

Registered number: 11774969  
Charity number: 1186986

**Royal Pavilion and Museums Trust**  
(A company limited by guarantee)

**Trustees' report and financial statements**

**For the year ended 31 March 2022**

**Royal Pavilion and Museums Trust**  
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**Royal Pavilion and Museums Trust**  
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**Reference and administrative details of the Company, its Trustees and advisers**  
**For the year ended 31 March 2022**

<b>Trustees</b>	Michael Bedingfield, Chair Angela Smith, Chair Finance & General Purpose Committee Atiya Gourlay Brad Irwin Councillor Alan Robins Councillor Phelim MacCafferty Councillor Stephen Bell CBE David James Charles Anderson OBE Davinder Dhillon DL Jane Avarad Weeks, Vice Chair Lord John Steven Bassam Rebecca Crook, Chair of RPMT Enterprises Ltd Shaun Romain Sue Wilkinson OBE, Chair Nominations & Remuneration Committee Timothy John Mellor Aspinall
<b>Company registered number</b>	11774969
<b>Charity registered number</b>	1186986
<b>Registered office</b>	4-5 Pavilion Buildings Brighton BN1 1EE
<b>Chief executive officer</b>	Hedley Swain
<b>Independent auditors</b>	Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ

**Royal Pavilion and Museums Trust**  
(A company limited by guarantee)

**Trustees' report**  
**For the year ended 31 March 2022**

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

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

2021-22 represented the first full year of trading for the Royal Pavilion & Museums Trust (RPMT). The Trust although incorporated in February 2020 did not take on the running of the Royal Pavilion & Museums service until 1 October 2020. The original transfer date of 1 April was delayed due to the COVID pandemic. These financial statements show a consolidated position which includes the Trust and Royal Pavilion & Museums Enterprises Ltd, the Trading subsidiary, and the Royal Pavilion & Museum Foundation of the RPMT. The Foundation, the charity previously linked to the Royal Pavilion & Museums, has since 1 October 2020 had one corporate Trustee, the Royal Pavilion & Museums Trust, and is maintained due to an existing endowment fund.

**Objectives and activities**

**a. Policies and objectives**

**a) The Objects of the Charity are:**

1. The advancement of, including the advancement of public appreciation in, the arts, culture, heritage, and science, in particular (without limitation) by:
  - managing, operating, maintaining and improving the Royal Pavilion & Museums and their permanent collections, including by acquiring suitable objects for the collections;
  - preserving and safeguarding the land and the buildings of the Royal Pavilion & Museums; and providing for, or supporting, the establishment, maintenance, refurbishment and enhancement of other exhibitions and displays of collections in the Brighton and Hove area; and
2. The advancement of education, particularly (but not exclusively), in relation to heritage, culture and the arts; and
3. The maintenance and provision of land and facilities for recreation or other leisure time occupation for the general public in the interests of social welfare and with the object of improving their condition of life.
4. The 'Royal Pavilion Museums' shall mean the Royal Pavilion, Royal Pavilion Garden, Brighton Museum & Art Gallery, Preston Manor, Hove Museum, and Booth Museum.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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**Trustees' report (continued)**  
**For the year ended 31 March 2022**

**Objectives and activities (continued)**

**b. Strategies for achieving objectives**

Following the successful transfer of The Royal Pavilion and Museums to the Trust in October 2020 the Trustees set targets and goals for our first five years:

In five years time we aim to be the best Civic Museum Service in the country, with, at its heart, an Estate of World Heritage site status and an attraction on the must-see list for international visitors to the UK. In addition, we want to be a museum service that is bringing true value to all the people of Brighton & Hove who feel a real sense of ownership and involvement in its work.

This work is reliant on a radical root and branch review of the new organisation to ensure it not only emerges from the unparalleled impact of COVID, and the challenges it has presented with a successful business model, but also that it emerges from the long-term uncertainty and working practices of local authority service to become a confident independent and forward-facing business.

**Strategic Framework**

After transfer on 1 October 2020 the Trust identified three head-line priorities as benchmarks for a successful service with a series of sub-priorities and three meta- or overarching priorities. These were endorsed by trustees and key stakeholders, shared with staff and formed the basis of the first two year's operational plan.

Our priorities

We will

- 1. Be a brilliant museum service for the people of Brighton & Hove:**
  - 1.1. Be inclusive and equitable in all we do, and occasionally be unconventional and disruptive.
  - 1.2. Have galleries, exhibitions, programmes, on-line content, and events that are expert, exciting, innovative, and relevant to all the people of Brighton & Hove and make their lives richer.
  - 1.3. Reflect the values of Brighton & Hove and do all we can to be environmentally sustainable; to source our services locally, be ethical and socially responsible.
  - 1.4. Manage our collections dynamically and look after our collections, buildings and green spaces to the very highest standards.
- 2. Offering world class visitor venues:**
  - 2.1. Ensure as many people as possible know about our venues and as many people as possible visit them.
  - 2.2. Ensure that our venues and everything that goes on in them offer great value for money, are well received and commented on, that people want to come back to them and recommend them to others.
- 3. Be well run, dynamic, resilient and sustainable:**
  - 3.1. Be enterprising, dynamic and fleet-of-foot in looking for opportunities to build our business model.
  - 3.2. Professionally manage our finances, maximizing every opportunity to raise funds for the wellbeing of the service. We will work within our financial means.
  - 3.3. Be receptive to all our stakeholders, most importantly Brighton & Hove City Council.
  - 3.4. Have excellent staff, look after them and make sure they are diverse and reflect the population of contemporary Brighton & Hove. We will take personal and collective responsibility for what we do. We will be kind to each other and those we come into contact with.
- 4. Meta priorities:**
  - 4.1. Be excellent in everything we do and will innovate in museum practice, being part of global museum debates and supporting the museum sector regionally.
  - 4.2. Have a world class reputation for excellence that enhances the position of Brighton nationally and internationally.
  - 4.3. Be a listening and learning organisation. We will always seek to listen to what others have to say. We will always seek to learn from each other and others, so we become a better organisation.

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**Trustees' report (continued)**  
**For the year ended 31 March 2022**

**Objectives and activities (continued)**

Although many of the priorities above involve reviews and changes in process, we want all to be focused on long-term outcomes and impacts. For now, we will keep these simple but try to ensure everything we are doing is delivering to one or more of these outcomes:

- Increased wealth generation for the Trust.
- Higher quality engagement for B&H residents.
- Higher quality engagement for all visitors.
- Higher effectiveness of RPMT staff.

**c. Activities undertaken to achieve objectives**

For the majority of our first year (2020-21) due to the COVID pandemic and Government rules and guidance our venues were kept closed to the public and many of our staff were placed on furlough. However, we maintained the security of our buildings and collections, undertook future planning and maintained an on-line presence to provide access to our collections and resources. Lock-down conditions continued into 2021-22 and had a severe effect on our overall ability to deliver our mission in this year – even after lockdown conditions were lifted visitor numbers and associated revenue remained far below what might be deemed “normal”. During the year we slowly returned to a full public programme and public engagement and learning activities (see below).

During the year we continued the process of organizational transformation from a local authority service to an independent charitable trust (see below).

**d. Social investment policies**

Our charitable objectives and strategic priorities commit us to delivering social benefit to the people of Brighton & Hove and beyond through everything we do.

**e. Grant-making policies**

RPMT does not under normal circumstances make grants to third parties. However, we do act as the managing organisation for the South East England Museum Development Service, funded directly by Arts Council England that is a grant making organisation. We also provide some minor support for students and international museums through our grants from the James Henry Green Charitable Trust.

**f. Volunteers**

RPMT relies heavily on volunteers. In a typical year, based on the last full year's data of 2018-19, RPMT had 129 volunteers that contributed 22,000 hours to the organisation working across a variety of roles including Community Engagement, Learning, Gardening, Collections Care, Research, Event Support and Conservation.

Sadly, due to the ongoing COVID recovery during 2021-22 the programme remained restricted to 102 volunteers giving 1,498 hours mainly in Conservation and Gardening. We are now slowly returning to full volunteering activities. We have a team of volunteer gardeners who support our Royal Pavilion Garden team twice a week. Other volunteers operate on a bespoke basis across the organisation. We have a volunteer supervisor, volunteer policy document to support our work. We fully recognise the value volunteering brings to us as an organisation and the benefits it brings to those who volunteer.

