

Financial Report of the Board of Trustees of the National Museum of Wales

SECTION 1: PERFORMANCE

Section 1.1 Overview of Performance

Throughout 2023/24, we have had the fantastic opportunity to welcome over 1.56 million new and returning visitors to our museums. We have also built on our digital reach, with over 2.5 million visits to our website. We recognise that these figures would not have been possible without the hard work of our staff and volunteers and all those who have supported us in so many ways, through what has been a challenging financial year.

Our museums continue to be open, safe and accessible spaces, and our staff provide a warm welcome to all our visitors. Our museums continue to feature in the top lists of museums across the UK. In 2024, St Fagans National Museum of History placed first in Which? magazines "Best UK day out for free" and scored highest under the "UK's best free museums and galleries" category, with our National Museum Cardiff placing in fifth¹. Our Big Pit National Coal Museum was voted the "UK's best free museum" by a separate study conducted by Time Out². We also celebrated the National Wool Museum winning the Best Wool Community award at the inaugural Wool Eisteddfod in October 2023³.

We have made it easier for the people of Wales to access the national art collection by launching the Celf ar y Cyd website, as part of the National Contemporary Art Gallery for Wales initiative funded by Welsh Government, and in partnership with Arts Council Wales and National Library Wales.

After a lot of hard work, we completed the re-erection of The Vulcan Hotel and continued its interior restoration, to how it would have looked in 1915. The Vulcan Hotel opened in May 2024.

We continued to work closely with – and for – the communities of Wales to learn about their stories and deliver projects and programmes that mattered most to them as demonstrated by The Valleys Re-told project. The project is the culmination of several years of community engagement with people and communities in Merthyr Tydfil and the Cynon Valley and has led to a co-curated exhibition titled The Valleys which opened at National Museum Cardiff in May 2024.

¹ [Best UK days out for free - Which?](#)

² [The Big Pit National Coal Museum Has Been Named the UK's Best Free Museum \(timeout.com\)](#)

³ [WOOL EISTEDDFOD — Wool of Wales \(woolwales.com\)](#)

We have reached learners of all ages through our hybrid learning programme, providing inspiring face-to-face learning experiences across the whole of Wales as well as opportunities for meaningful and diverse opportunities for our virtual learners to explore new webpages containing resources on the Windrush Generation in Wales. We are also delivering activities through British Sign Language (BSL) and have created 360° panoramic tours of some of our sites to ensure better access to our spaces and services.

We launched a re-developed Honorary Research Fellow scheme and created several collaborative doctoral partnerships to provide new and exciting opportunities for us to further expand our research relating to our collections. We also enhanced our collection through our legal role associated with the reporting of Treasure finds and through acquisitions made available by our supporters, including the Llantrisant Fawr hoard declaration and the acquisition of 'In Love in Blood' (2023) by Mounira Al Solh aided by The Derek Williams Trust award as part of Artes Mundi 10.

We continued to build connections with people and communities in Wales and across the world, hosting several international delegations from the Museum of Islamic Art in Qatar, the Ambassador for Japan to the UK and the Partnerships Overseas Networking Trust who brought a delegation from Uganda. We also conducted research with partners from Iziko Museum in South Africa, the University of Kathmandu in Nepal and the National Museum in Kenya and thanks to an exciting new international partnership with the Musée d'Orsay, have on loan the first ever self-portrait of Van Gogh to be showcased in Wales. The Art of the Selfie exhibition opened in March 2024 and will conclude in January 2025.

We continued to develop our green spaces across our museums and through our collaboration with voluntary and community groups have achieved Green Flag Awards for three of our museums. We remain committed to empowering our staff to live more sustainably and are now recognised as a Carbon Literacy Trust Silver Award organisation. Our award-winning GRAFT community garden continued to support communities grow together whilst the Secret Garden project at St Fagans, funded by the WCVA's Volunteering Wales Grant, provided support to adults with learning disabilities.

