provisions**

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

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

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

Concessionary loans represent loans received by the Charity to further its purposes at an interest rate below the prevailing marked rates. The Charity recognises its concessionary loan at the loan's net present value but considers the difference between this value and its original value to be immaterial; as such, the concessionary loan has been recognised at its original value in these financial statements.

**2.12 Financial instruments**

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 20. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Notes 21 and 22. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Accounting policies (continued)**

**2.13 Pensions**

The Charity contributed to a defined benefit scheme operated by The Pensions Trust, which provides benefit based on average pensionable salary. The Charity ceased to offer the scheme to its current employees on 31 December 2011, but continues to operate the scheme for the former employees who were part of the scheme. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Scheme is a multi-employer scheme where the Scheme assets are commingled for investment purposes, and benefits are paid from the total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS 102 represents the employer contribution payable. Contributions in respect to personal pension schemes and defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the relevant scheme. The Charity also contributes to a defined contribution scheme, currently operated by Royal London.

**2.14 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

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**THE FOUNDLING MUSEUM**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Accounting policies (continued)**

**2.15 Prior year restatements**

During the year the Trustees made several reassessments of values included in the accounts for the year ended 31 March 2021:

- Other income in the accounts for the year ended 31 March 2021 included values relating to Coronavirus Job Retention Scheme funding and Exhibition Tax Relief claims. The Trustees now consider the classification of such income as grants and income from charitable activities, respectively, to be more in line with the SORP and have reclassified the income accordingly - see Notes 4 and 5.
- The accounts for the year ended 31 March 2021 classified the majority of expenditure incurred by the Subsidiary as expenditure on charitable activities. The Trustees now consider this expenditure to better represent expenditure on raising funds and have reclassified this value accordingly. Furthermore, total support costs had not been allocated between expenditure on raising funds and expenditure on charitable activities in the accounts for the year ended 31 March 2021. The Trustees now consider total support costs to relate to both activities and have allocated them accordingly - see Notes 8, 9 and 10.
- The average number of staff had been calculated on a full-time equivalent basis in the year ended 31 March 2021, contrary to the SORP. This value has subsequently been recalculated - see Note 12.
- Other creditors in the accounts for the year ended 31 March 2021 included a significant value of liabilities which the Trustees now consider to better represent accruals and deferred income. This balance has subsequently been adjusted - see Note 21.

The prior year restatements noted above have not had any impact on the net result for the year ended 31 March 2021.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**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:

- estimating the useful economic life of tangible fixed assets for the purposes of calculating depreciation;
- estimating the value of heritage assets as at the date they were acquired where this information is not available;
- estimating any necessary provision against slow moving or obsolete stock held at year- end;
- assessing the appropriateness of the underlying assumptions made by the actuary in the valuation of the defined benefit pension scheme;
- determining the basis for the allocation of support and governance costs between expenditure on raising funds and on charitable activities;
- estimating taxation recoverable under the Exhibition Tax Relief Scheme for charities;
- and estimating future income and expenditure flows for the purpose of assessing going concern.

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**4. Income from donations, grants and legacies**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Donations	114,100	205,801	<b>319,901</b>
Legacies	50,000	-	<b>50,000</b>
Grants	561,530	465,771	<b>1,027,301</b>
	<u>725,630</u>	<u>671,572</u>	<u><b>1,397,202</b></u>

Included within Grants above are Government grants of £7,847 (2021 - £129,598) relating to the Coronavirus Job Retention Scheme. There were no unfulfilled conditions attached to these Government grants as at the either year end.

	<i>As restated Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>As restated Total funds 2021 £</i>
Donations	100,532	108,203	208,735
Grants	1,115,507	737,766	1,853,273
	<u>1,216,039</u>	<u>845,969</u>	<u>2,062,008</u>

**5. Income from charitable activities**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Admissions and other museum income	124,972	<b>124,972</b>
	<u>124,972</u>	<u><b>124,972</b></u>
	<i>As restated Unrestricted funds 2021 £</i>	<i>As restated Total funds 2021 £</i>
Admissions and other museum income	38,230	38,230
	<u>38,230</u>	<u>38,230</u>

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**6. Income from other trading activities**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Income received by trading subsidiary	128,008	<b>128,008</b>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Income received by trading subsidiary	24,462	24,462

**7. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Interest receivable	220	220
Investment income	95,118	<b>95,118</b>
	95,338	<b>95,338</b>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Interest receivable	386	386
Investment income	112,224	112,224
	112,610	112,610

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**8. Expenditure on raising funds**

**Fundraising trading expenses**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Raising funds	5,216	<b>5,216</b>
Investment manager fees	19,008	<b>19,008</b>
Support costs	55,178	<b>55,178</b>
Support costs - Staff costs	44,232	<b>44,232</b>
Expenditure incurred by trading subsidiary	49,280	<b>49,280</b>
	<u>172,914</u>	<u><b>172,914</b></u>
	<i>As restated Unrestricted funds 2021 £</i>	<i>As restated Total funds 2021 £</i>
Raising funds	1,823	1,823
Investment manager fees	19,608	19,608
Support costs	30,395	30,395
Support costs - Staff costs	37,636	37,636
Expenditure incurred by trading subsidiary	22,102	22,102
	<u>111,564</u>	<u>111,564</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**Expenditure on raising funds (continued)**

**8. Raising funds - Analysis of support costs**

	<b>Total funds</b>	<i>As restated</i>
	<b>2022</b>	<i>Total funds</i>
	<b>£</b>	<i>2021</i>
		<b>£</b>
Staff costs	<b>44,232</b>	<i>37,636</i>
Depreciation	<b>18,919</b>	<i>13,455</i>
Governance costs	<b>974</b>	<i>514</i>
Development costs	<b>2,031</b>	<i>-</i>
Press and Marketing	<b>7,098</b>	<i>1,888</i>
Office costs	<b>3,454</b>	<i>577</i>
Subscriptions/Memberships	<b>254</b>	<i>203</i>
Legal, Audit and Professional Fees	<b>1,434</b>	<i>603</i>
Finance Costs/Irrecoverable VAT	<b>6,697</b>	<i>3,607</i>
Occupancy costs	<b>14,317</b>	<i>9,548</i>
	<b>99,410</b>	<i>68,031</i>

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**9. Analysis of expenditure on charitable activities - by fund**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>
Museum Operating Costs	1,082,851	616,316	<b>1,699,167</b>
Conservation	9,530	-	<b>9,530</b>
	<u>1,092,381</u>	<u>616,316</u>	<u><b>1,708,697</b></u>
	<i>As restated Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>As restated Total 2021 £</i>
Museum Operating Costs	622,722	746,851	1,369,573
Conservation	40,850	-	40,850
	<u>663,572</u>	<u>746,851</u>	<u>1,410,423</u>

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**10. Analysis of expenditure by charitable activities - by type**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Museum Operating Costs	722,301	976,866	<b>1,699,167</b>
Conservation	4,051	5,479	<b>9,530</b>
	<u>726,352</u>	<u>982,345</u>	<u><b>1,708,697</b></u>
	<i>Activities undertaken directly 2021 £</i>	<i>As restated Support costs 2021 £</i>	<i>As restated Total funds 2021 £</i>
Museum Operating Costs	534,414	835,159	1,369,573
Conservation	15,940	24,910	40,850
	<u>550,354</u>	<u>860,069</u>	<u>1,410,423</u>

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**10. Analysis of expenditure by charitable activities - by type (continued)**

**Analysis of support costs**

	<b>Total funds 2022 £</b>	<i>As restated Total funds 2021 £</i>
Staff costs	437,093	475,801
Depreciation	186,955	170,105
Governance costs	9,627	6,499
Development Costs	20,065	-
Press and Marketing	70,142	23,874
Office costs	34,140	7,294
Subscriptions/Memberships	2,509	2,567
Legal, Audit and Professional Fees	14,168	7,628
Finance Costs/Irrecoverable VAT	66,173	45,595
Occupancy costs	141,473	120,706
	<b>982,345</b>	<b>860,069</b>

**11. Governance costs**

	<b>2022 £</b>	<i>2021 £</i>
Auditor's remuneration - Audit services	12,000	10,700
Auditor's remuneration - Non-audit services	6,575	-
Other governance costs	76	1,713
	<b>18,651</b>	<b>12,413</b>

The table above discloses the Group's total governance costs. This total is made up of the Charity's governance costs, as detailed in Notes 8 and 10 above, and the Subsidiary's governance costs, which totaled £8,050 (2021 - £5,400) and which are included within 'Expenditure incurred by trading subsidiary' in Note 8 above.

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**12. Staff costs**

	<b>Group 2022</b>	<i>Group 2021</i>	<b>Charity 2022</b>	<i>Charity 2021</i>
	£	£	£	£
Wages and salaries	<b>671,902</b>	731,357	<b>671,902</b>	731,357
Social security costs	<b>65,582</b>	50,174	<b>65,582</b>	50,174
Pension costs	<b>15,979</b>	18,091	<b>15,979</b>	18,091
	<b>753,463</b>	799,622	<b>753,463</b>	799,622

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

	<b>Group 2022 No.</b>	<i>Group As restated 2021 No.</i>
Senior management	<b>2</b>	2
Museum administration	<b>31</b>	19
	<b>33</b>	21

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

	<b>Group 2022 No.</b>	<i>Group 2021 No.</i>
In the band £80,001 - £90,000	<b>2</b>	2

The Key Management Personnel of the Museum in charge of directing and controlling, running and operating the museum on a day to day basis comprise the Trustees together with the Chief Executive and the Finance Director.

The total remuneration (including taxable benefits, employers's pension and national insurance contributions) payable to Key Management Personnel during the year was £209,766 (2021 - £206,867). Executives remuneration is set by the Finance and Audit Committee and reviewed annually.

**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 totalling £1,200 were reimbursed or paid directly to 1 Trustee (2021 - £NIL to no Trustees). These expenses are in relation to a fee given to all the essay contributors to the Superheroes exhibition catalogue.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. Taxation**

The Foundling Museum is a registered Charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The Foundling Museum Trading Company Limited donates its taxable profits (if any) to The Foundling Museum via a Gift Aid compliant deed of covenant.

**15. Tangible fixed assets**

**Group and Charity**

	Leasehold improvements £	Office equipment, fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 April 2021	3,929,876	355,876	4,285,752
Additions	60,091	145,414	205,505
At 31 March 2022	<u>3,989,967</u>	<u>501,290</u>	<u>4,491,257</u>
<b>Depreciation</b>			
At 1 April 2021	2,874,840	273,024	3,147,864
Charge for the year	173,134	32,740	205,874
At 31 March 2022	<u>3,047,974</u>	<u>305,764</u>	<u>3,353,738</u>
<b>Net book value</b>			
At 31 March 2022	<u>941,993</u>	<u>195,526</u>	<u>1,137,519</u>
At 31 March 2021	<u>1,055,036</u>	<u>82,852</u>	<u>1,137,888</u>

Included within office equipment, fixtures and fittings are assets with a net book value of £82,791 (2021 - £31,980) in respect to the Charity's website and digital branding.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. Heritage assets**

**Group and Charity**

**Assets recognised at cost**

	<b>Museum artefacts 2022 £</b>
Carrying value at 1 April 2021	9,458,198
Additions	60,000
	<hr/>
	9,518,198
	<hr/> <hr/>

The Museum has in the past obtained various assets where the donors have placed conditions or legal charges to restrict their use. Primarily these assets are allowed to be displayed to the public, but the Museum cannot benefit from the intrinsic value of these assets other than from the income they generate. In the event that the Museum were no longer to comply with the conditions imposed by the donors, the assets would be removed from the Museum and offered to other charities, without compensation being due to the Museum for the loss of those assets.

The Museum holds two assets which fall into this category, a painting obtained with funding from The National Heritage Memorial Fund ("NHMF") and The Gerald Coke Handel Collection received from The Museums and Libraries Archives Council. In accordance with the requirement of the Charities SORP FRS 102, both these assets are recognised in the financial statements. The painting is included at £4,000,000 which reflects the value when acquired by the NHMF in 2003 and The Gerald Coke Handel Collection is included at £4,825,240 as valued by Christie's in 2006.

Other heritage assets acquired by the Museum are included on the Balance Sheet at cost.

Heritage assets are held in a separate fund as this represents assets where the Charity owns the legal title but where the original owners or the donors of the assets have placed legal restrictions on the assets' sale or disposal.

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**17. Fixed asset investments**

<b>Group</b>	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2021	3,076,615
Additions	483,653
Disposals	(633,157)
Revaluations	108,002
Cash held for reinvestment	14,727
At 31 March 2022	<u>3,049,840</u>
<b>Net book value</b>	
At 31 March 2022	<u>3,049,840</u>
At 31 March 2021	<u>3,076,615</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 2021	2	3,076,615	3,076,617
Additions	-	483,653	483,653
Disposals	-	(633,157)	(633,157)
Revaluations	-	108,002	108,002
Cash held for reinvestment	-	14,727	14,727
At 31 March 2022	<u>2</u>	<u>3,049,840</u>	<u>3,049,842</u>
<b>Net book value</b>			
At 31 March 2022	<u>2</u>	<u>3,049,840</u>	<u>3,049,842</u>
At 31 March 2021	<u>2</u>	<u>3,076,615</u>	<u>3,076,617</u>

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**17. Fixed asset investments (continued)**

**Principal subsidiaries**

The following was a subsidiary undertaking of the Charity:

<b>Name</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Holding</b>
The Foundling Museum Trading Company Limited	05131580	40 Brunswick Square, London, WC1N 1AZ	100%

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus / (Deficit) for the year £</b>	<b>Net assets £</b>
The Foundling Museum Trading Company Limited	128,022	(130,422)	(2,400)	(17,803)

**18. Current asset investments**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity 2021 £</i>
Listed investments	<b>1,062,519</b>	829,041	<b>1,062,519</b>	829,041

**19. Stocks**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity 2021 £</i>
Finished goods	<b>24,909</b>	37,406	<b>4,279</b>	5,228

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**20. Debtors**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity 2021 £</i>
<b>Due within one year</b>				
Trade debtors	<b>121,518</b>	28,170	<b>93,142</b>	19,486
Amounts owed by group undertakings	-	-	<b>130,100</b>	60,848
Other debtors	<b>58,749</b>	58,751	<b>58,525</b>	58,751
Prepayments and accrued income	<b>23,385</b>	8,227	<b>22,414</b>	7,527
Gift aid tax recoverable	<b>15,355</b>	30	<b>15,355</b>	30
	<b>219,007</b>	95,178	<b>319,536</b>	146,642

**21. Creditors: Amounts falling due within one year**

	<b>Group 2022 £</b>	<i>Group As restated 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity As restated 2021 £</i>
Supporters' loan endowment scheme (Note 32)	<b>450,000</b>	450,000	<b>450,000</b>	450,000
Trade creditors	<b>116,245</b>	95,041	<b>105,658</b>	92,263
Other creditors	<b>21,830</b>	2,043	<b>21,543</b>	-
Accruals and deferred income	<b>113,485</b>	91,898	<b>56,895</b>	87,650
	<b>701,560</b>	638,982	<b>634,096</b>	629,913

Loans from supporters have been invested with Veritas and are held as current asset investments (Note 18) as they are repayable with a minimum of two months' notice.

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity 2021 £</i>
Deferred income at 1 April 2021	<b>30,000</b>	-	<b>30,000</b>	-
Resources deferred during the year	<b>49,490</b>	30,000	-	30,000
Amounts released from previous periods	<b>(30,000)</b>	-	<b>(30,000)</b>	-
	<b>49,490</b>	30,000	-	30,000

Deferred income in the year relates to income received in advance for:

- Events and weddings taking place after the year-end

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**22. Creditors: Amounts falling due after more than one year**

	<b>Group</b>	<i>Group</i>	<b>Charity</b>	<i>Charity</i>
	<b>2022</b>	<i>2021</i>	<b>2022</b>	<i>2021</i>
	<b>£</b>	<i>£</i>	<b>£</b>	<i>£</i>
Loan	<b>3,000,000</b>	<i>3,000,000</i>	<b>3,000,000</b>	<i>3,000,000</i>

An endowment loan of £3 million was awarded to the Museum by The National Heritage Memorial Fund. The entire loan is unsecured, interest free and repayable in the full on 31 March 2028.