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**Trustees' report (continued)**  
**For the year ended 31 March 2022**

**Objectives and activities (continued)**

**g. Main activities undertaken to further the Company's purposes for the public benefit**

RPMT manages:

- The Royal Pavilion (RP) (Grade 1 listed)
- The Royal Pavilion Garden (Grade 2 listed on Historic England's register of parks)
- Brighton Museum & Art Gallery (BMAG) (Grade 2 listed)
- Hove Museum & Art Gallery (HMAG)
- Booth Museum of Natural History (Grade 2 listed)
- Preston Manor (Grade 2\* listed) and garden

RPMT also manages the William IV Gatehouse (Grade 1 listed), India Gate (Grade 1 listed), Northgate House (Grade 2 listed), all located on the RP estate, as well as 4/5 Pavilion Buildings, an off-site collections store, the Old Courthouse and Courtroom (Grade 2 listed) and the Jaipur Gate (Grade 2 listed) at HMAG.

RPMT also operates in the virtual world through our Website, and social media channels providing worldwide access to information about its rich and diverse collections, stories and resources.

We care for c. 1million objects as part of our wide-ranging collections. These are multi-period and multi-subject. They include three Designated collections (World Art, Natural History and Decorative Arts). We also hold important collections of archaeology, Egyptology, fine art, social history, toys, musical instruments, early cinematography, and crafts.

In a normal year all our sites will be open to the public and our collections available for research and study. We operate a programme of public events and educational sessions (both formal and informal). We seek to research our collections and seek to make new knowledge available. We will loan objects to other museums. We will work with a series of partners and stakeholders to bring value to as many people as possible in Brighton & Hove and beyond.

**Achievements and performance**

**Royal Pavilion and Museums Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 March 2022**

**Achievements and performance (continued)**

**a. Main achievements of the Company**

The Royal Pavilion and Museums Trust came into being in October 2020 and for the vast majority of the first year (to May 2021) venues were closed, and most staff were on furlough as we struggled to stay afloat financially and develop future plans while delivering core museum services. Venues reopened during the summer of 2021 with some return to normal working in 2021-22. However, COVID restrictions and lockdowns and changes to visa regulations following the UK leaving the EU impacted visitor figures during 2021-22 with visitor numbers reaching 183,181 against 2019-20 numbers of 425,088 just 43% of pre pandemic levels.

Despite the obvious obstacles, key milestones and significant achievements have taken place in since the Trusts' formation. The toll the pandemic has had on the group is recognised and despite all hurdles the following achievements have been made:

- Delivery of our service level agreement with Brighton & Hove City Council and an ongoing positive and supportive partnership with the council.
- Delivery of our National Portfolio funding agreement with Arts Council England including our agreement to manage the museum development service for SE England.
- Over £1.2 m of cultural recovery funding received from Arts Council England and over £250k of emergency funding from the National Lottery Heritage Fund to help secure survival through COVID.
- Delivered an exhibition programme at our venues that have received popular and critical support.
- A major grant from the James Henry Green Charitable Trust to deliver a "culture change" programme to ensure the service is socially engaged, diverse and equitable in all its activities.
- A successful bid to the Museum Estate and Development Fund (MEND) fund from the Arts Council England for £1,463,769 to undertake essential repairs to the roof of Brighton Museum and Art Gallery. This levered a further £500k from BHCC. Work will be undertaken in 2022-23.
- Commencement of the Royal Pavilion Garden restoration project, primarily funded by the National Lottery Heritage Fund (NLHF) with support from BHCC as part of a wider masterplan for the whole Royal Pavilion Estate (including the Dome and Corn Exchange) has gone ahead.
- Research funding of into our unique collection of 17th and 18th Century Chinese wallpaper from the Paul Mellon trust which is being undertaken by our expert conservators led by Amy Junker Heslip.
- Further project funding from NLHF and the Esmée Fairburn Foundation for new projects to commence at Brighton Museum and the Booth Museum
- New contracts to deliver two book publishing deals. One on the Royal Pavilion for the Yale University Press by curator Alexandra Loske, and a second for an edition of a SCALA publishing 'Directors Choice' book on 37 significant objects from the RPMT collections.
- Martin Pel, Curator of Fashion and Textiles has received a Headley Fellowship from the Art Fund to continue his research into the British artist Martin Battersby.
- The One Minute Experience, an app developed from an EU funded project led by the University of Copenhagen to enhance storytelling around the collection was launched in October by Kevin Bacon, our Digital lead.
- A collaboration with Brighton & Hove Albion Football Club Women's Football Team to deliver community value linked to the major summer 2022 exhibition Goal Power on the history of women's football at Brighton Museum linked to Brighton being a host city for the Women's Euros. Also included an award from the NLHF for associated community engagement.



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**Trustees' report (continued)**  
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**Achievements and performance (continued)**

- A major collaboration with Sussex University to contribute to a new BA degree in Liberal Arts to be hosted by Hove Museum. And ongoing partnerships with Sussex and Brighton Universities.
- A major programme of review and strategic planning in all aspects of the business to move from a relatively traditional local authority service to an independent trust and charitable business model has been undertaken.
- Instigation of a major "space audit" of RPMT buildings and the start of a major review of collections.
- Development of a new website and brand architecture to be launched in summer 2022.
- The completion of architectural repairs to the north east frontage of the Royal Pavilion.
- Income generated through a major TV film contract at the Royal Pavilion.

**b. Key performance indicators**

For the period under review our key performance indicators were as follows:

	<b>Key Performance Indicators</b>	<b>21-22 Target</b>	<b>21-22 Achieved</b>
No.	Visitors to the Royal Pavilion and Museums	173,000	183,181
%	Satisfaction levels of visitors to Royal Pavilion and Museums	95%	95%
No.	Children & Young People participating in formal learning activity on site	6,000	5,413
No.	Website sessions for the Royal Pavilion and Museums	750,000	820,608
£	Earned income	£5.109m	£6.668m
No.	Residents visiting Royal Pavilion and Museums	35,000	30,455

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**Trustees' report (continued)**  
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**Achievements and performance (continued)**

**c. Review of activities**

**Collections & Research**

Under the SLA with BHCC, the collections are owned by BHCC and are loaned to the Trust. This includes any items acquired during the course of the agreement.

As of March 2022 there were 39 active loans. Most for exhibitions, some for research. We have objects on loan from nearly all our collections (Costume, Dec Art, Fine Art, Local History & Archaeology, Natural Sciences and World Art) and several loans have gone to overseas venues.

Below is a selection of current loans:

- 144 objects to Khama III Memorial Museum Botswana – including clothing, weapons, bags, tools, and ornaments.
- A head carving of a Maori ancestor, the leader and chief Hongi Hika, to Te Kongahu Museum, New Zealand.
- Seven costumes to the Guildhall Art Gallery.
- Alice in Wonderland by George Dunlop Leslie, oil painting, to the V&A. In February the exhibition, including this work, will travel to for venues in Asia: Chaoyang Joy City (with UCCA), Beijing; Mori Arts Centre, Tokyo; Abeno Harukas Museum, Osaka and Hangaram Art Museum, Seoul.
- Two Walter Sickert paintings, The Laundry Shop, Dieppe and Portrait of The Honourable Lady Fry to the Walker Art Gallery.
- Two circus-themed ceramics and a painting, The Ballet Shoe, by Laura Knight to the MK Gallery.
- Beata Beatrix, After Rossetti, to Casa Cavazzini, Udine.
- The Amber Cup will be going on loan to the British Museum in February 2022 for the exhibition the World of Stonehenge.

Long-term loans:

- A kitchen unit back to Embassy Court, Brighton.
- Four objects relating to Magnus Volk to Volk's Electric Railway Association, Brighton.
- 118 archaeological artifacts to Saddlescombe Farm.
- High Weald Roman Coin Hoard to Fishbourne Museum.
- 23 geological objects to Horsham Museum.
- Sir John Soane table to Stowe House.

Acquisitions:

- Small mahogany three-cornered bracket cupboard (original Royal Pavilion furniture) - (donation) April 2021.
- One barkcloth facemask made by barkcloth by Samoan artist Reggie Fitiao - (gift) -July 2021.
- Eight contemporary objects from Botswana: baskets, spoon, giraffe sculpture, leg rattles and currency - (purchase - James Henry Green fund) July 2021.
- 16mm film Mirror Films by Steve Farrer - (donation - presented by the Art Fund) September 2021.
- HD digital file Domestic Sanitation by Helen Chadwick - (purchased as part of the Art Fund New Collection Award 2015) September 2021.
- Film/HD file Antepartum by Mary Kelly- Donation- presented by the Contemporary Art Society) September 2021.
- Partially albino woodcock mounted specimen - (donation) October 2021.