We are progressing with the major re-development of the National Slate Museum in Llanberis that will see the site transform into a world-class visitor attraction and have also continued to support the delivery of significant projects including the decarbonisation of our museums and sites.

Financial Results for the Year

	2023/24	2022/23
	£	£
Total income	49,569,000	40,993,000
Total expenditure	(46,930,000)	(44,017,000)
Other movements	52,000	(425,000)
Consolidated net (expenditure)/income	2,691,000	(3,449,000)
Net increase in funds (after all realised and unrealised gains and losses)	7,896,000	64,557,000
Total fund balances held in unrestricted and restricted public and private reserves at year end	175,454,000	167,558,000
Fund balances held for unrestricted public purposes at year end (excluding pension reserve)	7,544,000	8,822,000

Our net income for the year was £2,691,000. There were increases to both our Welsh Government grant income and non-government income.

The net movement in funds for the year includes actuarial gains on the pension scheme of £12.5m leading to a pension scheme surplus on the balance sheet of £11.3m. There were also £7.3m losses overall on indexation and revaluation of land and buildings, resulting in an overall net increase in funds of £7.9m. In 2022/23 the actuarial gains on the pension scheme were £59.3m and indexation gains on the revaluation of land and buildings of £8.7m.

Enterprises Ltd profits remained in line with 2022/23. The principal activities of the trading company were sales at our retail shops, contract and in-house catering, car parking, image licensing, corporate hire, lettings and filming rights. The company reported profits of £518,000 for 2023/24 (£515,000 in 2022/23)

Total Funds at 31 March 2024 were £175,454,000, with an analysis provided in note 19 to the accounts. Note 19 shows that 88% of funds are represented by fixed assets. Unrestricted public funds, excluding the pension scheme surplus, were £7.5m, of which £2.8m is represented by fixed assets. The remaining unrestricted public funds of £4.7m are allocated to meeting

funding shortfalls and future commitments. There is more information in the Policy on Reserves section.

Aims and Objectives

Our vision is to be an organisation that is Inspiring People, Changing Lives. Amgueddfa Cymru continues to work towards Strategy 2030, which sets out how we continue to be a vital part of Wales' cultural infrastructure, through our collections, public programmes and partnerships. It was developed through a wide-ranging public consultation process with the people of Wales, staff, volunteers and key stakeholders, and includes six Commitments and nine Enablers that together set an overarching direction of travel for the organisation.

Our six Commitments until 2030 are to:

1. Cynrychioli pawb / Make sure that everyone is represented
2. Ysbrydoli creadigrwydd a dysgu am oes / Inspire creativity and learning for life
3. Diogelu ac adfer natur a'r amgylchedd / Help protect and restore nature and our environment
4. Cefnogi lles trwy lefydd a phrofiadau sy'n ysbrydoli / Support well-being through inspirational spaces and experiences
5. Darganfod yr amgueddfa yn ddigidol / Discover and explore the museum digitally
6. Creu cysylltiadau ar draws y byd / Build global connections.

To achieve these ambitious commitments our plans are supported by nine Enablers or ways of working. They are:

- Sustainability
- Income generation
- Research and evaluation
- Developing our people
- Good governance, shared decision making
- The Welsh language
- Clear, recognised brand
- Facilities that are fit for purpose
- Safe working

During 2023, our newly appointed Chief Executive conducted a series of consultation meetings with staff across all our museum sites and virtually. Their purpose was to reflect on Strategy 2030 and to better focus support and resources towards its delivery.

Our Strategy and its commitments remain mapped to the seven well-being national goals set out in the Well-being of Future Generation (Wales) Act 2015. To demonstrate its delivery, we regularly report to the Future Generations Commissioner on our progress against each of the Act's goals. Also, our work across the organisation strongly aligns to our current Term of

Government Remit Letter (2021-2026) and supports new and emerging Welsh Government priorities including the delivery of the Anti-Racist Wales Action Plan and the LGBTQ+ Action Plan. Our Five-Year Business Plan captures how we will deliver this work.