**THE FOUNDLING MUSEUM**  
(A Company Limited by Guarantee)

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

**23. 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 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Redundancy costs	50,000	-	-	(50,000)	-	-
40 Brunswick Square	600,000	-	-	50,000	-	650,000
Vaults	25,000	-	-	(25,000)	-	-
Exhibition shortfall fund	20,000	-	-	25,000	-	45,000
General Refurbishment/ Sash windows	60,000	-	-	-	-	60,000
NHLF Shortfall fund	300,000	-	-	-	-	300,000
	<b>1,055,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,055,000</b>
<b>General funds</b>						
Tangible fixed assets fund	1,137,888	-	(205,874)	205,505	-	1,137,519
General fund	580,430	945,926	(941,999)	(265,505)	313,510	632,362
Pension reserve fund	(96,000)	-	13,000	-	3,500	(79,500)
Non-charitable trading funds	(15,403)	128,022	(130,422)	-	-	(17,803)
	<b>1,606,915</b>	<b>1,073,948</b>	<b>(1,265,295)</b>	<b>(60,000)</b>	<b>317,010</b>	<b>1,672,578</b>
<b>Total Unrestricted funds</b>	<b>2,661,915</b>	<b>1,073,948</b>	<b>(1,265,295)</b>	<b>(60,000)</b>	<b>317,010</b>	<b>2,727,578</b>

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

**23. 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>						
Conservation fund	640	-	(640)	-	-	-
Paul Mellon Centre/Pilgrim Trust fund	6,316	-	(105)	-	-	6,211
The Clore Duffield Foundation fund	26,951	10,800	(11,362)	-	-	26,389
Exhibitions fund	27,620	61,274	(88,633)	-	-	261
Learning running costs fund	73,536	261,766	(99,247)	-	-	236,055
Collection purchases fund	29,851	87,453	(102,757)	-	-	14,547
Gerald Coke Handel Foundation fund	1,201	7,079	(9,426)	-	-	(1,146)
Oak Foundation fund	15,000	-	(15,000)	-	-	-
China Project fund	32,256	35,000	(40,387)	-	-	26,869
Foyle Foundation fund	16,178	-	(16,178)	-	-	-
Covid Emergency Grants	18,294	150,000	(164,053)	-	-	4,241
Other funds	19,307	33,200	(35,226)	-	-	17,281
Front Desk Project	29,800	25,000	(33,302)	-	-	21,498
Heritage assets fund	9,458,198	-	-	60,000	-	9,518,198
	<b>9,755,148</b>	<b>671,572</b>	<b>(616,316)</b>	<b>60,000</b>	<b>-</b>	<b>9,870,404</b>
<b>Total of funds</b>	<b>12,417,063</b>	<b>1,745,520</b>	<b>(1,881,611)</b>	<b>-</b>	<b>317,010</b>	<b>12,597,982</b>

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

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23. Statement of funds (continued)

The specific purposes for which the funds are to be applied are as follows:

**Designated funds**

**Redundancy costs**

This fund was intended to provide funds for potential redundancy costs during the last two years. This is no longer considered necessary so the funds have been repurposed to the 40 Brunswick Square fund.

**40 Brunswick Square**

The Museum is about to enter a period of fundraising to secure its long term future. It is setting out to secure 40 Brunswick Square under a 999 year lease so that it can remain open as a Museum to the public and to ensure that the Foundling Hospital Collection, Foundling Museum Collection and Gerald Coke Handel Collection can be cared for and kept together for the nation and that the Museum's award winning creative work with care leavers and in the early years continues. A fund of £650,000 has been set aside as a contribution to this and to the costs associated with the campaign.

**Vaults**

The work has been carried out on the vaults during the past financial year so this fund is no longer required and the trustees have repurposed the balance to the Exhibition shortfall fund.

**Exhibition shortfall fund**

This fund has been increased this year using the vaults fund that is longer required. The Trustees appreciate that it is not always possible to fund our temporary exhibitions fully and recognise the need for a designated fund to provide for this eventuality.

**General Refurbishment/ Sash windows**

The sash windows at 40 Brunswick square are in need of refurbishment and this fund for general refurbishment costs includes an allowance for this. We are waiting for permission from our local council to proceed with the work on the sash windows after which the work will commence as soon as is practical.

**NHLF Shortfall fund**

The Trustees provide at the level of 10% for a possible shortfall in the NHLF funding we hold on the balance sheet. The shortfall provision would only become payable should the fund fall significantly below the £3m that is due to be repaid at the point when the debt crystallises.

**Restricted funds**

**Conservation fund**

The conservation fund is for the restoration and maintenance of the paintings, furniture and other artworks exhibited by the Museum.

**Paul Mellon Centre fund**

The Paul Mellon Centre for Studies in British Art have funded the creation of a catalogue of the collection.

**The Clore Duffield Foundation fund**

The Clore Duffield Foundation has funded the Foundling Fellowship, a scheme to find the contemporary Coram, Hogarth and Handel to work with the Museum to develop original, creative initiatives for children and to raise the profile of the museum in those areas.

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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**23. Statement of funds (continued)**

**Exhibitions fund**

The Exhibitions Fund is for the costs of various upcoming exhibitions and displays.

**Learning running costs fund**

The Education Running Costs Fund is to finance the day to day operating activities of the Education Centre, including the Museum's Nursery Project.

**Collection purchases fund**

The Collection purchases fund comprises donations from a variety of sources for the enhancement of the collections.

**Gerald Coke Handel Foundation fund**

The Gerald Coke Handel Foundation fund is for expenditure directly related to the Gerald Coke Handel collection.

**Oak Foundation fund**

The Oak Foundation is funding a three- year training programme aimed at young adults who grew up in foster care or children's homes.

**Trustee of JR Murray fund**

The Trustee of JR Murray fund is to fund the salary of The Director.

**China project fund**

The China project fund is for establishing new ways of generating income.

**Foyle Foundation fund**

The Foyle Foundation fund is for replacing IT equipment.

**Covid Emergency grants**

These grants, principally from Arts Council England, covered a wide range of special projects as well as contributing to payroll and overhead costs to ease the impact of the pandemic on the Museum's programmes and finances.

**Front Desk project**

This project was for the remodelling of the front desk area to make it more welcoming, improve the lighting and the retail shop display area and thereby improve the visitor experience.

**Other funds**

Other funds comprise items of miscellaneous restricted income to be spent on various museum projects.

**Heritage assets fund**

Heritage assets fund matches the cost of the Heritage assets as shown in Note 16.

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

**23. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2020</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 March 2021</i> £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Buildings repair fund	2,000	-	(2,000)	-	-	-
Redundancy costs	-	50,000	-	-	-	50,000
40 Brunswick Square	-	600,000	-	-	-	600,000
Vaults	-	25,000	-	-	-	25,000
Exhibition shortfall fund	20,000	-	-	-	-	20,000
General Refurbishment/ Sash windows	-	60,000	-	-	-	60,000
NHLF Shortfall fund	225,986	74,014	-	-	-	300,000
	<u>247,986</u>	<u>809,014</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>	<u>1,055,000</u>
<b>General funds</b>						
Tangible fixed assets fund	1,261,545	59,902	(183,559)	-	-	1,137,888
General fund	258,740	497,921	(559,170)	(5,000)	387,939	580,430
Pension reserve fund	(107,000)	-	11,000	-	-	(96,000)
Non-charitable trading funds	-	24,503	(39,906)	-	-	(15,403)
	<u>1,413,285</u>	<u>582,326</u>	<u>(771,635)</u>	<u>(5,000)</u>	<u>387,939</u>	<u>1,606,915</u>
<b>Total Unrestricted funds</b>	<u>1,661,271</u>	<u>1,391,340</u>	<u>(773,635)</u>	<u>(5,000)</u>	<u>387,939</u>	<u>2,661,915</u>

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

**23. Statement of funds (continued)**

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£	£
<b>Restricted funds</b>						
Conservation fund	12,387	2,500	(14,247)	-	-	640
Paul Mellon Centre/Pilgrim Trust fund	6,991	-	(675)	-	-	6,316
The Clore Duffield Foundation fund	3,791	25,000	(1,840)	-	-	26,951
Exhibitions fund	-	80,233	(52,613)	-	-	27,620
Learning running costs fund	73,459	24,700	(24,623)	-	-	73,536
Collection purchases fund	30,227	380	(756)	-	-	29,851
Gerald Coke Handel Foundation fund	1,804	5,953	(6,556)	-	-	1,201
Oak Foundation fund	-	31,853	(16,853)	-	-	15,000
Trustee of JR Murray fund	-	40,000	(40,000)	-	-	-
China Project fund	45,268	30,000	(43,012)	-	-	32,256
Foyle Foundation fund	22,675	-	(6,497)	-	-	16,178
Covid Emergency Grants	-	535,300	(517,006)	-	-	18,294
Other funds	1,230	40,250	(22,173)	-	-	19,307
Front Desk Project	-	29,800	-	-	-	29,800
Heritage assets fund	9,453,198	-	-	5,000	-	9,458,198
	<u>9,651,030</u>	<u>845,969</u>	<u>(746,851)</u>	<u>5,000</u>	<u>-</u>	<u>9,755,148</u>
<b>Total of funds</b>	<u><u>11,312,301</u></u>	<u><u>2,237,309</u></u>	<u><u>(1,520,486)</u></u>	<u><u>-</u></u>	<u><u>387,939</u></u>	<u><u>12,417,063</u></u>

**THE FOUNDLING MUSEUM**  
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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**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	1,137,519	-	<b>1,137,519</b>
Fixed asset investments	3,049,840	-	<b>3,049,840</b>
Heritage assets	-	9,518,198	<b>9,518,198</b>
Current assets	2,321,279	352,206	<b>2,673,485</b>
Creditors due within one year	(701,560)	-	<b>(701,560)</b>
Creditors due in more than one year	(3,000,000)	-	<b>(3,000,000)</b>
Provisions for liabilities and charges	(79,500)	-	<b>(79,500)</b>
<b>Total</b>	<b>2,727,578</b>	<b>9,870,404</b>	<b>12,597,982</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	1,137,888	-	1,137,888
Fixed asset investments	3,076,615	-	3,076,615
Heritage assets	-	9,458,198	9,458,198
Current assets	2,182,394	296,950	2,479,344
Creditors due within one year	(638,982)	-	(638,982)
Creditors due in more than one year	(3,000,000)	-	(3,000,000)
Provisions for liabilities and charges	(96,000)	-	(96,000)
<b>Total</b>	<b>2,661,915</b>	<b>9,755,148</b>	<b>12,417,063</b>

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

**25. Reconciliation of net movement in funds to net cash flow from operating activities**

		<b>Group 2022 £</b>	<i>Group 2021 £</i>
Net income for the year (as per Statement of Financial Activities)		<b>177,419</b>	<i>1,103,262</i>
<b>Adjustments for:</b>			
Depreciation charges	15	<b>205,874</b>	<i>183,559</i>
Losses on investments	17,18	<b>(313,510)</b>	<i>(387,939)</i>
Investment income	7	<b>(95,338)</b>	<i>(112,610)</i>
Decrease in stocks	19	<b>12,497</b>	<i>10,407</i>
(Increase)/decrease in debtors	20	<b>(124,183)</b>	<i>94,862</i>
Increase in creditors	22,21	<b>62,578</b>	<i>112,684</i>
Increase in provisions	28	<b>16,500</b>	<i>-</i>
Defined benefit pension scheme finance cost	28	<b>(3,500)</b>	<i>-</i>
Pension scheme costs loss contributions paid	28	<b>(13,000)</b>	<i>(9,500)</i>
Donated heritage assets	16	<b>-</b>	<i>(5,000)</i>
<b>Net cash provided by/(used in) operating activities</b>		<b>(74,663)</b>	<i>989,725</i>

**26. Analysis of cash and cash equivalents**

		<b>Group 2022 £</b>	<i>Group 2021 £</i>
Cash in hand		<b>1,367,050</b>	<i>1,517,719</i>
Cash held by investment managers		<b>402,269</b>	<i>346,926</i>
<b>Total cash and cash equivalents</b>		<b>1,769,319</b>	<i>1,864,645</i>

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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**27. Analysis of changes in net debt**

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	1,517,719	(150,669)	1,367,050
Debt due within 1 year	(450,000)	-	(450,000)
Debt due after 1 year	(3,000,000)	-	(3,000,000)
Liquid investments	829,041	233,478	1,062,519
	<u>(1,103,240)</u>	<u>82,809</u>	<u>(1,020,431)</u>

**28. Defined benefit pension scheme liability**

The Charity participates in the Career Average Revalued Earnings ('CARE') Scheme operated by The Pensions Trust, a multi- employer scheme which provides benefits to some 37 non- associated employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last- man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2016. This actuarial valuation showed assets of £60.45m, liabilities of £85.30m and a deficit of £24.86m. To eliminate this funding shortfall, the Trustees and the participating employers have agreed that additional contributions will be paid to the scheme as follows:

**Deficit contributions**

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From 1 April 2021 to 30 September 2027:	£1,530,000 per annum
	(payable monthly and increasing by 3.0% each year on 1st April)

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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

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

**28. Defined benefit pension scheme liability (continued)**

	2022	2021	2020	2019
	£	£	£	£
Present value of provision	<b>79,500</b>	96,000	107,000	122,000

**Reconciliation of opening and closing provisions:**

	2022	2021
	£	£
Provision at start of period	96,000	107,000
Unwinding of the discount factor (interest expense)	1,000	2,500
Deficit contribution paid	(14,000)	(12,000)
Remeasurements - impact of any change in assumptions	(3,500)	(1,500)
<b>Provision at end of period</b>	<b>79,500</b>	<b>96,000</b>

**Income and expenditure impact**

	2022	2021
	£	£
Interest expense	1,000	2,500
Remeasurements - impact of any change in assumptions	(3,500)	(1,500)
Income (costs) recognised in statement of financial activities	(2,500)	1,000

**Assumptions**

	2022	2021	2020	2019
	%	%	%	%
Present value of provision	<b>2.55</b>	0.98	2.58	1.58

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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**29. Operating lease commitments**

At 31 March 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2022</b>	<i>Group 2021</i>
	£	£
Not later than 1 year	<b>10,040</b>	<i>10,440</i>
Later than 1 year and not later than 5 years	<b>15,926</b>	<i>5,486</i>
	<b>25,966</b>	<i>15,926</i>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	<b>Group 2022</b>	<i>Group 2021</i>	<b>Charity 2022</b>	<i>Charity 2021</i>
	£	£	£	£
Operating lease rentals	<b>10,040</b>	<i>7,719</i>	<b>10,040</b>	<i>7,719</i>

**30. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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**31. Connected charities**

**Coram**

The Foundling Hospital (subsequently the Thomas Coram Foundation and now known as Coram) was established in 1739 by the philanthropist Thomas Coram. Instrumental in helping Coram realise his vision were the artist, William Hogarth and the composer, George Frideric Handel. Hogarth initiated the donation of artworks and Handel gave fundraising performances of Messiah in the Hospital's Chapel. In the process, they created the UK's first public art gallery and set the template for the way the arts could support philanthropy. In 1998 Coram created the Museum to safeguard the Foundling Hospital Collection, to offer public access to the Collection, and to preserve its integrity in its original context. The Foundling Museum's objects include the ability " to support such of the purposes of the charity now known as Coram as the Museum, in consultation with Coram, shall from time to time determine."