Deaccessions:

- Two volks railway model sections and cars transferred to Volks Electric Railway Association) - May 2021.
- Eight items of furniture - two sofas, washstand, dressing table, wardrobe, sofa table, shelving unit, bed and furnishing transferred to Dudley Museum Service - November 2021.

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**Trustees' report (continued)**  
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**Achievements and performance (continued)**

- Fire engine, fire pump and extinguisher, with documents transferred to Amberley Museum Trust - December 2021.

**Research:**

- Ongoing research into our Chinses wallpaper collections by Amy Junker Heslip.
- Research into the legacy of Martin Battersby by Martin Pel.
- Research into the Royal Pavilion by Alexandra Loske for a future Yale university Press publication.
- Research by Jody East and Dan Robinson into the history of women's football linked to our summer 2022 exhibition "Goal Power".
- Research was published and a display produced on a newly discovered ancient winged reptile bone in the Booth Museum collection.
- A display produced on newly researched and conserved Faberge objects in the collections.

**Conservation**

The team have undertaken their core tasks including collections care and housekeeping tasks, facilitating loans, and supporting the RPMT events programme including functions and filming projects. The team have continued managing our environmental controls. In particular this year they have been monitoring and managing pest issues at the Booth Museum in relation to the stored taxidermy, along with mould outbreaks at the Royal Pavilion, Preston Manor and Hove Museum & Art Gallery. Improvements have also been made to light control measures and UV protection in some key rooms in the Royal Pavilion. They have also supported with monitoring for water ingress and have been working to commission the Gutter Watch system in the Royal Pavilion to help with this.

Some specific projects that the team have been working on have included planning the removal and deinstallation of the Royal loans and the reinstallation of our own collections, continuing the silver gilt programme of cleaning at the Royal Pavilion, started the pagoda conservation project, removed varnish form the Chinese wallpaper and redecorated the lift lobby and south end of the Great Kitchen at the Royal Pavilion. The team have also played a key role in planning and facilitating collection reviews at our off-site store.

The technician team have continued supporting RPMT with general maintenance support along with installing exhibitions and displays across our sites. Specific projects that they have completed this year include devising display and lighting solutions for all exhibitions at Brighton Museum & Art Gallery, Preston Manor and Hove Museum & Art Gallery. They have also re-suited all the locks at the Royal Pavilion.

**Gardens & Buildings**

RPMT has engaged a new Head Gardener who leads the outdoor team. The garden team is now responsible for not only the Royal Pavilion Garden, but also those at Preston Manor and Hove Museum & Art Gallery. Over the last 12 months the primary aim of the gardening team has been to keep the three gardens well-maintained and to continue good relationships with our existing volunteer teams. Our Head Gardener is compiling a wider vision for our outdoor spaces as well as a plan of priority work. The Garden Apprentice continues to be a success and we are keen to build on this by continuing our engagement with this scheme and looking to expand on it. We also work closely with a dedicated team of garden volunteers.

The Facilities team has continued managing our annual maintenance programmes e.g., PAT testing, servicing of systems, as well as overseeing our Health & Safety work including being key players in our ongoing response to Covid. Additional priorities for the team have been reviewing our fire and security procedures including undertaking independent Fire Risk Assessments for all our main buildings. They have also led on a Space Review which is an initiative to undertake a review of all our spaces to make better use of the space available to us. The first part of this process has been a consultation with staff about the use of our behind-the-scenes spaces and looking at how we can use our hybrid working policy to reduce our required office spaces, which in turn will create areas for us to better store our archives and collections or to use for income generation. This review dovetails into our other organisational priority of a dynamic collections review – part of which is to review where we house our stored collections and developing ideas of how to improve this.

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**Trustees' report (continued)**  
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**Achievements and performance (continued)**

During the period we continued our programme of capital repairs and renewals supported by Brighton & Hove City Council. In this period we completed the restoration of the north east frontage of the Royal Pavilion and the frontage of Hove Museum. We also undertook repairs of the King William IV Gate.

**Audiences & Engagement**

**Our Museums**

Venue	Visits	Satisfaction
The Royal Pavilion	95,283	98%
Brighton Museum & Art Gallery	62,261	94%
Hove Museum & Art Gallery	6,484	No data
Booth Museum of Natural History	13,789	80%
Preston Manor	5,364	100%

**Exhibitions and displays**

A summary of our exhibitions and displays for this period

**Royal Pavilion**

A Prince's Treasure - From Buckingham Palace to the Royal Pavilion.  
Christmas at the Royal Pavilion.  
The Regency Wardrobe at the Royal Pavilion.

**Brighton Museum & Art Gallery**

Bowie / MacCormack Rock 'n' Roll With Me 1973-76.  
Marilyn Stafford: A Life in Photography.  
Designing an Enchanted Palace: The Crace decorators at the Royal Pavilion.  
Down from London: Spencer Gore & Friends.  
Queer the Pier.  
Finding Fabergé.

**Hove Museum & Art Gallery**

Richard Slee: Mantlepiece observations.  
Misshapes: The Making of Tatty Devine.  
Video Club Days of Wonder event

**Preston Manor**

Brighton's lost masterpieces

**Booth Museum of Natural history**

Newly discovered pterosaur bones

**Events and Education**

Again the COVID pandemic had a major detrimental effect on our ability to delivery learning programmes and events. During this period we did continue to develop on-line events and once lock-downs had been lifted we re-started schools programmes and live events.

- An experimental programme of 17 online talks covering a range of topics and times ran from April 2021, delivered by a range of people including RPMT and guest curators, conservators, external subject specialists, artists, community contacts and front of house staff.
- In person events were limited due to covid but did include Glitter and Glitz at BMAG in Sep 2021 a "cos-play" event for fans to come to the 'Bowie/MacCormack: Rock 'n' Roll with Me' exhibition in their best

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**Achievements and performance (continued)**

- Bowie-inspired costume.
- Hove Museum held Children's Art-Crafty workshops in October half term with 16 attendees and a Creative Writing for Adults session in November with 10 attendees. Numbers were consciously limited for COVID precautions.
- Early years provision restarted in summer holidays with an enrichment programme for children in receipt of school meals with CHOMP (project supported by BHCC). 9 sessions reached 89 children and 46 adults, with a further October half term programme reaching 35 children and 12 adults.
- Formal schools learning activities resumed in the autumn term 2021 following suspension since the first lockdown. Taught sessions were refreshed and improved, and staff were retrained.

**Communities, Partnerships and Engagement**

We continued an important programme of co-operative working with key communities and community groups. Work continued with RPMT's existing community panels, the Access Advisory Group, the Cultural Heritage Network, and the Youth Engagement panel (Museum Collective) and with LGBTQIA communities and networks, including Queer Heritage South. This will be extended to take in a Culture Change external reference group and an internal staff culture change group. This was also the first year of our own RPMT staff People and Culture group. Our RP Garden project has seen a series of external consultations. We have started working more closely with a range of other Brighton based organisations including the Brighton Dome and Festival, Outside In, and Video Club.

Work on the Making African Connections project led to a new protocol for dealing with racist language in historic museum documentation which is being implemented across the organisation.

Museum Mentors (a group of individuals with varied critical social needs) continued with a few individual meetings outside and socially distanced, and then moved to postal engagement as the pandemic worsened. Museum Collective (young people 14-25) moved online, using Zoom meetings to keep in touch with the group.

**Digital**

April 2021- March 2022: Website sessions: 820,608 Social media engagements: 161,108

Digital growth has been outstripping pre pandemic levels throughout 2021-22. More individual engagements are made with RPMT online rather than in person whether that be following social media leads, purchasing from our online shop, looking at our collections, downloading resources or engaging with some of our website content. Key highlights of the year include:

- Launch of new online shop: <https://shop.brightonmuseums.org.uk/>.
- New online interpretation of Chinese wallpaper in Royal Pavilion: (<https://brightonmuseums.org.uk/royalpavilion/history/chinese-wallpaper/>.)
- Public test of One Minute app in Brighton Museum: <https://brightonmuseums.org.uk/brighton/trails/one-minute-app/>. Will inform roll-out as part of visitor offer in second half of 2022.
- Awarded £27k from NLHF Skills for Future programme for new digital volunteering programme launching in April 2022.
- New virtual tour of Royal Pavilion enabling remote access and encouraging fundraising: (<https://brightonmuseums.org.uk/royalpavilion/virtual-tour/>.)
- Roll out of a multi-language bring your own device Royal Pavilion Tour to replace audio guides.
- Development of a new website for launch in summer 2022.