Statutory Background and Stakeholder Engagement

The National Museum of Wales was established by Royal Charter in 1907 and continues to be registered as a legal entity and charity under this name (Royal Charter No. RC000369, Charity No. 525774, VAT No. GB 783 4541 10). The organisation is now known as Amgueddfa Cymru – Museum Wales, or simply Amgueddfa Cymru.

An independent registered charity, Amgueddfa Cymru receives its core funding through grant-in-aid from the Welsh Government as a Welsh Government Sponsored Body.

Our core objective, set out in the Royal Charter, is ‘the advancement of the education of the public’ involving developing, caring for, studying and sustaining access to collections for the benefit of society in perpetuity. The Charter (1907, revised 1991 and 2006) states that this is to be achieved:

- (i) primarily, by the comprehensive representation of science, art, industry, history and culture of, or relevant to, Wales, and
- (ii) generally, by the collection, recording, preservation, elucidation and presentation of objects and things and associated knowledge, whether connected or not with Wales, which are calculated to further the enhancement of understanding and the promotion of research.

We continued to implement our Consultation Scheme and Policy which set out the values, principles and key participatory techniques in relation to our main consultative activities.

Amgueddfa Cymru’s Locations

In 2023/24 we directly operated seven museums across Wales, and our National Collections Centre:

National Museum Cardiff, Cathays Park, Cardiff
<https://museum.wales/cardiff/>

St Fagans National Museum of History, St Fagans, Cardiff
<https://museum.wales/stfagans/>

Big Pit National Coal Museum, Blaenafon, Torfaen
<https://museum.wales/bigpit/>

The National Roman Legion Museum, Caerleon, Newport

<https://museum.wales/roman/>

The National Slate Museum, Llanberis, Gwynedd

<https://museum.wales/slate/>

The National Wool Museum, Dre-fach Felindre, Carmarthenshire

<https://museum.wales/wool/>

The National Waterfront Museum, Maritime Quarter, Swansea

<https://museum.wales/swansea/>

National Collections Centre, Nantgarw, Rhondda Cynon Taf (open to the public by appointment)

<https://museum.wales/collections-centre/>

In addition, we have formal partnership arrangements with local organisations across Wales including Pembrokeshire Coast National Park Authority, Wrexham County Borough Council, Art Council of Wales and The National Library of Wales.

Section 1.2 Performance Analysis

Performance Indicators

Key Performance Indicator	2022/23 target	2022/23 out-turn	2023/24 target	2023/24 out-turn
Number of visits	1,000,040	1,308,628	1,460,000	1,565,551
Number of website visits	1,850,000	2,322,184	1,900,000	2,569,836
Number of formal education visits	90,000	214,902	110,000	287,942
Volunteer hours	22,000	26,273	20,000	34,630

We exceeded our 2023/24 targets for all the above key performance indicators.

Performance against our Commitments and Enablers

Commitment 1: Make sure that everyone is represented

Working with communities helps us to learn about people's stories and share more of what matters most to them.

- Over the past few years, people and communities in Merthyr Tydfil and the Cynon Valley have been working with us to create new stories about the visual art collection through The Valleys Re-told project, supported by the Esmée Fairbairn Collections Fund and delivered by the Museums Association.
- We've also been working with Arts Council Wales, creative practitioners and visual arts organisations, through the Safbwynt(iau)/Perspective(s) project, to bring new ideas to the way we interpret our collections.
- Several fantastic exhibitions opened across our museums and partner museums, providing an opportunity to find out more about our collections and share stories of people's connections to them. These included Mike Parker's *On the Red Hill – A Love Story of Reg and*

George exhibiting photographs of their life together and Ours to Tell, a project aimed to collect and amplify LGBTQ+ lives and experiences.

- The community events we run are only possible through creating strong relationships with local people and groups. These include Dandiya Dancing to celebrate the Hindu festival Dussehra and a Welsh Somali Heritage Day with Somali Elders, Grangetown Pavilion Youth Forum and Kayd Somali Arts & Culture celebrating Somali Women.