Coram is one of 13 company members of The Foundling Museum and nominates up to one third of the trustees of The Foundling Museum and holds retained powers to safeguard its founding principles.

Many of the paintings and other artefacts housed within The Foundling Museum Collection belong to the Foundling Hospital Collection which is owned by Coram but they are held and managed by The Foundling Museum in accordance with a legal agreement for a period of 25 years which commenced in June 2002. Whilst Coram is able to sell any item it owns from the Foundling Hospital Collection to a third party during the period to June 2027, any such sale must be at full market value and the purchaser would have to accept that the item would be sold subject to the unexpired term of the agreement. In addition, The Foundling Museum has the automatic right to be given twelve months in which to raise the money to buy any item that Coram has indicated that it wishes to sell.

During the year, excluding VAT, the Museum paid Coram £14,978 in respect of insurance (2021 - £16,943), £5,945 (2021 - £4,726) for rent and service charge, £1,575 (2021 - £1,260) for waste collection and £60,000 (2021 - £NIL) for the purchase of fine art.

Coram paid the Museum £NIL (2021 - £405) in respect of admissions and paid the Foundling Museum Trading Company £NIL (2021 - £1,470) for venue hire.

At 31 March 2022, the Museum owed Coram £2,161 (2021 - £16,943). The Foundling Museum Trading Company was owed £NIL (2021 - £405) by Coram.

**The Gerald Coke Handel Foundation**

The Gerald Coke Handel Collection is an internationally-important collection of material relating to composer George Frideric Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera.

The Collection was assembled by Gerald Coke over a period of sixty years and left to the nation by his widow with a wish that it be allocated to the Museum in the care of the Handel Institute. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation.

Formed in 1996, the Gerald Coke Handel Foundation administers the endowment that accompanies the Gerald Coke Handel Collection and assists the Foundling Museum with the care of the Collection, which came to the Museum through the Government's Allocation in Lieu scheme.

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**THE FOUNDLING MUSEUM**  
**(A Company Limited by Guarantee)**

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

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**Connected charities (continued)**

The Foundation's objectives are to advance public education by providing research facilities for academics, musicologists, musicians, students, writers, researchers and all those interested in the life and work of Handel, his associates and contemporaries, the musical environment of his time, the printing and publishing of music in the eighteenth century, and related subjects.

Under the terms of a Management Deed dated 23rd July 2003, the Museum received the following sums from The Foundation during the year: £38,015 in respect of licence fees (2021 - £38,015), £53,799 in respect of reimbursement of librarians' employment costs (2021 - £49,831) and £61,869 in relation to premises costs (2021 - £42,063).

**32. Related party transactions**

**Supporters' loan endowment scheme**

The Museum has established a supporters' loan endowment scheme to enable it to benefit from the income generated by the investment of the loaned funds (Notes 18 and 21). The Museum withdraws the income on the fund on a monthly basis and applies such monies towards its charitable objectives. Lenders may withdraw the loan principal by giving 60 days' notice in advance of each quarter date and they are entitled to the original capital plus any capital gains (payable as interest) up to a maximum of 1.5% over the Bank of England base rate over the duration of their loan, or less any capital losses.

The amount loaned to the Museum by Trustees in the year under the scheme and invested in the fund was £NIL (2021 - £NIL), and the accrued interest due to those Trustees was £5,007 (2021 - £2,723). The amounts due to the Trustees at 31 March 2022 was £80,007 (2021 - £77,723).

**Chinese Connections Limited**

On 4 June 2019, a private limited company wholly owned by a former Trustee, Judy Bollinger (who resigned as a Trustee in December 2019), and the Charity secretary and Finance Director, Nigel Cudlipp (who resigned in June 2022), was established with the aim of generating income for the Museum. No income was generated by the company during the year.

**Other related party transactions**

Total trustee donations in the year amounted to £20,178 (2021 - £10,390).

**THE FOUNDLING MUSEUM**

England & Wales - Charity number 1071167

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# Accounts

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# The Foundling Museum

## Annual Report & Financial Statements

31 March 2021

Charity Registration Number 1071167

Company Limited by Guarantee Registration Number 03621861 (England and Wales)



*The Covid Letters: A Vital Update, Poppy, age 11, Liverpool © the artist.*

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## **The Founding Museum**

### **Reference and administrative information**

<b>Trustees</b>	Anne Beckwith-Smith Christopher Cotton Jeremy Deller William Gore Ronald Gould Perdita Hunt Claire Jeffers Larissa Joy (Chair) Lord Simon Russell of Liverpool Lemn Sissay
<b>Company Secretary</b>	Nigel Cudlipp
<b>Registered and principal office</b>	40 Brunswick Square London, WC1N 1AZ
<b>Charity registration number</b>	1071167
<b>Company registration number</b>	03621861 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London, EC2V 6DL
<b>Bankers</b>	National Westminster Bank Plc Chancery Lane & Holborn Branch 332 High Holborn, WC1V 7PS  CAF Bank Limited 25 Kings Hill Avenue West Malling Kent , ME19 4JQ
<b>Solicitors</b>	BDP Pitmans LLP 50 Broadway London, SW1 H0B

## Summary from the Chair

The Foundling Museum's mission 'Creative Action, Transforming Lives' has, more than ever, been its north star in these times of extraordinary uncertainty and adversity. Throughout the challenges of the past year, the leadership team and board have continually returned to the fundamental grounding guides of the Museum's purpose and the needs of the communities we serve, to help us shape our responses and decisions.

Over the past twelve months there have been many opportunities for innovation and reinvention, despite the Museum team facing extraordinary challenges, professional and personal. With the generosity and flexibility of our many valued supporters and donors, we have tried wherever possible to seek out and build on those opportunities. I hope that we can communicate at least some of this positive spirit in this Report.

### Public Exhibitions and Programming

Whilst the Museum was amongst the first in the UK to re-open its physical doors safely after lockdown, there were substantial periods when we were required to close to the public, in line with UK Government directives. This had significant impact on the planned programme for the year.



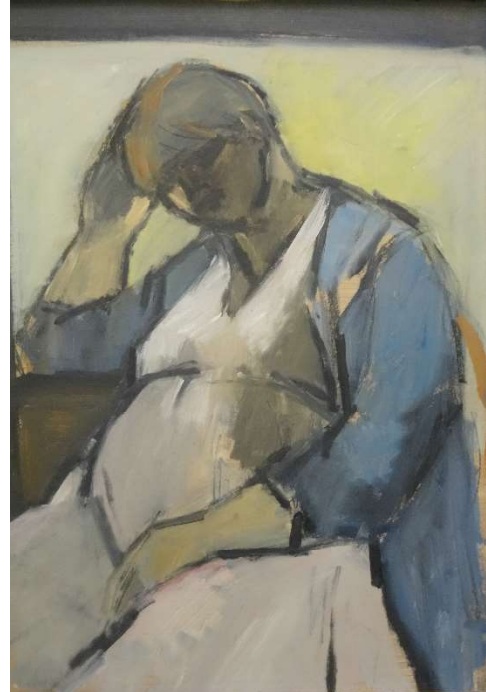
*The Covid Letters: A Vital Update*, Macie, aged 8 and Teja, aged 7 in front of their posters.

*The Covid Letters: a Vital Update*, an extraordinary exhibition curated by Jeremy Deller, showed the work that Jonny Banger, designer and owner of fashion label Sports Banger, gathered from the nation's children and young people during lockdown. Using their imagination and creative talents, under 16s from across the nation took the opportunity to make their voices and feelings heard, through customising the letter that Prime Minister Boris Johnson wrote to every household in the UK, urging residents to stay at home. Displayed in the Museum's exhibition gallery and interspersed throughout the historic collections, the product of their work brought to life the museum's 300-year-old story of creative campaigning. The exhibition appeared online and across social media. Visitors to the

exhibition had the opportunity to support the Christmas food bank run by Sports Banger and friends and the Museum's work with disadvantaged young people, through the purchase of Sports Banger merchandise.



Marcus Gheeraerts II, *Portrait of a Woman in Red*, 1620 © Tate, from *Portraying Pregnancy*



Ghislaine Howard *Pregnant Self Portrait*, 1984 © The artist, from *Portraying Pregnancy*

The Museum's landmark exhibition '*Portraying Pregnancy: from Holbein to Social Media*' curated by Karen Hearn, ran from January to August 2020, exploring representations of the pregnant female body through portraits over 500 years. Through paintings, prints, photographs, objects and clothing from the fifteenth century to the present day, the exhibition exposed the different ways in which pregnancy was, or was not, represented and provided an exceptional opportunity to situate contemporary issues of women's identity, emotion, empowerment and autonomy in a 500-year context. A major Symposium to raise public awareness on maternal mental health, coinciding with *Portraying Pregnancy* and due to take place at the Museum on 23 March 2020, sadly had to be cancelled due to the national lockdown. The Museum is indebted to Dr Alain Gregoire, Honorary President and Co-Founder of the Maternal Mental Health Alliance, for his help and advice in building the programme for the Symposium, and to the exceptional speakers and panelists from many sectors and organisations for offering to participate.

As the pandemic unfolded, we looked for new ways to make our Collections available online in an accessible way and to stay connected with communities at the heart of the Museum's life, including our volunteers, care-experienced trainees and graduates of our *Tracing our Tales* programme, and former pupils of the Foundling Hospital. The Museum team is

continually aware that increased digital activity does not always mean increased access to the Museum's work. In particular, for those of our communities experiencing poverty, accessibility does not always equate to making materials available digitally. We are continually balancing this dynamic.

The year did nevertheless see significant increases in investment for digital infrastructure, which underpinned a desire to make more of the Collection and the Museum's work available online and across digital platforms. This investment has begun to have an impact in this 20/21 year but the full force and effect of this will likely bear further fruit in the financial year 2021/22.



*Shared Stories, Shared Voices* workshops led by artist Emma Crouch. Photo: Will Jacobs

*Shared Stories, Shared Voices* is a collection of highly personal responses to objects usually on physical display in the Museum, made by the very people who have a deep personal connection with the stories they tell. The initiative to create the programme was inspired by a desire to reach out to care-leavers, elderly former pupils, and volunteers isolated by lockdown.

Lunchtime talks previously held within the Museum's physical walls benefitted from a new digital format, substantially increasing and diversifying audiences. Caro Howell, the Museum's Director, was able to lead an online Q&A session on the topic of collecting in response to Covid, with a group of secondary school pupils from Sydney, Australia, and 'In Conversation With....' sessions reached audiences as far afield as Europe, the USA and Japan. Inspired by these early successes and the opportunities they afford, the Museum expects to invest more in operationalising a new digital strategy, developed during the last year with support from generous donors.

## Learning, Impact and Outreach

The depth and longevity of the Museum's relationships with its partner primary schools and nurseries, meant that we were able to remain a constant valued creative support to staff and pupils whose schools remained open, as a large number of their parents were keyworkers. The Museum provided music and art workshops via private YouTube films early in lockdown. Then as soon as lockdown lifted until late December, in-person artist-led workshops within classrooms. In early 2021, before artists were allowed back into classrooms, Art Explorer Boxes were delivered weekly to schools, with the objective of supporting physical, mental and cognitive development, in line with national curriculum.



Similarly, we supported trainees and graduates of our *Tracing our Tales* programme with weekly phone calls, as soon as lockdown began and worked in partnership with them to produce online family workshops, as well as a film *Isolation Notes*, documenting their lives and feelings during lockdown.

For families, the Museum used Instagram and its website to deliver creative, simple lockdown activities, using everyday materials. Dame Jacqueline Wilson, Foundling Fellow and creator of the much-loved foundling character, Hetty Feather, worked with the Museum to create an online story and illustration competition. Inspired by the true story of the foundlings at the Foundling Hospital, Dame Jacqueline started a new story about two small children arriving at the Foundling Hospital with their foster mother. Over 18 weeks, children sent in their stories and illustrations. The result was a magnificent celebration of the children's imagination and ingenuity, as each week's winning chapter was added with illustrations online, to form a brand new story in real time, for the public to enjoy.

Thankfully, the museum was open in time for Halloween, which presented spooky, ghostly and ghoully opportunities for activities for local families.

The reception and success of our Covid-response work in local schools means we have begun the process of extending our partnerships to include secondary schools and we look forward to seeing these relationships develop over the year ahead.

### **Museum Team and Staff**

Not a year passes without the Museum board having opportunities to thank the Museum's outstanding Director, Caro Howell, and her small and talented team, including the Museum's dedicated group of volunteers, for their imagination, ingenuity and energy. This is the case this year more than ever. The Museum is soon to mark a decade of Caro Howell's leadership as Director. The Foundling Museum is extraordinarily fortunate to benefit from the dedication of the staff and volunteer teams, without whom the Museum simply would not achieve all that it does.

This year, in line with our mission and in response to greater demand, we have strengthened the team with the addition of a new post of Community Development Co-ordinator. The broadening and deepening of relationships with local stakeholders has become even more important, against the backdrop of the Covid-19 pandemic.

We have also increased the number and range of in-house training and development opportunities available to staff, to further support our efforts to retain valuable, highly-skilled members of staff. This included redeploying a member of the Venue Hire team to Development and Visitor Engagement to Operations. With the growth in the Museum's activities and the addition of a small number of new roles, we have also been able to offer career development opportunities for staff.

Finally, we have taken the opportunity arising from the physical museum being closed to the public, to improve the workspace for staff and volunteers. This work was co-ordinated with small-scale capital works, to improve visitor welcome and access, upgrade lighting, increase space for retail and enable safer staff/visitor interaction.

### **The Support of Artists during lockdown**

The Museum is indebted to so many artists and creative practitioners, for their help, inspiration and encouragement during lockdown. Museum trustees, Jeremy Deller and Lemn Sissay, have been extraordinary in their creative support. During lockdown, we were able to revisit several highly-regarded projects from previous years, such as Chris Watson's *Dawn Chorus* and Claire Twomey's *Exchange*, as well as create new inclusive activities for families, devised by artists and our Foundling Fellow, Dame Jacqueline Wilson, which enabled us to continually engage with audiences, despite difficult circumstances and scarce resources.

Every two years, the Museum invites three outstanding individuals to become Foundling Fellows and animate our core story of creative action, transforming young lives, through a

project of their invention. Previous Fellows include Grayson Perry, Cornelia Parker, Yinka Shonibare CBE, Lily Cole, Michael Morpurgo and Sam Lee. In 2020, the Museum is delighted to confirm that Jonny Banger, Sir Quentin Blake and Jackie Kay have become Fellows. Blake also accepted the Museum's annual Christmas card commission, creating a joyous card that lifted spirits during the winter lockdown.



The Museum's 2020 Christmas card commission by Quentin Blake, *Christmas Eve and the Lamb Goes Visiting* 2020 © The artist



Quentin Blake, *Children with Birds and Dogs, No 1*, 2019 one of 24 large scale drawings gifted by the artist to the Museum © The artist

## Board and Governance

The Museum Board also took the opportunity arising from the pandemic to conduct a wholesale review of the Museum's Governance. We were supported in this work by external consultancy specialising in the arts and culture sector. This was a positive and progressive review, and resulted in a refreshed responsibility matrix, clarification of a number of new roles within the board. I am pleased that Lord Simon Russell has agreed to chair our combined Governance and Nominations Committee and Robert Aitken has accepted the Board's invitation to assume the role of Vice Chair until he retires from the board in late 2021. This year has also seen the retirement from the board of Alison Cole, Spencer Hyman, Geraldine Macdonald, Margaret Reynolds and Paul Zuckerman, who served for a significant number of years, and who gave the benefit of their guidance and oversight to the Board. Trustee recruitment in 2021 will focus on further diversification of Board membership.

I am particularly grateful to our Vice Presidents for their support during a tough year and in particular to Jamie Korner, who chairs the Museum's investment committee, supported by the Museum's International Trustee Emeritus, Judy Bollinger and Lord Darnley Ivo Clifton.