**Marketing & Media**

Summary of major activity:

- A major Marketing Campaign ran across the summer in print and advertising, this included station advertising 80km radius of Brighton.
- With funding from the ACE Cultural recovery fund investment was also made in digital advertising

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**Trustees' report (continued)**  
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**Achievements and performance (continued)**

- campaign working with a digital agency.
- The organisation has continued to enjoy high profile press and media coverage including a regular nostalgia piece in Brighton & Hove Independent, an Interview by our Curator of Natural Sciences on the Tree Pangolin with Lauren Laverne for Radio 6 music, an interview with Peter James by Angela Rippon in the Banqueting Room for The One Show, sector press contributions to the debate around the return of Benin bronzes to Nigeria and local regional and National media around our post covid reopening and exhibitions, particularly David Bowie.

**Finance & Systems**

Summary of major activity:

- A new finance team has been recruited over the course of the last twelve months.
- The trust undertook its first full audit and audited accounts for The Royal Pavilion & Museums Trust, RPMT Enterprises Ltd and the former fundraising charity, the Royal Pavilion & Museums Foundation Ltd have all been filed.
- Since it was established, the trust has operated its financial services via a contract with BHCC through the Council's Business Operations team. Although helpful for the initial transition it has not been without its challenges in terms of providing timely management information and charity appropriate reporting.
- As a result, the Trust has now procured a stand-alone finance system and transferred on 1 Feb 2022.

**Our People**

**Staff**

Our greatest asset is our staff. On 31 March 2022 RPMT employed 181 contracted staff, 126 FTE compared to 195 contracted staff, 134.5 FTE in 31 March 2021. In addition it had 98 casual staff on the payroll compared to 61 in March 2021. The staff teams include visitor service staff, curators, conservators, technicians, historic building management, security, learning and community engagement, creative programming, marketing, retail, events and function management, development and fundraising, digital and ICT, finance and HR. Our people have had to endure the COVID pandemic, dealing with personal and professional challenges. For about half of 2021 many staff were on furlough or working remotely. We returned to normal in the later part of 2021 before some restrictions were reintroduced. We are very grateful to staff for their stoicism and adaptability during this difficult period.

We have also seen the change from a local authority where our staff were part of a much larger organisation to an independent trust with the need for everyone to adapt to a new working culture. We undertook a series of reviews during the first part of 2021 and in later 2021 instigated an organisational restructure focused around four needs:

- To create an organisational structure for a successful independent business and charity to succeed (one that can raise more income and be more commercial in outlook and deliver on its museum programming priorities to the highest standard).
- Make sure we are a single team all focused on our core vision and mission (looking after our five venues and three gardens).
- Simplify and unify our structures (as few role types and departments as possible, simpler more logical lines of reporting and accountability).
- To make savings.

Consultation on the plans begun in mid-November 2021 and the process is expected to be complete at the end of September 2022. The proposal involves removing 34 existing posts and creating 34 new posts (effecting c.17% of staff) while achieving c. £300k of savings.

We have also taken advantage of the need to work remotely through COVID to adopt a flexible working model for staff which is seeing us move to "hot desking" and occasional home working. The aim is to improve work life balance for staff while also improving work culture and freeing up space that might bring in additional revenue to

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the year ended 31 March 2022**

**Achievements and performance (continued)**

the trust.

**Key Staff Changes**

Abigail Thomas former Director of Enterprise and Visitor Experience was appointed Chief Operating Officer and Deputy Chief Executive following the departure of Colmar Lewis as Finance Director.

David Brett was employed as Finance Manager. Rob Boyle was employed as Head gardener.

Long-serving Keeper of the Royal Pavilion David Beevers, Head Gardener Robert Hill Snook and Historic buildings Manager Tim Thearle all retired. Keeper of World Art Helen Mears left the organisation.

**d. Factors relevant to achieve objectives**

All plans originally made for 2021-22 continued to be disrupted as a result of the COVID-19 pandemic, which led to periods of national lockdown and restrictions. We were also effected by changes brought about by the UK leaving the EU and ongoing challenges from the transfer from local authority to independent trust.

**e. Fundraising activities and income generation**

During this period business plans were submitted and agreed to our principal external funders Arts Council England and Brighton & Hove City Council. In addition, a successful application was made to Arts Council England for emergency support (received after 1 April) and a new programme of external funding was negotiated with the James Henry Green Trust. Various small business grants were also applied for successfully.

**Financial review**

**a. Going concern**

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

**b. Reserves policy**

The aim of Trustees in the long term is to build unrestricted reserves to a level of 25% of planned expenditure over the following 12 months, however due to the ongoing impact of the pandemic this has not been achievable for 2021-22. The Trust is looking to grow its reserves in future years by diversification of income streams and during 2022-23 is investing in new income generation and fundraising posts.

The level of free reserves as at 31 March 2022 were £329,745 (2021: £1,882,307).

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the year ended 31 March 2022**

**c. Deficit**

The net movement in funds for the year was a deficit of £1,362,942 (2021: 2,376,452 surplus).

Net assets at the year ended 31 March 2022 were £1,013,510 (2021: £2,376,452).

At the year-end, unrestricted funds totalled £329,745 (2021: £1,882,307), of this £380,749 was designated (2021: £343,343) and there were deficit undesignated funds of £51,004 (2021: £1,538,964 surplus). Restricted funds totalled £514,390 (2021: £324,770) and the permanent endowment fund totalled £169,375 (2021: £169,375).

**d. Principal risks and uncertainties**

The Trust maintains a strategic Risk Register which is reviewed by the Executive Board monthly and FGP quarterly. In the opinion of the Executive Board There were no identifiable risks that need to be reported.

**e. Financial risk management objectives and policies**

The Executive Board has taken steps to ensure that financial risk is minimised by introducing robust internal controls and sound financial systems which are regularly reviewed.

RPMT is supported by a £4million loan facility from Brighton & Hove City council as part of its transfer agreement. The facility is available until 2025 and then repayable over a five-year period. To date it has drawn on £2million of this facility as set out in disclosure note 17.

**f. Principal funding**

We are incredibly grateful to our principal regular funding from Brighton & Hove City Council and as a National Portfolio Organisation of Arts Council England. We would not be able to deliver on our charitable aims without their support.

Other main funding comes from ticket sales, commercial operations, and fundraising.

In 2021-22 we are also extremely grateful for additional project and programme funding from The James Henry Green Charitable Trust, the National Lottery Heritage Fund, The Headley Trust, The Paul Mellon Centre, and the support of our Patrons.

**Structure, governance and management**

**a. Constitution**

Royal Pavilion and Museums Trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.



**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the year ended 31 March 2022**

**Structure, governance and management (continued)**

**b. Methods of appointment or election of Trustees**

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. The charity is managed by a Board of Trustees. Trustees are appointed for a term of three years with terms renewable leading to a maximum period of nine years.

New trustees are recruited when considered necessary, either to replace a trustee who has retired or stood down, or to bring in additional skills and experience where a need has been identified. Recruitment of Trustees is the responsibility of the Nominations and Remuneration committee a permanent sub-committee of the Board. Skills audits of the Board are undertaken on a regular basis to inform future recruitment. Recruitment is through an open competitive process. Potential trustees meet with the Chair of the Board of Trustees, prior to being appointed by resolution at a meeting of the trustees.

The Trustees are committed to diversification of the Board and in March 2021 appointed two young shadow trustees from diverse backgrounds to be mentored by Board members and give fresh insights to the work of the Trust.

**c. Organisational structure and decision-making policies**

The Trustee Board meets quarterly, usually in January, April, July, October. The Finance and General purposes Committee and Nominations and Remunerations Committee also meet quarterly and report to the main board.

The Finance & General Purposes Committee has delegated responsibility on behalf of the Board of Trustees for ensuring that there is a framework for reviewing financial strategy, accountability, and financial controls for The Royal Pavilion & Museums Trust. The F&GPC consists of no fewer than three Trustees appointed by the Board of Trustees and includes the CEO, other colleagues with appropriate financial skills and expertise and Mike Woodward an external consultant who advised us on the move from Council to Trust.

The Nominations and Remuneration Committee (NRC) has been established as a permanent sub-committee of the Board of Trustees and its remit, on behalf of the Board, is to be responsible for:

- Recruiting the Chair and Deputy of the Board
- Recruiting trustees for the Board and sub committees of the Board
- Recruiting the CEO
- Salary and, if this is something the Trust decides to do, bonus setting for the CEO and senior executive team.
- Reviewing the performance of the Chair and Deputy Chair

A new sub-committee will be created to monitor delivery of the Arts Council England strategic priorities.