Commitment 2: Learn & Create

Our learning and engagement programme continues to provide inspiring and diverse opportunities for learners of all ages.

- During the year we reached nearly 288,000 learners across our museums. To support them, our new Learn webpages provide resources for learners from exploring the history and voices of the Windrush Generation in Wales, to supporting in-person and virtual visits, including Hawlio Heddwch Claiming Peace.
- Our events programme included Swansea Science Festival, in partnership with Swansea University, Halloween Nights at St Fagans, and a Christmas seasonal programme of events delivered across all museums. The annual Food Festival at St Fagans was a huge success celebrating the best of Welsh produce and welcoming the highest number of visitors yet.
- Our volunteers supported us with nearly 35,000 hours of their time this year – diolch yn fawr. In turn, we're supporting young people with student and skills development placements, as well as with apprenticeship opportunities at Big Pit and National Wool Museum, where we're also developing in-house weaving skills through Melin Teifi.
- At National Museum Cardiff, we're working with Pinc College to support neurodiverse young people who have not attended mainstream learning provision for a few years.

Commitment 3: Help protect and restore nature and our environment

We're working with communities to help develop our green spaces and supporting staff and visitors to live more sustainably.

- Across our museums, our green spaces support biodiversity and communities. This year, three of our museums have achieved Green Flag Awards for their high-quality green spaces managed by voluntary and community groups.

- The Secret Garden project at St Fagans, funded by the WCVA's Volunteering Wales Grant, is supporting adults with learning disabilities. The GRAFT community garden and food project in Swansea supports communities to grow together, and the Urban Meadow in Cardiff is visited by many groups to learn about urban biodiversity.
- The fantastic Spring Bulbs for Schools project, supported by the Edina Trust, continues to grow, with schools across the UK taking part in monitoring changes in the growth patterns of plants.
- Behind-the-scenes, we're improving our site operations, reducing our carbon emissions and ensuring we are fit for the future. Our curators and scientists are working to understand and share more about our natural world. And we're excited to have received a Carbon Literacy Trust Silver Award, as we continue to deliver training to empower our staff to positive action.

Commitment 4: Support well-being through inspirational spaces and experiences

- We're developing our spaces and programmes to provide better access to people with diverse needs.
- The National Slate Museum in Llanberis will be transformed over the next few years, to better tell the story of the slate heritage of north Wales. This year we have been hearing what people and communities would like to see in the redevelopment.
- The National Wool Museum won the Best Wool Community award at the inaugural Wool Eisteddfod in October 2023 and has been redeveloping the recently acquired Melin Teifi.
- Working with care homes and local school children, we're supporting people living with dementia and their carers through the Museums Inspiring Memories project. We're also developing ways to deliver better access to our spaces and services, including through British Sign Language (BSL). This year's Food Festival included activities delivered by D/deaf artists, and on-site BSL interpreters.
- Finally, after a lot of hard work, The Vulcan Hotel opened its doors to the public in May 2024 at St Fagans. You will be able to visit the famous Cardiff pub restored as it would have been in 1915.

Commitment 5: Discover and explore the museum digitally

Digital experiences are helping to provide more access to our collections and spaces than ever before.

- We launched the Celf ar y Cyd website last year – part of the National Contemporary Art Gallery for Wales initiative funded by Welsh Government, and in partnership with Arts Council Wales and National Library Wales, helping to share the national art collection with more people across Wales.
- 2024 celebrates the 10th year we've streamed live from the lambing sheds at St Fagans. If you haven't found #lambcam yet, then make sure you join us next spring.
- Our webpages along with our learning pages have had a revamp. You can now access online visual stories of our museums to help groups to prepare for a visit. You can also explore some of our 3600 tours including our National Roman Legion Museum panoramic tour. We've also been investing in our ticketing and online experience, which is making it easier for you to join us at our events and experiences and find out more about what we have to offer.

Commitment 6: Build global connections

We continue to welcome visitors across Wales, the UK and the rest of the World.