Also to the members of the Museum's Corporate Advisory Board, chaired by Mary Walsh, who have provided valuable support to the Director during the past 12 months.

### **Our Supporters, Donors and Funders**

The Museum is exceptionally fortunate to enjoy the support of its wonderful donors, supporters and funding partners. The Museum always has in mind the need to diversify the income streams that it requires to support its work and the pursuit of its charitable objects. We try to be imaginative and inventive about the approach we take. We are especially grateful that so many of our supporters have travelled the distance with us during the pandemic, being open to our requests for support, and responding positively to the substantial reworking Caro and her team have had to engineer to our plans for programming and engagement. We know how fortunate we are to benefit from your sustained, enduring support and on behalf of everyone at the Museum, we would like to thank you again for all that you do to support our work.

After successfully addressing the challenges of the past year, we are looking forward to delivering a range of exciting, relevant and impactful programmes in the year ahead. These include an exhibition exploring the importance of children's writers and illustrators in supporting young people's mental and emotional wellbeing, curated by our Foundling Fellow, Lauren Child, and featuring 24 new large scale drawings, donated by one of our latest Fellows, Sir Quentin Blake.

*Larissa Joy*

Larissa Joy OBE

Chair, The Foundling Museum

## Director's Review

Director, Caro Howell in conversation with Audrey Aidoo-Davies, Community Engagement Co-ordinator.



Audrey Aidoo-Davies, Community Engagement Co-ordinator, in conversation with Caro Howell, Director.

### **AA-D: In what ways did the events of 2020 and its aftermath affect the museum?**

CH: Our 280-year history is rooted in supporting struggling families and marginalised young people, in creative ways. The pandemic has exacerbated many of the systemic inequalities we aim to reduce. Our local area has above-average levels of childhood poverty, some live in digital poverty, and many are struggling with poor mental health due to isolation, worry and lack of support. Since March 2020, we've reallocated resources to scale-up work with these under-served audiences - your Community Engagement Coordinator role is part of this. We've maintained provision to our partner nurseries and primary schools, to tackle COVID's impact on critical early-years development; we've increased pastoral support for care-experienced young adults; and we've developed new strands of community provision, to improve mental wellbeing and widen physical and digital access to the museum.

### **AA-D: Which are the audiences you would say are under-represented and what has the museum done to engage with them?**

CH: Our work with early-years, looked after children and care-experienced young adults is really strong and embedded, but local families whose children do not attend our partner nurseries and schools, are not as engaged. So, we went back to the drawing board and began

a new audience development plan has unserved families at its centre. In addition to extending free admission from 16 to 21 years, we directly mailed 'golden tickets' to over 6,000 households characterised by low levels of cultural engagement and low incomes, to encourage visits. We've changed our tone of voice and exhibition titles, to make them more accessible. We're building a new website around the specific and varied needs of families, particularly those on lower incomes, and we'll be using interactions with it to shape future planning. Finally, we've extended the range of local and young people who work with us on programme development.

**AA-D: What are some changes the museum has made this year to address the climate emergency?**

CH: We're making steady progress, with initiatives like our feed-in tariff solar panels and reducing the wastefulness of exhibition-making, by borrowing, lending and recycling materials. This year we established an Environmental Sustainability Group, enabling people across the organisation to identify opportunities and solutions. One priority for the year ahead, is to find ways to make improvements to the energy efficiency of our Grade II Listed building. We'll also be interrogating all our activities, to identify ways to reduce their environmental impact through partnerships, digital programming, and sharing resources.

**AA-D: In what ways would you say the museum is forward thinking?**

CH: I'd say our forward thinking-ness is rooted in our past, specifically the Foundling Hospital's model of care. By this I mean achieving lasting change in young people's lives, through sustained commitment. Our 'inch wide, mile deep' approach means we don't chase numbers or try to be everything to everyone. Our activism reflects the approach of our artist-founders, Hogarth and Handel, who used their creativity to transform the lives of care-experienced children and young adults, and support struggling families. So with our early-years' work, we build long-term partnerships with local nurseries and primary schools, to provide art and music workshops across each term, year on year. That way, creativity is embedded in the lives of disadvantaged children, from age 3 upwards, and the cultural capital they gain reduces the education attainment gap. By regularly involving their parents, we also help families feel more comfortable in a museum, and gain the confidence to return independently for drop-in family events. In this way, the possibility of making a trip to the British Museum becomes more likely. Similarly, our pioneering training programme for care-experienced 18-26 year-olds, is part of a broader pipeline of support that embraces 'pre-traineeship' children in care, as well as on-going employment opportunities for graduates.

**AA-D: What steps are being taken to increase workforce diversity and support career development?**

CH: I believe we are leading the way, in removing barriers to museum employment for care-experienced young people. Building on our paid training programme and opportunities to

work in our family programmes, from next year, we are establishing an annual apprenticeship for care-experienced young adults. Working across all teams, they will receive hands-on experience, training, career development advice and interview support, within an environment that builds their self-esteem and confidence. In this way, we can use our unique story to empower one of the most under-represented communities in the cultural sector.

We've increased diversity within the staff and volunteer teams, by changing our recruitment methods - using inclusive language, application forms that support disabled and neuro-diverse candidates, advertising with organisations that serve under-represented communities, and using an anonymous shortlisting process. There's always more to do, but these changes are already leading to positive results and encouraging feedback.

**AA-D: What has been the biggest achievement over the past 12 months?**

CH: Given everything that Covid threw at us, I'm proud that our social impact work didn't miss a beat - despite the fact that many of our core audiences were not in a position to 'pivot to digital'. Exhibitions were hugely disrupted and it was devastating to have projects fall away unseen, however, it's testament to the ingenuity and can-do attitude of the Museum's team, as well as the collegiate nature of our sector, that we were able to postpone, adapt or rethink the majority of our planned programme. Finally, thanks to the inspired and inspiring help of Jeremy Deller, Jonny Banger and over 200 children from across the country, our exhibition, *The Covid Letters: A Vital Update*, gave children a much-needed platform from which to express their thoughts and experiences of the pandemic. To realise a genuinely relevant, inclusive, creative and joyous exhibition, in the face of such extreme adversity and uncertainty, was a great achievement.

**AA-D: How can the museum better address themes of colonisation and race within its collection?**

CH: 2020 was a long overdue moment of collective recognition, that progress within the sector has been too slow, too piecemeal and too reactive. Our collection is rooted in the 18th century, the crucible of Empire, and the Foundling Hospital embraced royalty and aristocracy, the commodity-consuming middle classes, and the labouring poor, who fuelled national interests at home and abroad. So, these themes should be integral to the telling of our core stories, not add-ons. Until recently, women were absent from the Hospital's historic narrative, but through a combination of intensive research, major exhibitions, strategic acquisitions and long-term loans, this is no longer the case. In 2019, we began a collaborative PhD with the University of Warwick - 'Forgotten Foundlings: Black lives and the eighteenth-century Foundling Hospital' - to uncover evidence relating to colonisation and race, in the Hospital's vast archive. The results will form a major exhibition in 2022 and enable us to embed this unifying narrative within our Collection galleries, and no doubt identify areas for acquisition. We are also working with Prof Helen Berry, at Newcastle University, whose research and book, 'Orphans of Empire: the Fate of London's Foundlings',

are forming the base of an exhibition originally scheduled for 2020, but now slated for autumn 2021: 'Fighting Talk: one boy's journey from abandonment to Trafalgar'. This show will reveal the Hospital's aim of producing 'useful citizens' in relation to Empire, the Navy and global trade, through the life of one eighteenth-century foundling boy.

**AA-D: What new audiences does the museum hope to engage with 5 years from now?**

CH: We're aiming to grow our national and international audiences significantly. Covid showed us that we have an audience in Europe, the States and Australia. We want to build on this through proactive programming and partnerships. At the same time, we want care-experienced people across the UK to see us as a responsive and stimulating creative resource, and a gateway to opportunities across the museum sector. Finally I hope that in five years, every local family will be regularly visiting us, on and offline.

**AA-D: What are some of the challenges you see ahead of this sector?**

CH: Over the past year, digital has proved a godsend and a spur to change. However, there are challenges still unresolved. Firstly, how to fairly divide limited resources between the digitally privileged and those who are not, whose need is often greater? Secondly, when museum and gallery audiences have been conditioned to expect free access, how do organisations successfully monetize their digital offer, given that high quality content is not cheap, particularly where organisations are without dedicated, specialist in-house skills. Investment is hard without a means of recouping costs, meaning there's a real risk of deepening the existing digital divide within the sector.

## Reflections from Partners and Participants

Jackie, Nursery Head, Christopher Hatton Primary School:



We have been lucky enough to work with the Foundling Museum for two years now, meaning that children work with artists in Nursery and then continue to visit in Reception for musical workshops. For many of the children, the Foundling Museum is the first museum that they have visited and this can be quite a daunting experience. However, because of the regular visits and the welcoming attitude of the staff, it starts to feel like a safe place. By the time they are in Reception, going to a museum is something they look forward to.

Most of the children at our Nursery come from disadvantaged backgrounds. Our visits to the Museum help to widen their horizons. They build up their knowledge of what a museum is and what to expect when they visit. The staff and artists always explain to the children the history and purpose of The Foundling Museum. This is repeated and built on at every visit until the children understand and internalize this. They are made to feel that the museum is for them, it is part of the history of their community and their culture. This all adds to the cultural capital of the class, which will help to improve the life chances of all children but particularly the more disadvantaged. We also know that for some children this is the only museum they will visit.

The variety and quality of the exhibitions adds to their knowledge and appreciation of art. We do not have the opportunity or the expertise to deliver art or music to the same level in our classroom. The artists manage to tailor their workshops to suit the group of children they are working with and the children always look forward to their visit and take the learning back to school with them. Some of the methods and techniques are then regularly used by staff and children in school.

Children come in to Nursery with very little or no language and for over 50% of the class English is a second language. When taking part in the workshops, language is no barrier. All of the children are learning new vocabulary at the workshops, vocabulary linked to art, music and painting.

The children have enjoyed sessions with many different artists, enjoying different art forms. The sessions are all interactive and usually on a large scale. The children are encouraged to use their own ideas and given the freedom to experiment and to make mistakes without it mattering. They learn to work independently and collaboratively and to express themselves freely. This has also helped with their communication skills and with their confidence.

During the first lockdown, we found the online sessions from the artists incredibly helpful, as it was something familiar and gave some sense of normality. It also gave a breadth to our curriculum which we could not get otherwise as it was impossible to visit Museums or galleries. Since our return, this support has continued and we have found it invaluable.

We have found the staff at The Foundling Museum very supportive, particularly Emma. Communication is brilliant and she has kept us constantly informed and updated. She knows and understands all of our children and makes adaptations for any needs. She is also so welcoming to our families, encouraging and enabling them to visit again at weekends and holidays. Many of our parents did not feel comfortable coming to a Museum at first, but with Emma's help they have the confidence to visit not just The Foundling Museum but other galleries and museums as well.

**Sonia, Learning Manager Hackney Virtual School:**

The collaboration with the Foundling Museum is really successful and exceptional. Do you realize how usual this is? Most collaborations we set up, don't work, as they don't interest the young people, but this is really unusual and successful. The young people love the museum and only say positive things about everyone at the Museum. It is so rare.

## Nia, Artists' Assistant and graduate of the Tracing Our Tales training programme



Tracing Our Tales trainees

When I found out about the Foundling Museum, I was very unsure of what I wanted to do in life so I did the traineeship with the hope that I would gain some work experience.

As a care leaver, I found the museum's history really interesting and relatable as it shows the foundation of the care system. There were things that stuck out to me like the tokens, which were both sad and hopeful, as many of the mothers would have wanted to get their children back.

The traineeship was run by Emma and Albert who were really welcoming and helped us to settle in. During the traineeship we did so many things. It started with learning art skills. One thing I remember was Albert telling us to draw with giant sticks which encouraged us to care less about making perfect art and focus on just expressing ourselves. Albert and Emma made everything fun. We drew trees with charcoal; made prints with lino, created dresses from paper, and made sound into art. As the traineeship went on, we became more confident in our skills and in trying different artistic things.

The thing I was most afraid of was the family workshops. When I started the traineeship, I was very shy and reserved and I had a lot of anxiety about the family workshops because of all the people, parents and children that would be there. I didn't think I would be able to do them but I remember Emma telling me that I could do it, and that she trusted me.

Over the traineeship I became more confident in myself and positive about speaking to people. The comments we got from parents made me even more confident as well as the range of new people I was meeting from this traineeship.

I met other care leavers who were like me and trying something we had never done before. We also met and got to speak to people like the Duchess of Cambridge which was exciting and being a care leaver, I would have never expected to meet someone like that. My favourite person that we met was John Caldicott, who spoke to us about his experiences of being in the Foundling Hospital as a child and how that affected his life. A lot of the things he said felt familiar while a lot about the care system has changed, it was inspiring to speak to an older person who went through the same system and made it.

After the traineeship I became the artists assistant and helped to run the traineeship for the new trainees. Everyone was really proud of me and it felt great to do something with people who were in my position last year.

I would encourage anyone to do this traineeship because of the impact it had on all of us. It was one of the most fun things I have ever done. Throughout the traineeship Emma was really motivating and understanding of all of all of us. Emma and Albert really made us feel comfortable to be ourselves and treated us like people, without stigma, which is rare. From the museum I gained confidence, art skills, work experience, life skills, a sense of my history and friends.

**Karen Hearn, Curator of *Portraying Pregnancy: from Holbein to Social Media* (24 January – 23 August 2020)**



*Portraying Pregnancy: from Holbein to Social Media.*

The whole exhibition experience was astonishing ... You and your team pulled it all off in an extraordinary way, and - looking back - it was so lucky that it was able to run freely for six weeks before the first lockdown. Negotiating the extension (and with only one work dropping out) was a remarkable achievement, too.

## Development Review

The pandemic's disruption to business caused the museum to lose significant unrestricted income this year, largely from admissions, retail and venue hire. Along with how we might continue to support vulnerable audiences, we were immediately concerned about the impact on freelancers and their livelihoods, key to programme delivery. Having employed at least 104 artists, creative freelancers and specialists the previous year, the Museum strived to continue its vital contribution to the cultural economy.

An Emergency Grant from Arts Council England helped us employ 24 freelancers during the first lockdown, and kick-started our switch to digital programming, with Instagram videos of inexpensive family activities, on-line concerts by established and young musicians and reimagining artist projects in a digital format. Artists made video workshops for Early Years children to replace in-person workshops. These became a vital resource for our local partner nurseries and their many children of key workers.

Thereafter, the Government's Culture Recovery Funds distributed by ACE were a lifeline. They supporting staff and freelancer costs, enabling the museum to continue to care for the collections and the heritage building, and plan exhibitions and artist-led projects, to benefit communities. A Heritage Emergency Grant distributed by National Lottery Heritage Fund, provided valuable investment to improve our digital infrastructure and support staff costs, thereby minimising redundancies. Art Fund's Respond and Reimagine programme helped to action our new business plan, and Esmee Fairbairn Collections Fund with Museums Association supported an innovative digital project, to engage young care-leavers, former pupils of the Foundling Hospital and volunteers, in creative diverse collections' interpretation.

Generous gifts from Oak Foundation and the Deborah Loeb Brice Foundation this year have provided a strong basis to ambitiously plan post-pandemic recovery to increase reach and impact, along with support from Esmee Fairbairn Foundation, Garfield Weston Foundation, The Pilgrim Trust and many others. We especially appreciate the faith and commitment shown by many individuals and patrons, particularly those who have continued as Director's Circle members of the 1739 Club, 1741 Club and 1750 Club. Their multi-year support helps us plan with confidence and maximise creative opportunities to harness the power of art to change lives.