The trustees have delegated day to day decision making with key operational matters to the CEO Hedley Swain and the Executive Board.

**d. Policies adopted for the induction and training of Trustees**

Trustees of the charity have been selected to ensure the appropriate mix of skills, knowledge and experience exists to make sure the charity is well governed and is run effectively and efficiently. Trustees are briefed on their legal obligations under charity and company law, the Charity Commission on public benefit, content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and financial performance. Trustees are made aware of the indemnity provision and insurance in place for them as directors. Training for trustees is organised on a needs basis.

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the year ended 31 March 2022**

**Structure, governance and management (continued)**

**e. Pay policy for key management personnel**

Senior staff are covered by annual pay negotiations. CEO salary is set by Trustees.

**f. Related party relationships**

Royal Pavilion and Museums Trust owns 100% of the share capital of RPMT Enterprises Ltd, a private company limited by share capital. The Company was incorporated on 10 February 2020 under the Company Number 12451429.

Royal Pavilion and Museums Trust is the corporate trustee of Royal Pavilion & Museums Foundation (an unincorporated charity, charity number 275242).

**Plans for future periods**

We are working in 2022-23 to further establish our own long-term sustainability while making a major contribution to Brighton & Hove City Council's strategic objectives and delivering to Arts Council England's (ACE) new ten-year strategy "Lets Create". Inevitably because of Covid19 this will still be a far from normal year in terms of visitor engagement and financial stability and a difficult year to plan for in advance. This will mean financial conservatism and careful managing of resources, this is particularly frustrating when, as a new organisation we need to continue a process of change and development and wish to invest in our future. Nevertheless, we have presented a business plan which will see us continue our ambitious journey from local authority service to independent trust and begin to experiment with new ways of working.

Given the impact of Covid19 on the sector the Arts Council have designated 2022-23 an extension year for existing National Portfolio Organisations. In April 2022 we applied to the Arts Council for renewed NPO (National Portfolio Organisation) status for the period 2023-26. Work on the application involved Trustees, staff, and stakeholders to help shape our strategy for this important funding round.

Our main business activity for 2022-23 will be the bedding-in of new ways of working and systems developed in 2021-22. This will include a new in-house finance and payroll service; a new website; a new fundraising team and strategy; new organisational structure; new approach to capital and programme planning; new diversity strategy and programme; new community partnerships; new learning strategy and programme; new commercial activity; new approach to managing our open spaces, implementation of a "dynamic collections" programme and a "hybrid" staff working model.

**Royal Pavilion and Museums Trust**  
(A company limited by guarantee)

**Trustees' report (continued)**  
**For the year ended 31 March 2022**

**Statement of Trustees' responsibilities**

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

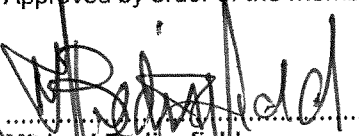
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

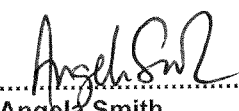
- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

**Auditors**

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
.....  
Michael Bedingfield  
(Chair of Trustees)  
Date: 7 November 2022

  
.....  
Angela Smith  
Trustee

## **Royal Pavilion and Museums Trust**

**(A Company Limited by Guarantee)**

### **Independent Auditor's Report to the Members of Royal Pavilion and Museums Trust (continued)**

#### **Opinion**

We have audited the financial statements of Royal Pavilion and Museums Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the period 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 period 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 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

## **Royal Pavilion and Museums Trust**

**(A Company Limited by Guarantee)**

### **Independent Auditor's Report to the Members of Royal Pavilion and Museums Trust (continued)**

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.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

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

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

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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

**Independent Auditor's Report to the Members of Royal Pavilion and Museums Trust  
(continued)**

*Capability of the audit in detecting irregularities, including fraud*

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to increase income or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the allocation of funds. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the

## Royal Pavilion and Museums Trust

(A Company Limited by Guarantee)

### Independent Auditor's Report to the Members of Royal Pavilion and Museums Trust (continued)

- effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's Report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with 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 trustees 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.



**Kreston Reeves LLP**  
Chartered Accountants  
Statutory Auditor

Chichester

Date: 17 November 2022

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**Royal Pavilion and Museums Trust**  
**(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 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income and endowments from:</b>						
Donations and legacies	3	3,103,303	868,466	-	3,971,769	4,947,899
Charitable activities	4	1,848,893	-	-	1,848,893	235,520
Other trading activities	5	823,104	-	-	823,104	67,815
Other income	6	24,711	-	-	24,711	646,406
<b>Total income and endowments</b>		<b>5,800,011</b>	<b>868,466</b>	<b>-</b>	<b>6,668,477</b>	<b>5,897,640</b>
<b>Expenditure on:</b>						
Raising funds	7	325,555	-	-	325,555	96,678
Charitable activities	8	7,027,018	678,846	-	7,705,864	3,424,510
<b>Total expenditure</b>		<b>7,352,573</b>	<b>678,846</b>	<b>-</b>	<b>8,031,419</b>	<b>3,521,188</b>
<b>Net movement in funds</b>		<b>(1,552,562)</b>	<b>189,620</b>	<b>-</b>	<b>(1,362,942)</b>	<b>2,376,452</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,882,307	324,770	169,375	2,376,452	-
Net movement in funds		(1,552,562)	189,620	-	(1,362,942)	2,376,452
<b>Total funds carried forward</b>		<b>329,745</b>	<b>514,390</b>	<b>169,375</b>	<b>1,013,510</b>	<b>2,376,452</b>

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

The notes on pages 28 to 50 form part of these financial statements.



**Royal Pavilion and Museums Trust**  
(A company limited by guarantee)  
Registered number: 11774969

**Consolidated balance sheet**  
As at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
		-	-
<b>Current assets</b>			
Stocks	14	265,788	316,757
Debtors	15	490,513	665,942
Cash at bank and in hand		3,298,200	2,253,946
		<u>4,054,501</u>	<u>3,236,645</u>
Creditors: amounts falling due within one year	16	(1,040,991)	(860,193)
<b>Net current assets</b>		<u>3,013,510</u>	<u>2,376,452</u>
<b>Total assets less current liabilities</b>		<u>3,013,510</u>	<u>2,376,452</u>
Creditors: amounts falling due after more than one year	17	(2,000,000)	-
<b>Net assets excluding pension asset</b>		<u>1,013,510</u>	<u>2,376,452</u>
<b>Total net assets</b>		<u><u>1,013,510</u></u>	<u><u>2,376,452</u></u>
<b>Charity funds</b>			
Endowment funds	18	169,375	169,375
Restricted funds	18	514,390	324,770
Unrestricted funds	18	329,745	1,882,307
<b>Total funds</b>		<u><u>1,013,510</u></u>	<u><u>2,376,452</u></u>

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

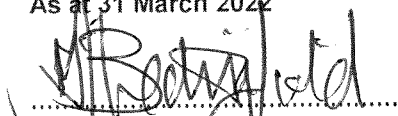
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

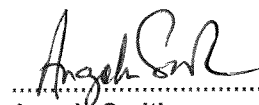
The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

Royal Pavilion and Museums Trust  
(A company limited by guarantee)  
Registered number: 11774969

Consolidated balance sheet (continued)  
As at 31 March 2022

  
.....  
Michael Bedingfield  
(Chair of Trustees)  
Date: 7 November 2022

  
.....  
Angela Smith  
(Trustee)

The notes on pages 28 to 50 form part of these financial statements.

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**  
**Registered number: 11774969**

**Company balance sheet**  
**As at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	13	1	1
		<u>1</u>	<u>1</u>
<b>Current assets</b>			
Stocks	14	216,913	311,274
Debtors	15	727,791	737,593
Cash at bank and in hand		2,469,416	2,022,208
		<u>3,414,120</u>	<u>3,071,075</u>
Creditors: amounts falling due within one year	16	(966,088)	(845,990)
<b>Net current assets</b>		<u>2,448,032</u>	<u>2,225,085</u>
<b>Total assets less current liabilities</b>		<u>2,448,033</u>	<u>2,225,086</u>
Creditors: amounts falling due after more than one year	17	(2,000,000)	-
<b>Net assets excluding pension asset</b>		<u>448,033</u>	<u>2,225,086</u>
<b>Total net assets</b>		<u><u>448,033</u></u>	<u><u>2,225,086</u></u>
<b>Charity funds</b>			
Restricted funds	18	514,390	324,770
Restricted funds	18	514,390	324,770
Unrestricted funds	18	(66,357)	1,900,316
<b>Total funds</b>		<u><u>448,033</u></u>	<u><u>2,225,086</u></u>

The Company's net movement in funds for the year was £(1,777,053) (2021 - £2,225,086).