- Our exciting new exhibition Art of the Selfie features Van Gogh's Portrait of the Artist (1887) on loan from Musée d'Orsay, Paris. Under this international partnership, we said 'au revoir' to the National Museum Cardiff Renoir La Parisienne, but she will be back!
- We've hosted several international visits, including the Museum of Islamic Art, Qatar, the Ambassador for Japan to the UK and the Partnerships Overseas Networking Trust who brought a delegation from Uganda to St Fagans.
- Our museums have worked with international research partners from Iziko Museum South Africa, University of Kathmandu, Nepal and National Museum Kenya. Conservation work has also started on the Gwen John works on paper collection in the run up to the major exhibition planned for 2026.
- We had a fantastic time at the Llŷn ac Eifionydd National Eisteddfod, and at the Royal Welsh Show engaging visitors with our exciting projects. This was also our second year at Wales Week in London exploring how culture and sports partnerships help tell the story of Wales to the world.

Delivering our Commitments

A huge amount of work goes on behind-the-scenes to keep our museums open and welcoming, and to care for our collections.

Our plans help to support the Well-being of Future Generations and embed sustainable ways of working to ensure we continue to support people and communities across Wales. During the year, we launched a redeveloped Honorary Research Fellow scheme which provides new and diverse opportunities for people to carry out research related to our collections and is helping us integrate new ideas and ways of working. We also have several collaborative doctoral partnerships.

Amgueddfa Cymru has a legal role linked with the reporting of Treasure finds made in Wales. Our archaeology curators and Portable Antiquities Scheme Cymru staff provide advice and recommendations to Coroners on which finds, made each year by members of the public, legally qualify as Treasure. There have been several significant declarations this year, including the Llantrisant Fawr hoard.

We're continuing to support our staff, with opportunities to develop skills, including Welsh language and BSL. We're also making things easier for people from diverse backgrounds to work with us through our improved recruitment processes.

Fundraising

We achieved a high level of success when fundraising through charitable trusts and foundations, lottery and grant providers and individual supporters, raising £1.8m in 2023/24. We also received £243,000 of donated heritage assets and a number of government grants.

Significant gifts were received from the Paul Hamlyn Foundation, players of People's Postcode Lottery, National Lottery Heritage Fund, and National Lottery Community Fund and others. Other donations included gifts from trusts and foundations, received as contributions towards our work, specific projects and acquisitions. These included gifts from John Andrews Charitable Trust, Swire Charitable Trust, Edina Trust, Museums Association Collection Fund, The Hodge Foundation and Colwinston Charitable Trust.

We continued to develop and strengthen our income generating products, processes and people, as evidenced by our high retention levels among individual supporters. Maintaining regular communications and delivering in-person events and experiences, such as behind the scenes tours, curator talks and events promoting gifts-in-wills, has helped secure new individual supporters and legators.

During the year, our fundraising activities were undertaken in-house, by our Development Department and we did not contract out any fundraising

activities to third party agencies or undertake any direct marketing activity. We continue to be members of the Fundraising Regulator, and we abided by the code of fundraising practice as set out by the Regulator. We did not receive any complaints in respect of our fundraising activities.

Capital Investment

Underpinning the delivery of our vision, a programme of capital works continues, incorporating:

1. Essential Maintenance Works where the major projects undertaken during the year included the completion of the intruder system, fire alarm upgrade and roof repairs all at National Museum, Cardiff; Low Voltage electrical works across several sites and lift and CCTV upgrades across the estate.
2. Digital projects which included further development to our commercial platforms and significant investment in our network infrastructure and devices.
3. Decarbonisation projects which included a major replacement of the heating and ventilation system at the National Waterfront Museum; and retrofit work at the National Wool Museum, Big Pit and Collection Centre.
4. The redevelopment of the National Slate Museum where work has progressed to the completion of RIBA stage 2. This project will take several years to complete.

Over £60m of preventative and backlog maintenance has been identified as essential over the next 10 years. This is especially acute at National Museum Cardiff and a specific request for additional funding towards maintenance of this heritage building has been submitted to Welsh Government for consideration.