## Operations Review

With the building closed for much of the year, we took the opportunity to improve the workspace for staff and volunteers, with a refurbished and expanded staff room that provides better facilities and social distancing. This work was co-ordinated with small-scale capital works, to improve visitor welcome and access in the museum entrance, to increase space for retail and merchandise activities, and to provide safer staff/visitor interaction. Covid-safe equipment and procedures around the building enabled safe reopening to the public. Maintenance included painting walls and wood surfaces, installing new pumps to keep the ailing heating system working, additional security grilles and a new fire panel.



Reconfigured Museum entrance and foyer, with new energy-efficient lighting. Photo: Gareth Howart

This year, the Museum joined many in the sector in declaring a Climate Emergency. We used closure to accelerate our plans to work towards carbon zero by 2030, to help combat climate change. Building on our earlier efforts with the installation of solar panels in 2017 and switching to electric boilers in 2019, in 2020 we progressed the replacement of lightbulbs and fittings to LED, to reduce electricity usage. We are in discussion with Camden Council for planning permission to replace single glazed windows.

A Sustainability Action Group of staff from across the organisation has been formed. Meeting monthly, the Group considers ways to change internal processes to reduce the

museum's carbon footprint, as well as ways to influence external suppliers, visitors and volunteers to do the same.

Research is underway on possible big measures, including wind turbines on the roof; re-wiring to allow us to light individual rooms, rather than the current central system; a roof garden; heating our water from the solar panels; a paperless finance system; infrared cameras that enable more lights to be turned off at night; and a reusable modular wall system for the Temporary Exhibitions Gallery, to reduce construction wastage

## **Trustees' Report 31 March 2021**

The Trustees present their report together with the financial statements of The Foundling Museum for the year to 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out on pages 47 to 54 of the attached financial statements and comply with the charitable company's Articles of Association, the Charities Act 2011 and 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 United Kingdom and Republic of Ireland (FRS 102).

## About the Museum

### Structure, Governance and Management

The Foundling Museum ('The Museum') was incorporated at the instigation of The Thomas Coram Foundation for Children ('Coram' – registered charity number 312278) on 20 August 1998 as a company limited by guarantee and is governed by its Articles of Association. It was registered with the Charity Commission on 24 August 1998 (registered charity number 1071167). Coram was formerly known as The Foundling Hospital. In July 2014 the Museum filed new Articles with the Charity Commission. These removed Coram's sole membership, thereby guaranteeing the Museum's independence.

The Museum's Board of Trustees meets every three months. It considers an extensive report from the Director about past, current and future activity and, as appropriate, additional papers on future and long term strategy, education, fundraising and development. The Board receives and considers management accounts and financial reports presented by the Chair of the Finance & Audit Committee and the Chair of the Trading Company. The Director and Finance Director attend Board meetings.

The Board of Trustees is supported in its work by Committees of the Board; namely the Finance and Audit Committee which meets formally every three months and includes reports from the Trading Company and the Investment Committee; and the Nominations Committee which meets approximately twice a year to discuss appointment to the Board of Directors. All Committees of the Board are comprised of Trustees plus at least one independent member. The Board receives advice through the Director from an Exhibitions Advisory Group.

### Trustees

The Board of Trustees comprised 16 members. The Trustees, who are also the directors of the charitable company for the purposes of company law, who served up until the date of signing the financial statements were as follows:

<b>Trustees</b>	<b>Appointed/Term ended/Resigned</b>
Robert Aitken	
Anne Beckwith-Smith	
Alison Cole	Term ended 7 June 2021
Christopher Cotton	
Jeremy Deller	
William Gore	
Ronald Gould	
Perdita Hunt	
Spencer Hyman	Term ended 6 December 2021
Claire Jeffers	
Larissa Joy (Chair)	
Geraldine Macdonald	Term ended 7 June 2021
Margaret Reynolds	Term ended 7 June 2021

None of the Trustees has any beneficial interest in the company. At 31 March 2021 the company had 17 members, comprising the 16 Trustees and Coram, who each guarantee to contribute £1 in the event of a winding up.

Trustees are appointed following a review by the Nominations Committee and the Board of the relevant skills and experience required by the Museum. Trustees' contribution is assessed formally every two years by the Chairman. The Chair and the Nominations Committee formally review Board effectiveness every other year. A formal review of the Chair's performance is carried out every other year by a Trustee, taking feedback from Trustees and senior leadership team members.

Trustee recruitment focusses on securing a committed and engaged Board of individuals from diverse backgrounds and with broad experience across finance, the arts, architecture, business and commerce, communications, education, childcare and risk management. New Trustees receive induction, including extensive background material to ensure they are familiar with the history of the Museum and its relationship with Coram, as well as Charity Commission documents outlining their responsibilities under charity law. Trustees also meet with the Director to familiarise themselves with the Museum's running, its aims, objectives and financial results.

### **Charitable Objects**

The Museum was established in 1998 to safeguard the Foundling Hospital Collection; to preserve its integrity in its original context and to provide public access. The Museum subsequently took ownership of the Gerald Coke Handel Collection which is also housed in the building.

The Foundling Museum's charitable objects are:

- To establish and maintain a museum for the advancement of the education of the general public and of scholars by the documentation, maintenance, conservation, exhibition, study and interpretation of the Collection; and
- To support such of the purposes of the charity now known as Coram as the Museum, in consultation with Coram, shall from time to time determine.

### **Mission**

The Foundling Museum brings past and present together, to celebrate the power of art as a catalyst for change.

Inspired by three great 18<sup>th</sup> century activists – Thomas Coram, William Hogarth and George Frideric Handel – the museum is a force for change. We believe in creative action that brings past and present together, to stimulate imaginations and enrich young lives. We celebrate the work of artists and inspire people to take positive action that transforms lives and creates a lasting impact

Opened in 2004, the Museum sits on the site of the Foundling Hospital; the UK's first children's charity and first public art gallery. Founded in 1739, the Hospital cared for babies at risk of abandonment. Supported by leading artists of all disciplines, who donated their work to raise awareness and funds, the Hospital continues today as the children's charity Coram.

### **Future Plans**

While the pandemic has impacted strategic planning, many mid to long term objectives remain, while others have been given increased urgency.

It is clear the effects of Covid-19 will be felt most severely by communities already facing systemic disadvantage and inequality. The museum is already working closely with many of these communities and over the year ahead, we will be looking to increase our reach and impact. We will do this through:

- our partnerships with local nurseries and schools, delivering and augmenting the recovery curriculum, with a particular focus on early years
- provision of free, high-quality resources for disadvantaged families that support emotional and mental wellbeing, and educational development
- reducing loneliness and social isolation, particularly among older people
- creating skills development employment opportunities for local residents
- collaborating with local organisations and aligning with borough-wide initiatives to maximise impact and support recovery across education, training, employment, tourism, social cohesion, health and wellbeing
- maintaining training and contact with our care-experienced trainees and graduates, to ensure their progress is sustained, their mental wellbeing is supported, and their pathways to creative employment are more accessible.

Major exhibitions planned for 2021/22 include two that have been postponed from last year. We are grateful that Arts Council England has agreed to convert the grant awarded to our summer 2020 exhibition, curated by Foundling Fellow, Lauren Child, to summer 2021, while *Fighting Talk: One Boy's Journey from Abandonment to Trafalgar*, will now take place in autumn 2021. A major portrait commission project is planned for 2021, to enable the former pupils of the Foundling Hospital to be celebrated and represented within the collection, for the first time in 280 years, and to represent the tens of thousands of children who went through the Hospital, whose faces we will never know. Finally, the artist Ingrid Pollard will be responding to our historic story with a new commission and display.

The museum continues to develop a major exhibition, *Superheroes, Orphans & Origins: 125 years in comics*, for 2022, with support from a Curatorial Fellowship funded by the Artisa Foundation.

Over the coming year the Museum will also be pursuing a number of strategic opportunities, designed to expand and strengthen its work in line with objectives, which were interrupted or overtaken by Covid. In particular:

- Developing our digital offer, including the development of an online catalogue of our eighteenth-century tokens.
- Transitioning our learning provision from exclusively museum-based, to blended museum/classroom/virtual, and exploring the potential for growing its impact.
- Appointing three new Foundling Fellows and securing new funding for the Fellowship
- Creating a new five-year strategic plan.
- Reviewing the Museum's brand and messaging proposition, embodied in a new museum publication and a new website.
- Creating a new Audience Development Plan
- Growing the Supporters' Loan Endowment Scheme and increasing membership of the Friends, Patrons, 1700 Clubs and exhibition circles.
- Growing the Corporate Advisory Board.
- Furthering our environmental sustainability by working alongside Julie's Bicycle.

## **Museum Relationships**

### **Supporters**

The Museum is an independent charity and receives no regular core public funding. The Trustees would like to pay tribute to the generosity of donors, supporters and volunteers, without whom the Museum would be unable to realise its ambitions and run its programmes.

### **Covid-19 Emergency Funding**

In response to the Covid-19 pandemic, the Museum worked to access all available support measures. This included furloughing members of staff through the Coronavirus Job Retention Scheme, securing a Retail, Hospitality & Leisure Grant via Camden Council and benefitting from business rates relief. We also received funding through Arts Council England's Culture Recovery Fund & an Arts Emergency Grant, the National Lottery Heritage Fund Heritage Emergency Fund, London Community Response Fund & The Rank Foundation DCMS Covid-19 Response Programme.

### **1700 Club Members**

David Bernstein

Andrew Fane

Grant and Brigitte Gordon

Ron Gould

David and Jammy Hoare

Larissa Joy

Julia and Jamie Korner

Annie Mackerson-Sandbach

Jim Moyes

David Pike

Sir Simon and Lady Robey

Sir David and Lady Verey

Vernon Ellis Foundation

### **Individual Supporters**

Robert Aitken  
Richard and Diana Allen  
Linda Beecham  
Sir Quentin Blake  
Judith and William Bollinger  
Claire Brisby  
Peter Brown  
John Caldicott  
Tim Clark  
Justine and Patrick Cowan  
Andrew Fane  
Charles Henderson  
Jane King  
Steven and Sonya Larcombe  
Jim Moyes  
David Pike  
John Wynter

And those who wish to remain anonymous

### **Corporate Supporters**

Taylor Wessing  
TP ICAP

### **Trusts and Foundations**

Art Fund  
The Artisa Foundation  
Arts Council England  
Association of Independent Museums  
The Blyth Watson Charitable Trust  
The Chartered Accountants' Livery Charity  
The Clore Duffield Foundation  
The Deborah Loeb Brice Donor Advised Fund at CAF  
The D'Oyly Carte Charitable Trust  
Drapers' Charitable Fund  
Esmée Fairbairn Foundation  
Foyle Foundation  
Garfield Weston Foundation  
Gerald Coke Handel Foundation  
The Golden Bottle Trust  
J Paul Getty Jr Charitable Trust  
John Lyons Charity  
The John R Murray Charitable Trust  
The Leche Trust

## **Trusts and Foundations Continued**

Matrix Causes Fund

The Michael Bishop Foundation

Museums Association and Esmée Fairbairn Collections Fund

The National Lottery Heritage Fund

The National Lottery through Arts Council England

Oak Foundation

The Pilgrim Trust

The Rank Foundation DCMS Recovery Fund

The Rose Foundation

Schroder Charity Trust

Universal Music UK Sound Foundation - Decca Bursary

And those who wish to remain anonymous

The Trustees would also like to thank the many guides and members of the OCA, who donate their speakers' fees to support Collection acquisitions, as well as the Museum's wonderful team of volunteers, who undertake research and help care for visitors and the collections.

The Trustees would also like to acknowledge the continuing active support of the Museum's Vice Presidents, Brian Allen, Alan Borg, David Coke, Jamie Korner and Carolyn Steen, International Trustee Emeritus, Judy Bollinger, and the many advisers whose invaluable expertise contributes greatly to the Museum's success.

## **Donors and Supporters**

The Museum takes care with both the tone of its communications and the accuracy of its data, it never swaps data with other organisations and ensures that its communication preferences can be changed at any time. Broadly speaking, the Museum uses data of a personal nature to keep in touch with people who are interested in its activities; to keep them informed about activities and developments; to provide services to visitors and supporters; and to identify ways in which people can support the Museum, through donations and/or other forms of financial and non-financial support. The Museum manages its own fundraising activities and does not employ the services of external professional fundraisers.

The Museum undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year under review, the Museum received no complaints about its fundraising activities. The Museum's fundraising activities are also conducted in line with its Ethics Policy which includes Ethical Fundraising, requiring the Museum to proactively carry out due diligence on prospective donors and sponsors. The Ethics Policy is regularly reviewed by Trustees and is consistent with the Museums Association's *Code of Ethics for Museums* and the *Code of Ethics for Museums*

*Worldwide* produced by ICOM, and the *Seven Principles of Public Life* (Nolan Committee, March 1996).

### **Relationship with the Gerald Coke Handel Foundation**

The Gerald Coke Handel Collection is owned by the Museum. It is an internationally-important collection of material relating to Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera. It was assembled by Gerald Coke and left to the nation by his widow, and came to the Museum through the Government's Allocation in Lieu scheme in 2008. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation (registered charity number 1058589), formed in 1996 to administer the endowment and assist the Museum with the Collection's care. The Foundation's primary aim is to ensure the maintenance, conservation and development of the Collection. Its objectives are to advance public education by providing research facilities in relation to Handel and his contemporaries. The Foundation continues to acquire heritage assets. The Museum receives funding from the Foundation in relation to services provided, amounting to £119,865 in the year under review.

### **Risk Management**

The Trustees have assessed the major risks to which the charity is exposed, which include the financing of the Museum's operations and safeguarding the Museum's exhibits. The Trustees are satisfied that systems are in place to mitigate the exposure to the major risks which are:

The uncertain economic climate and disruption caused by Covid-19: The Museum has a six-month reserves policy to cover operational costs. After salaries, exhibitions are the Museum's biggest expenditure. They have to be confirmed 18-24 months in advance of opening and usually before funding is in place. Therefore, the Museum has designated reserves to cover the risk of shortfalls in exhibition funding.

Loss of key personnel: The Museum's staff team is small, many work part-time or freelance, and most staff have sole responsibility for their area of work. Succession planning is therefore hard and the loss of senior staff can be particularly problematic. To mitigate this risk, senior managers have a three month notice period, staff are prevented from building up untaken leave, salaries are in line with sector-equivalent institutions, and every effort is made to provide an environment in which staff feel supported, valued and developed.

Pensions deficit: The Museum participates in a scheme operated by The Pensions Trust which is classified as a 'last man standing arrangement'. To mitigate this risk the Museum is exploring options to protect its heritage assets.

## **Statement of Trustees Responsibilities**

The Trustees (who are also directors of The Foundling Museum for the purposes of company law) are responsible for preparing the Trustees' report and 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 period which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure of the charitable company and the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the group and charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

## **FINANCIAL REVIEW**

The statement of financial activities for the year ended 31 March 2021 shows total income of £2,237,309 (2020 – £1,368,789). This included Covid emergency grants of £567,300 (2020 - £nil), grants from the Oak Foundation of £531,853 (£32,133) and income from the Coronavirus Job Retention Scheme of £129,598 (2020 - £6,363).

The total expenditure in the year was £1,521,986 (2020 – £1,543,223) of which expenditure on conserving the Collection and developing and maintaining the Museum amounted to £1,500,555 (2020 – £1,511,676).

The net income for the year was £715,323 (2020 – net expenditure £174,434).

Net investment gains of £387,939 (2020 – losses of £142,466) were recognised in the year ended 31 March 2021 and actuarial gains of £1,500 have been recognised (2020 – gains of £5,000).

In accordance with Financial Reporting Standard 102, the financial statements include heritage assets with a total valuation of £9,458,198. Further details may be found in note 13 to the financial statements. As at 31 March 2021, the net assets of The Foundling Museum Group were £12,417,063 (2020 – £11,312,301).