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

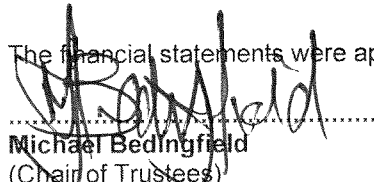
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

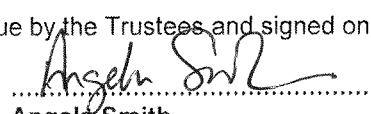
Royal Pavilion and Museums Trust  
(A company limited by guarantee)  
Registered number: 11774969

**Company balance sheet (continued)**  
**As at 31 March 2022**

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

  
.....  
**Michael Bedingfield**  
(Chair of Trustees)

Date: 7 November 2022

  
.....  
**Angela Smith**  
(Trustee)

The notes on pages 28 to 50 form part of these financial statements.

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Consolidated statement of cash flows**  
**For the year ended 31 March 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	20	(955,746)	2,253,946
<b>Cash flows from investing activities</b>			
Net cash provided by investing activities		-	-
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		2,000,000	-
Net cash provided by financing activities		2,000,000	-
<b>Change in cash and cash equivalents in the year</b>		<b>1,044,254</b>	<b>2,253,946</b>
Cash and cash equivalents at the beginning of the year		2,253,946	-
<b>Cash and cash equivalents at the end of the year</b>	21	<b>3,298,200</b>	<b>2,253,946</b>

The notes on pages 28 to 50 form part of these financial statements

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**1. General information**

The charity is a private company limited by guarantee incorporated in England and Wales. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office and principal place of business of the charity is:

4-5 Pavilion Buildings  
Brighton  
BN1 1EE

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

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

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

The subsidiaries included in the consolidation are Royal Pavilion and Museums Foundation (RPMF), a subsidiary by virtue of the Charity being the Corporate Trustee of RPMF; and RPMT Enterprises Ltd a subsidiary by virtue of share capital owned.

The Company 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**

Whilst the impact of the COVID pandemic has been assessed by the Board, so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the organisation's activities. However, taking into consideration the Trust's financial position, the continued support from Brighton and Hove City Council via a loan facility which still has £2m available to draw down if needed, and the Trust's future planning, the Trustees have a reasonable expectation the Charity will continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**2. Accounting policies (continued)**

**2.3 Income**

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

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.

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

**2.4 Expenditure**

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

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.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Government grants**

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

**2.6 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.

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**2. Accounting policies (continued)**

**2.7 Stocks**

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

**2.8 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.

**2.9 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.

**2.10 Liabilities and provisions**

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

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

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

**2.11 Financial instruments**

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

**2.12 Pensions**

The group's employees are members of the local authority's defined benefit pension scheme. The scheme is a multi employer scheme of which Royal Pavilion and Museums Trust is a 'pass through' member. As such, the burden of any future funding deficit is borne by the local authority, and is not therefore the responsibility of the group. Therefore, as required by FRS102, the group accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.



**2. Accounting policies (continued)**

**2.13 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.

**2.14 Redundancy and termination benefits**

It is the charity's policy to recognise termination benefits when they become committed, by legislation, by contractual obligation based on business practice, custom or a desire to act equitably, to make payments (or provide other benefits) to employees when it terminates their employment. Termination payments do not provide the charity with future economic benefits therefore it is their policy to recognise them as an expense in the Statement of Financial Activities immediately.

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**3. Income from donations and legacies**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grants and donations	2,825,872	868,466	3,694,338	4,271,577
Government grants	277,431	-	277,431	676,322
	<u>3,103,303</u>	<u>868,466</u>	<u>3,971,769</u>	<u>4,947,899</u>
Total 2021	<u>4,200,424</u>	<u>747,475</u>	<u>4,947,899</u>	

**4. Income from charitable activities**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from charitable activities - Maintenance & advancement	<u>1,848,893</u>	<u>1,848,893</u>	<u>235,520</u>
Total 2021	<u>235,520</u>	<u>235,520</u>	

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**5. Income from other trading activities**

**Income from non charitable trading activities**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Sales in the trading subsidiary	823,104	823,104	67,815
Total 2021	67,815	67,815	

**6. Other incoming resources**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
CJRS grant	7,790	-	-	7,790	23,502
Other activities	16,921	-	-	16,921	27,703
Transfer in of RPMF brought forward funds	-	-	-	-	595,201
	24,711	-	-	24,711	646,406
Total 2021	304,627	172,404	169,375	646,406	

The transfer in of RPMF brought forward funds in the comparative period represented the fund balances of RPMF at the point at which it became a subsidiary of the group when the Trust was appointed Corporate Trustee (1 April 2020).

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**7. Expenditure on raising funds**

**Costs of raising voluntary income**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising costs	29,026	-	29,026	21,825
Costs of raising voluntary income	-	-	-	391
Costs of raising voluntary income - wages and salaries	59,231	-	59,231	33,058
Costs of raising voluntary income - NI	5,443	-	5,443	3,927
Costs of raising voluntary income - pension costs	10,543	-	10,543	8,175
	<u>104,243</u>	<u>-</u>	<u>104,243</u>	<u>67,376</u>
Total 2021	<u>67,068</u>	<u>308</u>	<u>67,376</u>	

**Other trading expenses**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Cost of sales	205,422	205,422	15,134
Administration expenses	15,890	15,890	14,168
	<u>221,312</u>	<u>221,312</u>	<u>29,302</u>
Total 2021	<u>29,302</u>	<u>29,302</u>	

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Maintenance & advancement	7,027,018	678,846	7,705,864	3,424,510
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total 2021	2,871,709	552,801	3,424,510	
	<u>                    </u>	<u>                    </u>	<u>                    </u>	

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Maintenance & advancement	7,208,944	496,920	7,705,864	3,424,510
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total 2021	3,126,474	298,036	3,424,510	
	<u>                    </u>	<u>                    </u>	<u>                    </u>	

Royal Pavilion and Museums Trust  
(A company limited by guarantee)

Notes to the financial statements  
For the year ended 31 March 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Maintenance & advancement 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	5,134,378	5,134,378	2,417,163
Materials, collections and conservation	277,040	277,040	109,857
Computer costs	211,207	211,207	114,483
Payments to other bodies	268,597	268,597	164,776
Rent, rates and utilities	639,249	639,249	144,187
Establishment costs	38,069	38,069	18,007
Security costs	329,101	329,101	95,139
Cleaning	73,959	73,959	18,148
Repairs and maintenance	29,658	29,658	9,237
Advertising	174,266	174,266	9,955
Postage and stationery	2,178	2,178	665
Sundry expenses	31,242	31,242	24,857
	<u>7,208,944</u>	<u>7,208,944</u>	<u>3,126,474</u>
Total 2021	<u>3,126,474</u>	<u>3,126,474</u>	

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Maintenance &amp; advancement 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Telephone costs	43,896	43,896	28,735
Audit and accountancy fees	25,325	25,325	19,900
Insurance	59,151	59,151	37,048
Legal and professional costs	124,043	124,043	86,189
Recruitment costs	-	-	2,305
Consultancy costs	152,508	152,508	112,291
Travel and subsistence	6,679	6,679	3,468
Subscriptions	15,439	15,439	3,827
Bank charges	1,076	1,076	73
Postage and stationery	3,452	3,452	2,229
Sundry expenses	3,400	3,400	1,971
Restructuring costs	61,951	61,951	-
	<u>496,920</u>	<u>496,920</u>	<u>298,036</u>
Total 2021	<u>298,036</u>	<u>298,036</u>	

**10. Auditors' remuneration**

The auditors' remuneration amounts to an auditor fee of £17,000 (2021 - £14,750), and preparation of financial statements of £5,325 (2021 - £5,150).

**Royal Pavilion and Museums Trust**  
(A company limited by guarantee)

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**11. Staff costs**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Wages and salaries	<b>4,172,942</b>	1,968,291	<b>4,172,944</b>	1,935,233
Social security costs	<b>340,719</b>	160,551	<b>340,719</b>	156,624
Contribution to defined contribution pension schemes	<b>695,934</b>	333,481	<b>695,932</b>	325,306
	<b><u>5,209,595</u></b>	<u>2,462,323</u>	<b><u>5,209,595</u></b>	<u>2,417,163</u>

During the year expenditure of £73,446 was recognised in relation to voluntary redundancies agreed in the period (2021: £nil).