Sustainability Report

This report has been compiled in accordance with the guidelines laid down by HM Treasury in *Public Sector Annual Reports: Sustainability Reporting Guidance*.

We aim to create sustainable museums by developing sustainable practice in the operation of our family of seven museums and the National Collections Centre, through our procurement and ways of working, and by promoting sustainable practice through our exhibitions, events and learning programmes. We work closely with partners such as Cynnal Cymru and Sustrans.

In addition, much of our core research is aimed at improving understanding of both the natural and cultural environment, for example climate change research.

We have a cross departmental Sustainability Compliance Group, led by a dedicated Sustainability Coordinator and supported by our Sustainable Development Forum. The Group drives forward a strategic and integrated approach to sustainability across all areas of our work and actively promotes sustainable development practices across the organisation.

More information on how we are creating sustainable museums, including our Environmental Statement, can be found at <https://museum.wales/sustainable-development/>.

Performance on Sustainability

Conserving the nation's treasures and opening our doors to over a million visitors a year uses a lot of energy. Our Energy Policy has been adopted and updated to ensure we continue to take major steps towards improving energy efficiency, and to demonstrate our support for a reduction in greenhouse gas emissions.

We have continued our momentum through the reduction in overall energy consumption. In 2023/24 electricity and gas consumption have decreased slightly from last year's figures, with a total reduction of 3.5%.

Waste has decreased by 88% compared to the figures reported for 2022/23, although this change has been mostly attributed to significant overestimation caused by our waste calculation methodology for the previous years. Following our work with a Waste Management Specialist, we now have an accurate methodology for calculating our waste.

Water consumption has increased by 21%, however, and work will be done with our Buildings department to understand the causes of this increase.

The tables below provide detailed financial and non-financial information on greenhouse gas emissions, waste and finite resource (water) consumption. The greenhouse gas scope 1 and scope 2 emissions data have been obtained from our CRC database, scope 3 emissions data have been calculated using annual mileage figures provided by our hire car supplier, the waste data are collated from individual site waste reports and water consumption data are extracted from billing information.

Greenhouse Gas Emissions		2023/24	2022/23	2021/22	2020/21	2019/20
Non-financial indicators (tCO ₂)	Scope 1 (Direct) Emissions - gas	943	1,004	1,348	1,462	1,621
	Scope 2 (Indirect) Emissions – purchased electricity	1,144	1,151	1,104	975	1,259
	Scope 3 (Business travel) Emissions	21	14	8	1	24
	Total	2,108	2,169	2,460	2,438	2,904
Related energy consumption (kWh'000)	Gas	5,160	5,493	7,335	7,952	8,771
	Electricity	4,561	4,586	4,827	3,887	4,574
	Total	9,721	10,079	12,163	11,839	13,345
Financial indicators (£'000)	Gas	255	269	178	202	214
	Electricity	1519	1,038	686	492	666
	CRC administration fee	0	0	0	0	0
	Official Business Travel	135	119	54	30	182
	Total	1,909	1,426	918	724	1,062

Waste		2023/24	2022/23	2021/22	2020/21	2019/20
Non-financial indicators (tonnes)	Hazardous waste	2.3	0.6	0.0	0.0	0.5
	Non-hazardous waste:					
	Landfill	64.18	992.0	846.1	311.6	1,218.1
	Reused/Recycled/Composting	244.41	2761.2	1,263.7	807.4	1,911.6
	Incinerated	117.37	38.9	27.2	8.7	37.5
	Total waste	428.26	3,792.6	2,137.0	1,127.8	3,167.7
Financial indicators (£)	Total disposal cost	81,701	71,297	59,789	31,084	57,619

Finite Resource Consumption		2023/24	2022/23	2021/22	2020/21	2019/20
Non-financial indicators ('000m ³)	Total Water consumption	26,516	21,878	22,572	19,601	23,444
Financial indicators (£)	Total Water supply costs	92,177	75,165	60,939	45,427	67,067

Future strategy

Our Strategy 2030 gives prominence to developing and promoting sustainable practice, and to addressing climate change and the biodiversity emergency.