## **FINANCIAL REVIEW** (continued)

### **Reserves policy**

The Trustees have considered the scale, complexity and risk profile of the charity and taken account of the funding base which consists of grants from trusts and foundations, investment income, donations and self-generated income. Account has been taken of the effects of economic downturns particularly on self-generated income and the time bars on applications to trusts and foundations especially for core funding. In addition the Trustees have recognised that the Museum has to commit to temporary exhibition expenditure prior to fundraising and, as a result, it carries a risk that exhibitions may not be fully funded. The Trustees have therefore designated £20,000 to cover the risks associated with exhibitions.

The Museum has a £3 million endowment loan from the National Heritage Memorial Fund, repayable in 2027. The NHLF Shortfall designated fund is set aside to cover any difference between the loan balance and the listed investment portfolio. At 31 March 2021, this designated fund balance was £300,000.

Total designated funds amount to £1,055,000.

The Trustees consider it prudent for the Museum to carry free reserves equivalent to approximately six months budgeted operating expenditure to deal with short-term fluctuations in income and to provide adequate working capital. At the end of the financial year, unrestricted general funds stood at £565,027 (comprising the net current assets less amounts attributable to the restricted and designated funds). Free reserves at 31 March 2021 were in line with the policy.

The Trustees have made a provision of £96,000 for the pension-deficit contributions payable up to 2021, which is shown on the balance sheet. This liability does not fall due immediately, and the expectation is that it is met annually from income earned. Therefore, the pension provision is regarded as part of free reserves.

The reserves policy is reviewed by the Trustees annually as part of the planning and budget process.

## **FINANCIAL REVIEW** (continued)

### **Investment policy**

Under the Memorandum and Articles of Association, the charity has powers to invest in any way the Trustees wish.

The Museum has a £3 million endowment loan from the National Heritage Memorial Fund, repayable in 2027. The investment policy applied to the endowment fund reflects the Trustees' commitment to sustain the objects of the Museum by maintaining the capital and income of the endowment and to grow both of this over time. In this manner the Trustees aim to realise their ambitions to promote the Museum, to expand its activities to an increasing visitor base and to purchase the assets from its sister charity, Coram Family. The achievement of these and other aims requires continuous capital and income improvement.

The Trustees have appointed Veritas Investment Management to manage, on a discretionary basis, a multi-asset portfolio which comprises, within defined and flexible ranges, a mixture of property, fixed interest, global equities and cash. To satisfy the Museum's financial objectives and targets, in which returns from the investment of the endowment loan play an essential role, the Trustees have focussed on total return, to which reliable and sustainable income make an important contribution.

In 2020/21 the managers achieved a return of 3.5%, which reflected the conservative mix of assets held.

Approved by the Trustees and signed on their behalf by:

*Ronald Gould*

Trustee

Approved on: 15/12/2021

## **Independent auditor's report to the members of The Foundling Museum**

### **Opinion**

We have audited the financial statements of The Foundling Museum (the 'charitable company') and The Foundling Museum and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the group statement of financial activities, the charitable parent company's statement of financial activities, the group and charitable parent company balance sheets, the group statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 charitable parent company's affairs as at 31 March 2021 and of their 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 auditor's 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 UK, including the FRC'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report and financial statements. 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.

### **Opinions 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 Chairman's summary and Director's summary, and the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Chairman's summary and Director's summary, and the Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the 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.

### **Responsibilities of Trustees (continued)**

In preparing the financial statements, the Trustees are responsible for assessing the group and the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 auditor's 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

**Auditor's responsibilities for the audit of the financial statements** (continued)

- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the charitable company and determined that the most significant legal and regulatory frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)), Charities Act 2011, the Companies Act 2006, and The Code of Fundraising Practice; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ◆ identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group and the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of key management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested and reviewed journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure, ensuring expenditure was approved in line with the group and the charitable company's financial procedures;

**Auditor's responsibilities for the audit of the financial statements** (continued)

- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available 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 auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Bzzacott LLP*



Amanda Francis (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

16 December 2021

**The Foundling Museum**  
**Consolidated statement of financial activities**  
(incorporating the income and expenditure account) Year to 31 March 2021

	Notes	Un- restricted funds £	Restricted funds £	2021 £	Un- restricted funds £	Restricted funds £	2020 £
<b>Income from:</b>							
Grants and donations	1	1,086,441	845,969	<b>1,932,410</b>	269,860	417,870	687,730
Investments	2	112,610	—	<b>112,610</b>	128,686	—	128,686
Other trading activities	3	24,461	—	<b>24,461</b>	314,011	—	314,011
Charitable activities							
. Admissions and other museum income	4	22,593	—	<b>22,593</b>	203,625	—	203,625
Other	5						
. Coronavirus Job Retention Scheme		129,598	—	<b>129,598</b>	6,363	—	6,363
. Other sources		15,637	—	<b>15,637</b>	28,374	—	28,374
<b>Total income</b>		<b>1,391,340</b>	<b>845,969</b>	<b>2,237,309</b>	950,919	417,870	1,368,789
<b>Expenditure on:</b>							
Raising funds	6	21,431	—	<b>21,431</b>	31,547	—	31,547
Charitable activities							
. Costs of developing and maintaining the Museum	7	753,704	746,851	<b>1,500,555</b>	1,172,368	339,308	1,511,676
<b>Total expenditure</b>		<b>775,135</b>	<b>746,851</b>	<b>1,521,986</b>	1,203,915	339,308	1,543,223
<b>Net income (expenditure) before transfers and investment gains (losses)</b>							
		616,205	99,118	<b>715,323</b>	(252,996)	78,562	(174,434)
Net gains (losses) on investment assets		387,939	—	<b>387,939</b>	(142,466)	—	(142,466)
<b>Net income (expenditure) before transfers</b>		<b>1,004,144</b>	<b>99,118</b>	<b>1,103,262</b>	(395,462)	78,562	(316,900)
Gross transfers between funds	13	(5,000)	5,000	—	19,813	(19,813)	—
<b>Net income (expenditure)</b>		<b>999,144</b>	<b>104,118</b>	<b>1,103,262</b>	(375,649)	58,749	(316,900)
<b>Other recognised gains and losses</b>							
Actuarial gains	23	1,500	—	<b>1,500</b>	5,000	—	5,000
<b>Net movement in funds</b>	10	<b>1,000,644</b>	<b>104,118</b>	<b>1,104,762</b>	(370,649)	58,749	(311,900)
<b>Group reconciliation of funds:</b>							
Fund balances brought forward at 1 April 2020		1,661,271	9,651,030	<b>11,312,301</b>	2,031,920	9,592,281	11,624,201
Fund balances carried forward at 31 March 2021		<b>2,661,915</b>	<b>9,755,148</b>	<b>12,417,063</b>	1,661,271	9,651,030	11,312,301

All of the group's activities derived from continuing operations during the two financial periods.

**The Foundling Museum**  
**Charity statement of financial activities**  
(incorporating the income and expenditure account) Year to 31 March 2021

	Notes	Un- restricted funds £	Restricted funds £	2021 £	Un- restricted funds £	Restricted funds £	2020 £
<b>Income from:</b>							
Grants and donations	1	1,104,247	845,969	<b>1,950,216</b>	506,285	417,870	924,155
Investments	2	112,569	—	<b>112,569</b>	128,363	—	128,363
Charitable activities							
. Admissions and other museum income	4	22,593	—	<b>22,593</b>	203,625	—	203,625
Other sources	5						
. Coronavirus Job Retention Scheme		129,598	—	<b>129,598</b>	6,363	—	6,363
. Other sources		15,637	—	<b>15,637</b>	28,374	—	28,374
<b>Total income</b>		<b>1,384,644</b>	<b>845,969</b>	<b>2,230,613</b>	873,010	417,870	1,290,880
<b>Expenditure on:</b>							
Raising funds	6	21,431	—	<b>21,431</b>	31,547	—	31,547
Charitable activities							
. Costs of developing and maintaining the Museum	7	731,605	746,851	<b>1,478,456</b>	1,094,459	339,308	1,433,767
<b>Total expenditure</b>		<b>753,036</b>	<b>746,851</b>	<b>1,499,887</b>	1,126,006	339,308	1,465,314
<b>Net income (expenditure) before investment gains</b>							
		631,608	99,118	<b>730,726</b>	(252,996)	78,562	(174,434)
Net gains (losses) on investment assets		<b>387,939</b>	—	<b>387,939</b>	(142,466)	—	(142,466)
<b>Net income (expenditure) before transfers</b>		<b>1,019,547</b>	<b>99,118</b>	<b>1,118,665</b>	(395,462)	78,562	(316,900)
Gross transfers between funds	13	(5,000)	5,000	—	19,813	(19,813)	—
<b>Net income (expenditure)</b>		<b>1,014,547</b>	<b>104,118</b>	<b>1,118,665</b>	(375,649)	58,749	(316,900)
<b>Other recognised gains and losses</b>							
Actuarial gains	23	1,500	—	1,500	5,000	—	5,000
<b>Net movement in funds</b>	10	<b>1,016,047</b>	<b>104,118</b>	<b>1,120,165</b>	(370,649)	58,749	(311,900)
<b>Reconciliation of funds:</b>							
Fund balance brought forward at 1 April 2020		<b>1,661,273</b>	<b>9,651,030</b>	<b>11,312,303</b>	2,031,922	9,592,281	11,624,203
Fund balance carried forward at 31 March 2021		<b>2,677,320</b>	<b>9,755,148</b>	<b>12,432,468</b>	1,661,273	9,651,030	11,312,303

All of the charity's activities derived from continuing operations during the two financial periods.

**The Foundling Museum**  
**Balance sheets** 31 March 2021

	Notes	2021		2020	
		Group £	Charity £	Group £	Charity £
<b>Fixed assets</b>					
Tangible fixed assets	12	1,137,888	1,137,888	1,261,545	1,261,545
Heritage assets	13	9,458,198	9,458,198	9,453,198	9,453,198
Investments	14	3,076,615	3,076,617	2,774,011	2,774,013
		<b>13,672,701</b>	<b>13,672,703</b>	13,488,754	13,488,756
<b>Current assets</b>					
Stocks		37,406	5,228	47,813	5,778
Investments	15	829,041	829,041	565,394	565,394
Debtors	16	95,178	146,642	190,040	311,560
Cash at bank and in hand		1,517,719	1,504,767	653,598	568,669
		<b>2,479,344</b>	<b>2,485,678</b>	1,456,845	1,451,401
<b>Creditors:</b> amounts falling due within one year	17	<b>(638,982)</b>	<b>(629,913)</b>	(526,298)	(520,854)
<b>Net current assets</b>		<b>1,840,362</b>	<b>1,855,765</b>	930,547	930,547
<b>Total assets less current liabilities</b>		<b>15,513,063</b>	<b>15,528,468</b>	14,419,301	14,419,303
<b>Creditors:</b> amounts falling due after more than one year	18	<b>(3,000,000)</b>	<b>(3,000,000)</b>	(3,000,000)	(3,000,000)
<b>Total net assets excluding pension liability</b>		<b>12,513,063</b>	<b>12,528,468</b>	11,419,301	11,419,303
Provision for liabilities	19	<b>(96,000)</b>	<b>(96,000)</b>	(107,000)	(107,000)
<b>Total net assets including pension liability</b>		<b>12,417,063</b>	<b>12,432,468</b>	11,312,301	11,312,303
<b>The funds of the group and charity:</b>					
<b>Funds and reserves</b>					
<b>Restricted funds</b>					
. Heritage assets fund	13	9,458,198	9,458,198	9,453,198	9,453,198
. Other restricted funds	20	296,950	296,950	197,832	197,832
<b>Unrestricted funds</b>					
. Tangible fixed assets fund	12	1,137,888	1,137,888	1,261,545	1,261,545
. Designated funds	21	1,055,000	1,055,000	247,986	247,986
. General fund		580,430	580,432	258,740	258,742
. Non-charitable trading funds		(15,403)	—	—	—
. Pension reserve fund	23	<b>(96,000)</b>	<b>(96,000)</b>	(107,000)	(107,000)
		<b>12,417,063</b>	<b>12,432,468</b>	11,312,301	11,312,303

Approved by the Trustees and signed on their behalf by:

Trustee  
*Larissa Joy*

Trustee  
*Ronald Gould*

Approved on: 15 Dec 2021

The Foundling Museum

Company Limited by Guarantee

Registration Number 03621861 (England and Wales)

**The Foundling Museum**  
**Consolidated statement of cash flows** Year to 31 March 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	<b>989,725</b>	(131,904)
<b>Cash flows from investing activities:</b>			
Investment income received		<b>112,610</b>	128,686
Purchase of tangible fixed assets		<b>(59,902)</b>	(29,920)
Purchase of heritage assets			(7,376)
Proceeds from the disposal of investments		<b>516,095</b>	641,589
Purchase of investments		<b>(650,452)</b>	(588,357)
<b>Net cash (used in) provided by investing activities</b>		<b>(81,649)</b>	144,622
<b>Change in cash and cash equivalents in the year</b>		<b>908,076</b>	12,718
<b>Cash and cash equivalents at 1 April 2020</b>	B	<b>956,569</b>	943,851
<b>Cash and cash equivalents at 31 March 2021</b>	B	<b>1,864,645</b>	956,569

**Notes to the statement of cash flows for the year to 31 March 2021.**

**A Reconciliation of net movement in funds to net cash from operating activities**

	2021 £	2020 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>1,104,762</b>	(311,900)
<b>Adjustments for:</b>		
Depreciation charge	<b>183,559</b>	184,642
Donated heritage assets	<b>(5,000)</b>	
(Gains) losses on investments	<b>(387,939)</b>	142,466
Investment income receivable	<b>(112,610)</b>	(128,686)
Decrease (increase) in stocks	<b>10,407</b>	(5,026)
Decrease in debtors	<b>94,862</b>	12,595
Increase (decrease) in creditors	<b>112,684</b>	(10,995)
Actuarial gains	<b>(1,500)</b>	(5,000)
Pension scheme costs less contributions paid	<b>(9,500)</b>	(10,000)
<b>Net cash provided by (used in) operating activities</b>	<b>989,725</b>	(131,904)

**B Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash at bank and in hand	1,517,719	653,598
Cash held by investment managers	346,926	302,971
<b>Total cash and cash equivalents</b>	<b>1,864,645</b>	<b>956,569</b>

**The Foundling Museum**  
**Consolidated statement of cash flows** Year to 31 March 2021

**C Analysis of net debt**

	At 1 April 2020 £	Cash flows £	Other non- cash flows £	At 31 March 2021 £
<b>Total cash and cash equivalents</b>	956,569	908,076	—	<b>1,864,645</b>

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year to 31 March 2021 with comparative information provided in respect to the year to 31 March 2020.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets for the purposes of calculating depreciation;
- ◆ estimating the value of heritage assets as at the date they were acquired where this information is not available;
- ◆ estimating any necessary provision against slow moving or obsolete stock held at year-end;

### **Critical accounting estimates and areas of judgement (continued)**

- ◆ assessing the appropriateness of the underlying assumptions made by the actuary in the valuation of the defined benefit pension scheme;
- ◆ determining the basis for the allocation of support and governance costs between expenditure on raising funds and on charitable activities;
- ◆ estimating taxation recoverable under the Exhibition Tax Relief Scheme for charities; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern.

### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Trustees acknowledge and recognise the continuing impact of the Covid-19 pandemic on the charity, its stakeholders and on wider society. Consequently, they will continue to be alert to the challenges presented by Covid-19, especially in respect to admissions. They will also continue to keep both income and expenditure under review.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

With regard to the next accounting period, the year ending 31 March 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information) and the impact of the Covid-19 pandemic and UK economic trends on visitor numbers. The Trustees are seeking to mitigate this latter risk by developing new sources of income and new markets and through continued careful budgeting and cost control.