£73,446 of this is an accrued liability at the balance sheet date (2021: £nil).

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>	<b>Company 2022 No.</b>	<b>Company 2021 No.</b>
Employees	<b>252</b>	215	<b>248</b>	208

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>
In the band £60,001 - £70,000	<b>1</b>	-
In the band £90,001 - £100,000	<b>1</b>	-

In 2022, Royal Pavilion and Museums Trust consider their key management personnel to be:

H Swain, Chief Executive; C Tapping, Head of Collections & Conservation; A Thomas, Director of Enterprise and Visitor Experience and C Evans, Head of Engagement.

The four key management personnel received total aggregate remuneration of £299,078 (2021: £182,900), made up of salaries of £254,319 (2021: £119,699), employers national insurance £17,950 (2021: £14,195) and employers pension contributions of £26,809 (2021: £21,306) and fees to third parties for directors services of £nil (2021: £27,700).

**12. Trustees' remuneration and expenses**

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

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).



**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**13. Fixed asset investments**

<b>Company</b>	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 April 2021	1
	<hr/>
At 31 March 2022	1
	<hr/> <hr/>
<b>Net book value</b>	
At 31 March 2022	1
	<hr/>
At 31 March 2021	1
	<hr/> <hr/>

**Royal Pavilion and Museums Trust**  
(A company limited by guarantee)

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**13. Fixed asset investments (continued)**

**Principal subsidiaries**

The following were subsidiary undertakings of the Company:

<b>Names</b>	<b>Company number</b>	<b>Charity registration number</b>	<b>Registered office or principal place of business</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>
RPMT Enterprises Ltd	12451429		4-5 Pavilion Buildings Brighton BN1 1EE	The principal activity is that of operation of the cafes and shops in the historical buildings run by Royal Pavilion and Museums Trust.	Ordinary	100%	Yes
The Royal Pavilion and Museums Foundation		275242	4-5 Pavilion Buildings Brighton BN1 1EE	The principal activity is the advancement of arts, culture and heritage through acquisition of suitable objects and works of art.		-%	Yes

The financial results of the subsidiaries for the year were:

<b>Names</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the year £</b>	<b>Net assets £</b>
RPMT Enterprises Ltd	830,894	416,783	414,111	396,103
The Royal Pavilion and Museums Foundation	-	-	-	169,375

**Royal Pavilion and Museums Trust**  
(A company limited by guarantee)

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**14. Stocks**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Finished goods and goods for resale	<b>265,788</b>	316,757	<b>216,913</b>	311,274

**15. Debtors**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
<b>Due within one year</b>				
Trade debtors	<b>89,574</b>	203,736	<b>75,148</b>	196,598
Amounts owed by group undertakings	-	-	<b>251,751</b>	89,005
Other debtors	<b>3,693</b>	50,240	<b>3,646</b>	40,024
Prepayments and accrued income	<b>397,246</b>	411,966	<b>397,246</b>	411,966
	<b>490,513</b>	665,942	<b>727,791</b>	737,593

**16. Creditors: Amounts falling due within one year**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Trade creditors	<b>427,872</b>	126,708	<b>412,237</b>	126,589
Other taxation and social security	<b>319,467</b>	518,584	<b>306,505</b>	515,005
Other creditors	<b>10,473</b>	5,331	<b>10,393</b>	5,331
Accruals and deferred income	<b>283,179</b>	209,570	<b>236,953</b>	199,065
	<b>1,040,991</b>	860,193	<b>966,088</b>	845,990

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

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Concessionary loan	<b>2,000,000</b>	-	<b>2,000,000</b>	-

During the period the Charity received a £2,000,000 loan (drawn down from a maximum £4,000,000 loan facility) from Brighton and Hove City Council.

The loan is interest free and repayable by September 2030.

**Royal Pavilion and Museums Trust**  
(A company limited by guarantee)

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**18. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
<b>Designated funds</b>				
Learning appeal	2,000	-	(265)	1,735
Museum Objects Acquisition reserve	64,914	-	-	64,914
Royal Pavilion fund	123,194	-	(23,920)	99,274
JHG Botswana	54,748	-	-	54,748
JHG designated	98,487	86,907	(85,057)	100,337
Julian Crampton legacy	-	67,899	(8,158)	59,741
	<u>343,343</u>	<u>154,806</u>	<u>(117,400)</u>	<u>380,749</u>
<b>General funds</b>				
General funds	<u>1,538,964</u>	<u>5,645,205</u>	<u>(7,235,173)</u>	<u>(51,004)</u>
<b>Total Unrestricted funds</b>	<u>1,882,307</u>	<u>5,800,011</u>	<u>(7,352,573)</u>	<u>329,745</u>
<b>Endowment funds</b>				
The Graham Loder Endowment	<u>169,375</u>	<u>-</u>	<u>-</u>	<u>169,375</u>
<b>Restricted funds</b>				
ACE South East Museum Development	36,795	568,676	(590,072)	15,399
Robertson Bequest	15,450	-	(1,197)	14,253
Hove Museum	11,560	-	(11,560)	-
Tomkinson Piano Restoration	8,792	1,000	(785)	9,007
Adelaide Chinese wallpaper	10,000	-	(3,154)	6,846
Pagoda conservation	12,667	10,019	(5,924)	16,762
Art Fund new collecting award	10,216	-	(10,216)	-
Learning appeal	5,070	265	(1,236)	4,099
Museum Association's Transformers	3,000	-	(3,000)	-
Schools archaeology fund	3,755	-	-	3,755
RP garden appeal	12,366	6,500	(13,000)	5,866
Graham Loder legacy	7,509	-	-	7,509
Jack Thompson Hove Museum	185,811	-	(5,273)	180,538
Adelaide Chinese Wallpaper 2	-	22,751	(16,619)	6,132

**Royal Pavilion and Museums Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2022**

**18. Statement of funds (continued)**

**Statement of funds - current year (continued)**

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Arts Fund Fellowship	-	22,750	(12,100)	10,650
NLHF - Goal Power	-	10,000	(3,134)	6,866
JH Green Culture Change	-	200,000	-	200,000
Wear It Out/Queer Looks	-	3,500	-	3,500
CoPub Agreement	-	20,000	-	20,000
Other small restricted funds	1,779	3,005	(1,576)	3,208
	<u>324,770</u>	<u>868,466</u>	<u>(678,846)</u>	<u>514,390</u>
<b>Total of funds</b>	<u><u>2,376,452</u></u>	<u><u>6,668,477</u></u>	<u><u>(8,031,419)</u></u>	<u><u>1,013,510</u></u>

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**Notes to the financial statements**  
**For the year ended 31 March 2022**

**18. Statement of funds (continued)**

**Statement of funds - prior year**

	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>				
<b>Designated funds</b>				
Learning appeal	2,000	-	-	2,000
Museum Objects Acquisition reserve	64,914	-	-	64,914
Royal Pavilion fund	123,194	-	-	123,194
JHG Botswana	54,748	-	-	54,748
JHG designated	133,203	(34,716)	-	98,487
	<u>378,059</u>	<u>(34,716)</u>	<u>-</u>	<u>343,343</u>
<b>General funds</b>				
General funds	<u>4,430,327</u>	<u>(2,933,363)</u>	<u>42,000</u>	<u>1,538,964</u>
<b>Total Unrestricted funds</b>	<u>4,808,386</u>	<u>(2,968,079)</u>	<u>42,000</u>	<u>1,882,307</u>
<b>Endowment funds</b>				
The Graham Loder Endowment	<u>169,375</u>	<u>-</u>	<u>-</u>	<u>169,375</u>
<b>Restricted funds</b>				
ACE South East Museum Development	366,692	(329,897)	-	36,795
Robertson Bequest	15,450	-	-	15,450
Hove Museum	11,560	-	-	11,560
Tomkinson Piano Restoration	8,792	-	-	8,792
Adelaide Chinese wallpaper	10,000	-	-	10,000
Pagoda conservation	12,667	-	-	12,667
Art Fund new collecting award	30,426	(20,210)	-	10,216
Learning appeal	7,070	-	(2,000)	5,070
Museum Association's Transformers	3,000	-	-	3,000
Schools archaeology fund	3,755	-	-	3,755
Painting conservation fund	1,699	-	-	1,699
Graham Loder legacy	7,509	-	-	7,509
Jack Thompson Hove Museum	185,811	-	-	185,811
Saloon project	80	-	-	80
ACE Catalyst	40,000	-	(40,000)	-

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**Notes to the financial statements**  
**For the year ended 31 March 2022**

**18. Statement of funds (continued)**

**Statement of funds - prior year (continued)**

	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
RP garden appeal	18,866	(6,500)	-	12,366
Heritage emergency fund	178,472	(178,472)	-	-
Creative Together	16,140	(16,140)	-	-
Archeology gallery	1,890	(1,890)	-	-
	<u>919,879</u>	<u>(553,109)</u>	<u>(42,000)</u>	<u>324,770</u>
<b>Total of funds</b>	<u><u>5,897,640</u></u>	<u><u>(3,521,188)</u></u>	<u><u>-</u></u>	<u><u>2,376,452</u></u>

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**Notes to the financial statements**  
**For the year ended 31 March 2022**

**18. Statement of funds (continued)**

**Designated Funds**

Learning Appeal - Funds for learning related projects

Museum Objects Acquisition Reserve - funds transferred to the Museum Service at time of merger of Brighton & Hove councils in 1996. The Director of Service designated the fund to support collections display, conservation and care.

Royal Pavilion Fund - Ringfenced reserves for use for capital works and improvements to the fabric and presentation of the building.

JHG Botswana - Sum set aside for loan of objects to The Khama III Memorial Museum, Botswana as an outcome of the Making African Connections: Decolonial Futures for Colonial Collections project 2019-21. Object loan deferred due to COVID and travel restrictions.

JHG Designated - Underspends on Annual JHG budget accrued over a number of years due to success in finding partnership funding for projects from elsewhere. The funds should be expended in line with the with JHG Charitable Trust's charitable purposes and trustees made aware of how it is being used.

Julian Crampton Legacy - Bequest from the late Professor Julian Crampton, former Chair of the Royal Pavilion & Museums Foundation which RPMT has designated for staff training and development.

**Endowment fund**

The Graham Loder Endowment - Bequest from former Member Graham Loder received in April 2010. The capital sum of £169,375 must be retained to generate investment income. The resulting income from the interest is restricted to the purchase of contemporary art and craft and is shown as a separate restricted fund. No purchases on behalf of the fund were made in 2020-21 or 2021-22.

**Restricted funds**

The Saloon project fund represents donations from individuals and a private trust towards the restoration of the Saloon at the Royal Pavilion to the original 1823 designs of Robert Jones. This project was completed in September 2018.

The Painting Conservation fund represents income generated specifically from the sale of the Public Catalogue Foundation (East Sussex) catalogue. Money is restricted for use on painting conservation work.

The Graham Loder Legacy is the income from interest on the endowment fund and is restricted to the purchase of contemporary art & craft.

The Royal Pavilion Garden Appeal - Funds raised from public appeal to support the restoration and maintenance of the Royal Pavilion Garden transferred from the foundation at the point the Trust was formerly established.

Learning Appeal - Donations raised through a former fundraising campaign 2015-2016 to help children visit museums.

ACE Catalyst grant for collaborative projects between RPM and the Dome.

Constable Exhibition represents monies received towards a learning resource and BSL & audit described events to accompany the Constable Exhibition in 2017.

Hove Museum & Art Gallery - The Hove Museum & Art Gallery fund is restricted for the use of supporting activity at Hove Museum & Art Gallery. It includes funding transferred to the Foundation following the



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**Notes to the financial statements**  
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**18. Statement of funds (continued)**

closure of the Friends of Hove Museum & Art Gallery.

The Pagoda Fund comprises donations to our Pagoda Restoration appeal. This funding is to be used for the restoration of two porcelain pagodas at the Royal Pavilion.

Museums Association's Transformers programme is towards work with young people and social media.

Art Fund New collecting awards towards development of RPM's film & media collection with a focus on contemporary artists moving image. This fund is retained by Art Fund and administered directly by them at the request of the Fine Art Curator.

The Archaeology Gallery Fund is to be used for the creation of a new Archaeology Gallery at Brighton Museum & Art Gallery. It includes donations from one anonymous supporter.

Tomkinson Piano Restoration – Donations raised through an appeal towards the restoration of the Tomkinson piano at the Royal Pavilion.

Schools Archaeology Fund – a generous donation from a local archaeological charity towards materials and activities related to schools visiting the Archaeology Gallery.

Creative Together - A new project at Hove Museum to engage learning-disabled adults in a structured group activity to increase inclusion and address social isolation using the resources of the museum as inspiration.

Heritage Emergency fund - COVID 19 Royal Pavilion & Museums Heritage Emergency Fund awarded by National Lottery Grants for Heritage for approved purposes outlined in the Grant application August 2020.

Ace South East Museum Development - Arts Council England National Portfolio Organisation funding for South East Museum Development Service to deliver annual business plan as agreed by the Museum Development Coordination Group.

Robertson Bequest - The Robertson Charitable Trust made a charitable donation of £65,000 to the Royal Pavilion & Museums, Brighton & Hove in 2005, in memory of Charles and Barbara Robertson. The grant is held "on trust to apply the capital and income to meet the cost of conserving, displaying and purchasing (or contributing to the purchase of) items held or to be held as part of the 20th Century Decorative Art Collections maintained by the Brighton Museum".

Adelaide Chinese Wallpaper - Grant for Wallpaper conservation and research from the Paul Mellon Charitable Trust

Jack Thompson Hove Museum - Jack Outhwaite Thompson Legacy bequeathed to the Art Fund for the benefit of Hove Museum in 2003. The legacy funds are restricted to use by Hove Museum for acquisitions and/or care of its collections.

Wear It Out/Queer Looks - Funding to research, source and acquire LGBT\* costume for the RPMT collection

CoPub Agreement - Donation from Patron to fund salary for Curatorial time to research and write a publication on the Royal Pavilion over 2 year period.

Jonathan Ruffer Curatorial Grant - Grant funding for trip to the US to support research for exhibition Goal Power! Women and Football.

Ballet Des Porcelaine - Donations towards ballet performance at Royal Pavilion June 2022.

Arts Fund Fellowship - Research project to fully document the objects that have a connection to Martin

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**Notes to the financial statements**  
**For the year ended 31 March 2022**

**18. Statement of funds (continued)**

Battersby, an important benefactor to the collections.

Adelaide Chinese Wallpaper 2 - Second grant for Wallpaper conservation and research from the Paul Mellon Charitable Trust.

**19. Analysis of net assets between funds**

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Current assets	3,370,736	514,390	169,375	4,054,501
Creditors due within one year	(1,040,991)	-	-	(1,040,991)
Creditors due in more than one year	(2,000,000)	-	-	(2,000,000)
<b>Total</b>	<b>329,745</b>	<b>514,390</b>	<b>169,375</b>	<b>1,013,510</b>

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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Current assets	2,742,500	324,770	169,375	3,236,645
Creditors due within one year	(860,193)	-	-	(860,193)
<b>Total</b>	<b>1,882,307</b>	<b>324,770</b>	<b>169,375</b>	<b>2,376,452</b>

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**Notes to the financial statements**  
**For the year ended 31 March 2022**

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

	Group 2022 £	Group 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(1,362,942)	2,376,452
<b>Adjustments for:</b>		
Decrease / (increase) in stocks	50,969	(316,757)
Decrease/(increase) in debtors	175,429	(661,374)
Increase in creditors	180,798	855,625
<b>Net cash provided by/(used in) operating activities</b>	<b>(955,746)</b>	<b>2,253,946</b>

**21. Analysis of cash and cash equivalents**

	Group 2022 £	Group 2021 £
Cash in hand	3,298,200	2,253,946
<b>Total cash and cash equivalents</b>	<b>3,298,200</b>	<b>2,253,946</b>

**22. Analysis of changes in net debt**

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	2,253,946	1,044,254	3,298,200
Debt due after 1 year	-	(2,000,000)	(2,000,000)
	<b>2,253,946</b>	<b>(955,746)</b>	<b>1,298,200</b>

**23. Pension commitments**

The pension cost charge represents contributions payable by the group to the fund and amounted to £722,127 (2021: £333,481). Contributions totalling £87,658 (2021: £325,308) were payable at the balance sheet date and are included within creditors.

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**Notes to the financial statements**  
**For the year ended 31 March 2022**

**24. Related party transactions**

Charity and group:

No related party transactions during the period.

Charity:

During the period the charity recieved a donation of £nil (2021: £313,470) from Royal Pavilion and Museums Foundation in respect of the transfer of the assets and liabilities of the Foundation. Royal Pavilion and Museums Trust is the Corporate Trustee of Royal Pavilion and Museums Foundation and is therefore considered to be a subsidiary charity of the Trust.

**25. Controlling party**

The trustees who are also the directors control the charity.