## **Consolidation**

The statement of financial activities and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking, The Foundling Museum Trading Company Limited, made up to the balance sheet date. Intragroup transactions are eliminated in full.

## **Income recognition**

Income is recognised in the period in which the group or charity is entitled to receipt and the amount can be measured reliably and it is probable that the income will be received. Income is deferred only when the group or charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises grants and donations, investment income and interest receivable, income from trading activities (including events and shop sales), visitors' admission fees and general miscellaneous income.

Grants and donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of grants and donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the group or charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the group or charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated assets are measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Museum's accounting policies.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

### **Income recognition (continued)**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from trading activities and visitors' admission fees are recognised to the extent that it is probable that the economic benefits will flow to the group or charity and the income can be reliably measured. They are measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Income from the Coronavirus Job Retention Scheme is credited to the statement of financial activities once the charity is entitled to the funding and when the amount receivable has been quantified.

### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment 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.

All expenditure is accounted for on an accruals basis and is classified as follows:

- a) Expenditure on raising funds includes all expenditure associated with raising funds for the group and charity. This includes costs associated with fundraising and the costs of trading activities including the operating costs of The Foundling Museum Trading Company Limited.
- b) Expenditure on charitable activities comprises expenditure on developing and maintaining the Museum.

All expenditure is stated inclusive of irrecoverable VAT.

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel, provision of office services and equipment and a suitable working environment. Governance costs are the costs associated with the governance of the charity and its assets.

### **Allocation of support and governance costs** (continued)

All support and governance costs incurred by the charity are allocated to the cost of developing and maintaining the Museum whereas those of its trading subsidiary are allocated to the cost of raising funds.

### **Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

- |   |  |
|---|--|
| • Leasehold improvements                  | From the date of completion of the relevant improvement to the end of the lease term |
| • Office equipment, fixtures and fittings | 25% on cost  |
| • Website and digital branding            | 25% on cost  |

### **Heritage assets**

The Museum safeguards the Foundling Hospital Collection and offers the public access to the Collection preserving its integrity in its original context. The Museum's artefacts include paintings, furniture and items from the Foundling Hospital Collection as well as items of contemporary art, ceramics and archival material relating to the Foundling Hospital. The assets are defined as Heritage Assets for the purpose of these financial statements as they are held as part of the primary purposes of the charity and to further an understanding of social history and culture.

Heritage assets are included on the balance sheet at cost, or where cost is not available, a valuation that reflects the value of the asset at the time it was acquired by the charity. Such assets are not depreciated. Any impairment in the value of an asset is treated as charitable expenditure in the year in which it arises.

### **Investments (fixed assets and current assets)**

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The group and charity do not acquire put options, derivatives or other complex financial instruments.

As noted above, one of the financial risks faced by the group and charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on listed investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

The charity's investment in its subsidiary company is valued at cost.

### **Stocks**

Stocks of brochures and items for resale in the Museum's shop are stated at the lower of cost and net realisable value.

### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Fund structure**

The charitable company's funds comprise the heritage asset fund, a restricted fund which represents its heritage assets, other restricted funds which must be applied for specific purposes in accordance with donors' wishes, designated funds which are unrestricted funds set aside for specific purposes and a number of unrestricted income funds which are available for application towards the charity's objectives. Within unrestricted funds the Trustees have identified those non-liquid funds represented by tangible fixed assets.

Details of the other restricted funds are given in note 20 to these financial statements and designated funds in note 21.

Non-charitable trading funds are funds held by the subsidiary undertaking, The Foundling Museum Trading Company Limited.

## **Pensions**

The charity contributed to a defined benefit scheme operated by The Pensions Trust, which provides benefit based on average pensionable salary. The charity ceased to offer the scheme to its employees on 31 December 2011. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes, and benefits are paid from the total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS 102 represents the employer contribution payable.

Contributions in respect to personal pension schemes and defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the relevant scheme.

## 1 Grants and donations

Group	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Grants						
. Oak Foundation	500,000	31,853	<b>531,853</b>	—	32,133	32,133
. Covid-19 relief	—	567,300	<b>567,300</b>	—	—	—
. Other grants	485,909	138,613	<b>624,522</b>	169,304	235,334	404,638
Other donations and gifts	100,532	108,203	<b>208,735</b>	100,556	150,403	250,959
<b>Total funds</b>	<b>1,086,441</b>	<b>845,969</b>	<b>1,932,410</b>	<b>269,860</b>	<b>417,870</b>	<b>687,730</b>

Charity	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Grants						
. Oak Foundation	500,000	31,853	<b>531,853</b>	—	32,133	32,133
. Covid-19 relief	—	567,300	<b>567,300</b>	—	—	—
. Other grants	485,909	138,613	<b>624,522</b>	169,304	235,334	404,638
Other donations and gifts	100,532	108,203	<b>208,735</b>	100,556	150,403	250,959
Donation from subsidiary undertaking	—	—	—	100,527	—	100,527
Management recharge	17,806	—	<b>17,806</b>	135,898	—	135,898
<b>Total funds</b>	<b>1,104,247</b>	<b>845,969</b>	<b>1,950,216</b>	<b>506,285</b>	<b>417,870</b>	<b>924,155</b>

## 2 Investment income and interest receivable

Group	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Investment income	112,224	—	112,224	127,587	—	127,587
Interest receivable	386	—	386	1,099	—	1,099
<b>Total funds</b>	<b>112,610</b>	<b>—</b>	<b>112,610</b>	<b>128,686</b>	<b>—</b>	<b>128,686</b>

Charity	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Investment income	112,224	—	<b>112,224</b>	127,587	—	127,587
Interest receivable	345	—	<b>345</b>	776	—	776
<b>Total funds</b>	<b>112,569</b>	<b>—</b>	<b>112,569</b>	<b>128,363</b>	<b>—</b>	<b>128,363</b>

## 3 Income from other trading activities

Group	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Events	16,682	—	<b>16,682</b>	259,711	—	259,711
Sales	7,567	—	<b>7,567</b>	54,277	—	54,277
Other	212	—	<b>212</b>	23	—	23
<b>Total funds</b>	<b>24,461</b>	<b>—</b>	<b>24,461</b>	<b>314,011</b>	<b>—</b>	<b>314,011</b>

The charity had no trading activities during the year (2020: none).

#### 4 Income from charitable activities

Group and charity	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
<b>Total funds:</b> Admissions and other museum income	<b>22,593</b>	<b>—</b>	<b>22,593</b>	203,625	—	203,625

#### 5 Income from other sources

Group and charity	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Coronavirus Job Retention Scheme	129,598	—	129,598	6,363	—	6,363
Miscellaneous	15,637	—	15,637	28,374	—	28,374
<b>Total funds</b>	<b>145,235</b>	<b>—</b>	<b>145,235</b>	34,737	—	34,737

Miscellaneous income includes £10,293 (2020 – £24,085) being tax recoverable under the Exhibition Tax Relief Scheme for charities.

#### 6 Expenditure on raising funds

Group and charity	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Fundraising expenses	1,271	—	1,271	7,233	—	7,233
Guidebook: cost of sales	552	—	552	3,257	—	3,257
Investment manager fees	19,608	—	19,608	21,057	—	21,057
<b>Total funds</b>	<b>21,431</b>	<b>—</b>	<b>21,431</b>	31,547	—	31,547

#### 7 Expenditure on charitable activities: developing and maintaining the Museum

Group	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Museum operating costs	554,205	746,851	1,301,056	971,749	339,308	1,311,057
Depreciation (note 12)	183,559	—	183,559	184,642	—	184,642
Conservation	15,940	—	15,940	15,977	—	15,977
<b>Total funds</b>	<b>753,704</b>	<b>746,851</b>	<b>1,500,555</b>	1,172,368	339,308	1,511,676

Charity	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Museum operating costs	532,106	746,851	1,278,957	893,840	339,308	1,233,148
Depreciation (note 12)	183,559	—	183,559	184,642	—	184,642
Conservation	15,940	—	15,940	15,977	—	15,977
<b>Total funds</b>	<b>731,605</b>	<b>746,851</b>	<b>1,478,456</b>	1,094,459	339,308	1,433,767

Museum operating costs include governance costs (see note 9) in respect to the charity.

## 8 Staff costs

Group and charity	2021 £	2020 £
Salaries	731,357	669,528
Social security costs	50,174	46,372
Pension costs	18,091	11,850
	<b>799,622</b>	<b>727,750</b>

The average number of employees (excluding temporary and agency staff), analysed by function, was as follows:

Group and charity	2021	2020
Senior management	2	2
Museum administration	17	17

During the year two members of staff received annual remuneration (including taxable benefits but excluding employer's pension and national insurance contributions) of between £80,000 and £90,000 (2020 – two members of staff, between £60,000 and £70,000).

No Trustee received reimbursement of expenses during the year in connection with services to the charity (2020 – none).

The key management personnel of the Museum in charge of directing and controlling, running and operating the Museum on a day to day basis comprise the Trustees together with the Chief Executive and the Finance Director.

The total remuneration (including taxable benefits and employer's pension and national insurance contributions) payable to key management personnel during the year was £206,867 (2020 – £162,433). Executives' remuneration is set by the Finance & Audit Committee and reviewed annually.

## 9 Governance costs

Group	2021 £	2020 £
Auditor's remuneration		
· Statutory audit – fee for the year	10,700	10,600
Other governance costs	1,713	1,713
	<b>12,413</b>	<b>12,313</b>

## 10 Net movement in funds

This is stated after charging:

Group	2021 £	2020 £
Auditor's remuneration		
. Statutory audit	<b>10,700</b>	10,600
. Other services	<b>12,400</b>	11,000
Depreciation of tangible fixed assets	<b>183,560</b>	184,642

## 11 Taxation

The Foundling Museum is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The Foundling Museum Trading Company Limited donates its taxable profits (if any) to The Foundling Museum via a Gift Aid compliant deed of covenant.

## 12 Tangible fixed assets

Group and charity	Leasehold improve- ments £	Office equipment, fixtures and fittings £	2021 Total £
<b>Cost</b>			
At 1 April 2020	3,929,876	295,974	<b>4,225,850</b>
Additions	—	59,902	<b>59,902</b>
At 31 March 2021	<b>3,929,876</b>	<b>355,876</b>	<b>4,285,753</b>
<b>Depreciation</b>			
At 1 April 2020	2,705,129	259,176	<b>2,964,305</b>
Charge for the year	169,711	13,848	<b>183,559</b>
At 31 March 2021	<b>2,874,840</b>	<b>273,024</b>	<b>3,147,865</b>
<b>Net book values</b>			
At 31 March 2021	<b>1,055,036</b>	<b>82,852</b>	<b>1,137,888</b>
At 31 March 2020	1,224,747	36,798	<b>1,261,545</b>

Included within office equipment, fixtures and fittings are assets with a net book value of £31,980 in respect to the charity's website and digital branding (2020 - £nil).

### 13 Heritage Assets

Group and charity	Museum artefacts £
<b>Cost or valuation</b>	
At 1 April 2020	9,453,198
Additions	5,000
At 31 March 2021	9,458,198

The Museum has in the past obtained various assets where the donors have placed conditions or legal charges to restrict their use. Primarily these assets are allowed to be displayed to the public, but the Museum cannot benefit from the intrinsic value of these assets other than from the income they generate. In the event that the Museum were no longer to comply with the conditions imposed by the donors, the assets would be removed from the Museum and offered to other charities, without compensation being due to the Museum for the loss of those assets.

The Museum holds two assets which fall into this category, a painting obtained with funding from The National Heritage Memorial Fund (“NHMF”) and The Gerald Coke Handel Collection received from The Museums and Libraries Archives Council. In accordance with the requirement of the Charities SORP FRS 102, both these assets are recognised in the financial statements. The painting is included at £4,000,000 which reflects the value when acquired by the NHMF in 2003 and The Gerald Coke Handel Collection is included at £4,825,240 as valued by Christie’s in 2006.

Other heritage assets acquired by the Museum are included on the balance sheet at cost.

Heritage assets are held in a separate fund as this represents assets where the charity owns the legal title but where the original owners or the donors of the assets have placed legal restrictions on the assets’ sale or disposal.

## 14 Fixed asset investments

Group	2021 £	2020 £
Listed investments		
. Market value as at 1 April 2020	2,552,731	2,901,295
. Additions at cost	247,403	341,301
. Disposals at book value (proceeds: £315,631, net realised gains: £56,230)	(259,401)	(581,101)
. Net unrealised investment gains (losses)	267,346	(108,764)
. Market value as at 31 March 2021	2,808,079	2,552,731
Cash held for reinvestment	268,536	221,280
<b>Total investments at 31 March 2021</b>	<b>3,076,615</b>	<b>2,774,011</b>
Cost of listed investments	2,368,483	2,372,011
Charity	2021 £	2020 £
Listed investments		
. Market value as at 1 April 2020	2,552,731	2,901,295
. Additions at cost	247,403	341,301
. Disposals at book value (proceeds: £315,631, net realised gains: £56,230)	(259,401)	(581,101)
. Net unrealised investment gains (losses)	267,346	(108,764)
. Market value as at 31 March 2021	2,808,079	2,552,731
Cash held for reinvestment	268,536	221,280
	3,076,615	2,774,011
Investment in subsidiary undertaking (see below)	2	2
<b>Total investments at 31 March 2021</b>	<b>3,076,617</b>	<b>2,774,013</b>
Cost of listed investments	2,368,483	2,372,011

Both group and charity listed investments (comprising the above and those classified as current assets – see note 15) which equate to more than 5% of the total listed investment portfolios (fixed and current) comprise units in the Charities Property Fund (£311,439 (8.75% of the portfolio)).

### Investment in subsidiary

The charity has one wholly owned trading subsidiary - The Foundling Museum Trading Company Limited - which is incorporated in the UK and sells promotional goods and organises events for the benefit of The Foundling Museum. The trading results of the subsidiary have been incorporated into the consolidated financial statements.

The following is a summary of the financial statements of The Foundling Museum Trading Company Limited for the year ended 31 March 2021, which have been included in the consolidated financial statements.

## 14 Fixed asset investments (continued)

	2021 £	2020 £
<b>Turnover</b>	<b>24,462</b>	314,011
Cost of sales	<b>(16,055)</b>	(60,696)
<b>Gross profit</b>	<b>8,407</b>	253,315
Administrative costs	<b>(23,853)</b>	(153,111)
<b>Operating (loss) profit</b>	<b>(15,446)</b>	100,204
Donations made under gift aid	<b>—</b>	(100,527)
<b>Loss on ordinary activities before interest and taxation</b>	<b>(15,446)</b>	(323)
Other interest receivable and similar income	<b>41</b>	323
<b>Loss on ordinary activities before taxation</b>	<b>(15,405)</b>	—
Taxation	<b>—</b>	—
<b>Loss for the financial year</b>	<b>(15,405)</b>	—
Retained earnings at 31 March 2020	<b>—</b>	—
<b>Accumulated losses at 31 March 2021</b>	<b>(15,405)</b>	—

At 31 March 2021 the company had total called up share capital of £2 and accumulated losses of £15,405 (2020 – called up share capital and retained earnings of £2).

## 15 Current asset investments

Group and Charity	2021 £	2020 £
Listed investments		
. Market value as at 1 April 2020	<b>483,703</b>	330,837
. Additions at cost	<b>403,049</b>	247,056
. Disposals at book value (proceeds: £200,464; gains: £15,593)	<b>(184,871)</b>	(38,371)
. Net unrealised investment gains (losses)	<b>48,770</b>	(55,819)
. Market value as at 31 March 2021	<b>750,651</b>	483,703
Cash held for reinvestment	<b>78,390</b>	81,691
<b>Total investments at 31 March 2021</b>	<b>829,041</b>	565,394
Cost of listed investments	<b>723,526</b>	505,019

## 16 Debtors

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Operating debtors	28,170	19,486	56,039	24,339
Gift aid tax recoverable	30	30	23,999	23,999
Other debtors	58,751	58,751	93,652	93,652
Prepayments and accrued income	8,227	7,527	16,350	13,922
Amounts due from subsidiary undertaking	—	60,848	—	155,648
	<b>95,178</b>	<b>146,642</b>	<b>190,040</b>	<b>311,560</b>

## 17 Creditors: amounts falling due within one year

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Expense creditors	95,041	92,263	12,089	11,249
Supporters' loan endowment scheme (note 25)	450,000	450,000	424,044	424,044
Other creditors	93,941	87,650	90,165	85,561
	<b>638,982</b>	<b>629,913</b>	526,298	520,854

Loans from supporters have been invested with Veritas and are held as current asset investments (note 15) as they are repayable with a minimum of two months' notice.

## 18 Creditors: amounts falling due after more than one year

Group and charity	2021 £	2020 £
Loan	<b>3,000,000</b>	3,000,000

An endowment loan of £3 million was awarded to the Museum by The National Heritage Memorial Fund. The entire loan is interest free and repayable in full on 31 March 2028.

## 19 Provision for liabilities

Group and charity	2021 £	2020 £
Provision for pension scheme deficit reduction payments (note 23)	<b>96,000</b>	107,000

## 20 Other restricted funds

The income funds of the group and charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

Group and Charity	At 1 April 2020 £	Income £	Expenditure and transfers £	At 31 March 2021 £
Conservation fund	12,387	2,500	(14,247)	640
Paul Mellon Centre/Pilgrim Trust fund	6,991	—	(675)	6,316
The Clore Duffield Foundation fund	3,791	25,000	(1,840)	26,951
Exhibitions fund	—	80,233	(52,613)	27,620
Learning running costs fund	73,459	24,700	(24,623)	73,536
Collection purchases fund	30,227	380	(756)	29,851
Gerald Cooke Handel Foundation fund	1,804	5,953	(6,556)	1,201
Oak Foundation fund	—	31,853	(16,853)	15,000
Trustee of JR Murray fund	—	40,000	(40,000)	—
China Project fund	45,268	30,000	(43,012)	32,256
Foyle Foundation fund	22,675	—	(6,497)	16,178
Covid Emergency Grants	—	535,300	(517,006)	18,294
Other funds	1,230	40,250	(22,173)	35,485
Front Desk Project	—	29,800	—	29,800
	197,832	845,969	(746,851)	296,950

## 20 Other restricted funds (continued)

<b>Group and Charity</b>	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Conservation fund	33,766	—	(15,135)	(6,244)	12,387
Paul Mellon Centre/Pilgrim Trust fund	30,608	—	(23,617)	—	6,991
The Clore Duffield Foundation fund	6,290	—	(2,499)	—	3,791
Exhibitions fund	1,385	83,224	(82,609)	(2,000)	—
Learning running costs fund	29,626	58,000	(65,842)	—	21,784
Collection purchases fund	24,764	12,083	—	(6,620)	30,227
Gerald Cooke Handel Foundation fund	(2,183)	15,730	(11,743)	—	1,804
Oak Foundation fund	20,653	32,133	(52,786)	—	—
Music funds	—	11,250	(11,250)	—	—
Trustee of JR Murray fund	—	40,000	(40,000)	—	—
ICAP fund	—	51,675	—	—	51,675
China Project fund	—	76,107	(30,839)	—	45,268
Foyle Foundation Fund	—	35,000	—	(12,325)	22,675
Other funds	1,550	2,668	(2,988)	—	1,230
	<u>146,459</u>	<u>417,870</u>	<u>(339,308)</u>	<u>(27,189)</u>	<u>197,832</u>

The specific purposes for which the funds are to be applied are as follows:

◆ **Conservation fund**

The conservation fund is for the restoration and maintenance of the paintings, furniture and other artworks exhibited by the Museum.

◆ **Paul Mellon Centre fund**

The Paul Mellon Centre for Studies in British Art have funded the creation of a catalogue of the collection.

◆ **The Clore Duffield Foundation fund**

The Clore Duffield Foundation has funded the Foundling Fellowship, a scheme to find the contemporary Coram, Hogarth and Handel to work with the Museum to develop original, creative initiatives for children and to raise the profile of the museum in those areas.

◆ **Exhibitions fund**

The Exhibitions Fund is for the costs of various upcoming exhibitions and displays.

## 20 Other restricted funds (continued)

### ◆ Learning running costs fund

The Education Running Costs Fund is to finance the day to day operating activities of the Education Centre, including the Museum's Nursery Project.

### ◆ Collection purchases fund

The Collection purchases fund comprises donations from a variety of sources for the enhancement of the collections.

### ◆ Gerald Cooke Handel Foundation fund

The Gerald Cooke Handel Foundation fund is for expenditure directly related to the Gerald Cooke Handel collection

### ◆ Oak Foundation fund

The Oak Foundation is funding a three-year training programme aimed at young adults who grew up in foster care or children's homes

### ◆ Music Fund

The Music Fund is funds raised by the 1750 club to sponsor a wide range of music events.

### ◆ Trustee of JR Murray fund

The Trustee of JR Murray fund is to fund the salary of The Director.

### ◆ ICAP fund

The ICAP fund is for a bespoke training and mentorship programme for care-experienced young adults.

### ◆ China project fund

The China project fund is for establishing new ways of generating income.

### ◆ Foyle Foundation fund

The Foyle Foundation fund is for replacing IT equipment.

### ◆ Covid Emergency grants

These grants, principally from Arts Council England, covered a wide range of special projects as well as contributing to payroll and overhead costs to ease the impact of the pandemic on the Museum's programmes and finances.

## 20 Other restricted funds (continued)

### ◆ Front Desk project

This project was for the remodelling of the front desk area to make it more welcoming, improve the lighting and the retail shop display area and thereby improve the visitor experience.

### ◆ Other funds

Other funds comprise items of miscellaneous restricted income to be spent on various museum projects.

## 21 Designated funds

Group and charity	At 1 April 2020 £	New designations £	Expenditure and transfers £	At 31 March 2021 £
Buildings repair fund	2,000	—	(2,000)	—
Redundancy costs	—	50,000	—	50,000
Purchase of lease	—	600,000	—	600,000
Vaults	—	25,000	—	25,000
Exhibition shortfall fund	20,000	—	—	20,000
Sash windows	—	60,000	—	60,000
NHLF Shortfall fund	225,986	74,014	—	300,000
	<b>247,986</b>	<b>809,014</b>	<b>(2,000)</b>	<b>1,055,000</b>

Group and charity	At 1 April 2019 £	New Designations £	At 31 March 2020 £
Buildings repair fund	2,000	—	2,000
Exhibition shortfall fund	20,000	—	20,000
NHLF Shortfall Fund	—	225,986	225,986
	<b>22,000</b>	<b>225,986</b>	<b>247,986</b>

Full details of the purpose of the above funds are provided in the Trustees' report.

## 22 Analysis of net assets between funds

Group	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Fund balances at 31 March 2021 are represented by:</b>						
Tangible fixed assets	1,137,888	—	1,137,888	1,261,545	—	1,261,545
Investments	3,076,615	—	3,076,615	2,774,011	—	2,774,011
Heritage assets	—	9,458,198	9,458,198	—	9,453,198	9,453,198
Current assets	2,182,394	296,950	2,479,344	1,259,013	197,832	1,456,845
Creditors: amounts falling due within one year	(638,982)	—	(638,982)	(526,298)	—	(526,298)
Creditors: amounts falling due after more than one year	(3,000,000)	—	(3,000,000)	(3,000,000)	—	(3,000,000)
Pension deficit	(96,000)	—	(96,000)	(107,000)	—	(107,000)
<b>Total</b>	<b>2,661,915</b>	<b>9,755,148</b>	<b>12,417,063</b>	<b>1,661,271</b>	<b>9,651,030</b>	<b>11,312,301</b>

### Unrealised gains included above:

Charity	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Fund balances at 31 March 2021 are represented by:</b>						
Tangible fixed assets	1,137,888	—	1,137,888	1,261,545	—	1,261,545
Investments	—	9,458,198	9,458,198	2,774,013	—	2,774,013
Heritage assets	3,076,617	—	3,076,617	—	9,453,198	9,453,198
Current assets	2,188,728	296,950	2,485,678	1,253,569	197,832	1,451,401
Creditors: amounts falling due within one year	(629,913)	—	(629,913)	(520,854)	—	(520,854)
Creditors: amounts falling due after more than one year	(3,000,000)	—	(3,000,000)	(3,000,000)	—	(3,000,000)
Pension deficit	(96,000)	—	(96,000)	(107,000)	—	(107,000)
<b>Total</b>	<b>2,677,320</b>	<b>9,755,148</b>	<b>12,432,468</b>	<b>1,661,273</b>	<b>9,651,030</b>	<b>11,312,303</b>

<b>Investments</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Reconciliation of movements in unrealised gains</b>		
Unrealised gains at 1 April 2020	<b>159,404</b>	388,473
Net unrealised gains (losses) in year	<b>316,116</b>	(164,583)
In respect to disposals	<b>(8,799)</b>	(64,486)
Unrealised gains at 31 March 2021	<b>466,721</b>	159,404

## 23 Pensions

The charity participates in the Career Average Revalued Earnings ('CARE') Scheme operated by The Pensions Trust, a multi-employer scheme which provides benefits to some 37 non-associated employers. The scheme is a defined benefit scheme in the UK.

## 23 Pensions (continued)

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2016. This actuarial valuation showed assets of £60.45m, liabilities of £85.30m and a deficit of £24.86m. To eliminate this funding shortfall, the Trustees and the participating employers have agreed that additional contributions will be paid to the scheme as follows:

### Deficit contributions

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From 1 April 2018 to 30 November 2028	£1,400,000 per annum (payable monthly and increasing by 3.0% each year on 1 April)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

## 23 Pensions (continued)

	2021 £	2020 £	2019 £	2018 £
Present value of provision	<b>96,000</b>	107,000	122,000	129,000

### *Reconciliation of opening and closing provisions:*

	2021 £	2020 £
Provision at start of period	<b>107,000</b>	122,000
Unwinding of the discount factor (interest expense)	<b>2,500</b>	2,000
Deficit contribution paid	<b>(12,000)</b>	(12,000)
Remeasurements - impact of any change in assumptions	<b>(1,500)</b>	(5,000)
<b>Provision at end of period</b>	<b>96,000</b>	107,000

### *Income and expenditure impact*

	2021 £	2020 £
Interest expense	<b>2,500</b>	2,000
Remeasurements – impact of any change in assumptions	<b>(1,500)</b>	(5,000)
Income (costs) recognised in statement of financial activities	<b>1,000</b>	(3,000)

### *Assumptions*

	2021 %	2020 %	2019 %	2018 %
Rate of discount	<b>0.98</b>	2.58	1.58	1.93

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

## **24 Connected charities**

### ***Coram***

The Foundling Hospital (subsequently the Thomas Coram Foundation and now known as Coram) was established in 1739 by the philanthropist Thomas Coram. Instrumental in helping Coram realise his vision were the artist, William Hogarth and the composer, George Frideric Handel. Hogarth initiated the donation of artworks and Handel gave fundraising performances of Messiah in the Hospital's Chapel. In the process, they created the UK's first public art gallery and set the template for the way the arts could support philanthropy. In 1998 Coram created the Museum to safeguard the Foundling Hospital Collection, to offer public access to the Collection, and to preserve its integrity in its original context. The Foundling Museum's objects include the ability "to support such of the purposes of the charity now known as Coram as the Museum, in consultation with Coram, shall from time to time determine."

Coram is one of 13 company members of The Foundling Museum and nominates up to one third of the trustees of The Foundling Museum and holds retained powers to safeguard its founding principles.

Many of the paintings and other artefacts housed within The Foundling Museum Collection belong to the Foundling Hospital Collection which is owned by Coram but they are held and managed by The Foundling Museum in accordance with a legal agreement for a period of 25 years which commenced in June 2002. Whilst Coram is able to sell any item it owns from the Foundling Hospital Collection to a third party during the period to June 2027, any such sale must be at full market value and the purchaser would have to accept that the item would be sold subject to the unexpired term of the agreement. In addition, The Foundling Museum has the automatic right to be given twelve months in which to raise the money to buy any item that Coram has indicated that it wishes to sell.

During the year, excluding VAT, the Museum paid Coram £16,943 in respect of insurance (2020 - £11,144), £4,726 (2020 - £3,766) for rent and service charge and £1,260 (2020 - £1,260) for waste collection.

## **24 Connected charities (continued)**

### ***Coram (continued)***

Coram paid the Museum £405 (2020 - £798) in respect of admissions and paid the Foundling Museum Trading Company £1,470 (2020 - £3,114) for venue hire. Coram Children's Legal Centre paid £nil (2020 - £521) to the Trading Company in respect of venue hire.

At 31 March 2021, the Museum owed Coram £16,943 (2020 - £405). The Foundling Museum Trading Company was owed £405 (2020 - £1,470) by Coram.

### ***The Gerald Coke Handel Foundation***

The Gerald Coke Handel Collection is an internationally-important collection of material relating to composer George Frideric Handel and his contemporaries, including manuscripts, printed music and books, libretti, artworks and ephemera.

The Collection was assembled by Gerald Coke over a period of sixty years and left to the nation by his widow with a wish that it be allocated to the Museum in the care of the Handel Institute. The endowment accompanying the Collection is managed by the Gerald Coke Handel Foundation.

Formed in 1996, the Gerald Coke Handel Foundation administers the endowment that accompanies the Gerald Coke Handel Collection and assists the Foundling Museum with the care of the Collection, which came to the Museum through the Government's Allocation in Lieu scheme.

The Foundation's objectives are to advance public education by providing research facilities for academics, musicologists, musicians, students, writers, researchers and all those interested in the life and work of Handel, his associates and contemporaries, the musical environment of his time, the printing and publishing of music in the eighteenth century, and related subjects.

Under the terms of a Management Deed dated 23rd July 2003, the Museum received the following sums from The Foundation during the year: £38,015 in respect of licence fees (2020 – £38,015), £49,831 in respect of reimbursement of librarians' employment costs (2020 – £53,251) and £42,063 in relation to premises costs (2020 – £34,843).

## 25 Related party transactions

### ***Supporters' loan endowment scheme***

The Museum has established a supporters' loan endowment scheme to enable it to benefit from the income generated by the investment of the loaned funds (notes 15 and 17). The Museum withdraws the income on the fund on a monthly basis and applies such monies towards its charitable objectives. Lenders may withdraw the loan principle by giving 60 days' notice in advance of each quarter date and they are entitled to the original capital plus any capital gains (payable as interest) up to a maximum of 1.5% over the Bank of England base rate over the duration of their loan, or less any capital losses.

The amount loaned to the Museum by the Trustees in the year under the scheme and invested in the fund was £nil (2020 – £nil), and the accrued interest due to the Trustees was £2,723 (2020 – £nil). The amounts due to the Trustees at 31 March 2021 was £77,723 (2020 – £70,674).

### **Chinese Connections Limited**

On 4 June 2019, a private limited company wholly owned by a former Trustee, Judy Bollinger (who resigned as a Trustee in December 2019), and the charity secretary and Finance Director, Nigel Cudlipp, was established with the aim of generating income for the Museum. No income was generated by the new company during the year. Income is expected to be generated in Chinese Connections Limited in future, with any taxable profits donated to the Museum.

### **Other related party transactions**

Total trustee donations in the year amounted to £10,390 (2020 – £24,200).

No trustee received reimbursement of expenses during the year in connection with services to the charity (2020 – none).

There were no further related party transactions (2020 – none).

## 26 Members liability

The charitable company is constituted as a company limited by guarantee. In the event of the charitable company being wound up, the member is required to contribute an amount not exceeding £1.