In 2024/25 we will build on progress already achieved in reducing greenhouse gas emissions, waste and water consumption. This momentum must be continued to achieve our ambition to be Carbon Neutral by 2030. The Sustainable Development Forum will continue to explore further energy saving works across our sites.

The Carbon Literacy training developed in 2020/21, and accredited by the Carbon Trust, has now been passed by over 90% of the employees, with more in the process of completing. This training is being developed onto an online learning platform to enable even more staff to undertake this training and make their pledges. In March 2023 we achieved silver accreditation for our training, and we are now working on achieving gold level status.

Biodiversity

We have continued to develop biodiversity action plans for each of our sites, aiming to protect, conserve, enhance, and restore the diverse natural flora and fauna of all sites. Biodiversity audits have been carried out at all sites, providing information to assist decision making and effective conservation effort and which will inform the biodiversity action plans and also land management. The land survey that was performed in St. Fagans identified a rare beetle species.

At National Museum Cardiff, our natural history research will continue to make a significant contribution to contemporary debates relating to sustainability, climate change and the loss of biodiversity. Cardiff as well identify future opportunities for us to explore.

Sustainable Procurement

We developed a new Sustainable Procurement Action Plan following collaborative work with WRAP Cymru as we look to reach an established level

within Wales and utilise procurement to accelerate our journey to be a Net Zero Carbon Museum. The work undertaken against this action plan has put sustainability at the forefront of all tendered procurement activity across the museum as well as working collaboratively with suppliers to increase their capacity and join us on this journey. In 2024/25 we will be adding the need for tenderers to include a Carbon Reduction Plan with their tenders for several large requirements and the goal is to include these Carbon Reduction Plans for the majority of Tenders by the end of 2024/25.

Governance

We have adopted an environmental management system, achieved through BS8555, and developed a core of policies aimed at embedding sustainable development into operations, including:

- the SEREN Environmental Standard BS8555 – we are accredited with Phase 3 of this Standard across the organization
- a Sustainable Procurement Policy & Action Plan
- an Energy Policy

Our sustainability practices, processes and achievements are subject to external assessment under BS8555 and under the Government's Carbon Reduction Commitment. They are also included in the overall framework of internal control, described in more detail in the Governance Statement, which can be found in this Report.

Valuation of Fixed Assets

Our accounting policy on the valuation of Fixed Assets requires property assets to be professionally revalued every five years. Other assets, including heritage assets and those under the broader headings of plant, vehicles or other fixtures and fittings, are not subject to this quinquennial revaluation exercise. The accounting policy also provides for those assets that have been professionally revalued to be adjusted by the use of indices in the intervening years between the quinquennial professional revaluations.

Property-related assets were last professionally revalued at 31 March 2021.

Although land and buildings are professionally valued every five years and the next valuation is not due until 31st March 2026, it felt prudent to value the land and buildings at the National Museum Cardiff this year following the identification of significant maintenance works required across the site. The museum is comfortable with the valuation of the properties at our other sites and the valuation of these will take place in accordance with our policy.

Amgueddfa Cymru has not capitalised heritage assets acquired prior to 1 April 2001. This is because comprehensive valuation, as illustrated below, would not provide a meaningful figure for users of the financial statements

and the cost of doing so is not commensurate with the benefits to users of the financial statements.

Historic Cost – while it may be possible to assign a cost to items purchased within a financial year, historic cost quickly becomes obsolete and meaningless, not only because of general price movements where markets for similar items do exist, but also because of changing opinions about attribution and authenticity, subsequent research into objects that reveals new value, the emergence of new information about the provenance of an item or changes in taste.

Valuation – attempting to value heritage assets acquired historically raises a number of further conceptual concerns. Valuation of heritage assets is complicated by the nature of many such assets. They are rarely sold and often have a value enhanced above the intrinsic through their association with a person, event or collection, there are a very limited number of buyers, no homogeneous population of assets on the market, and imperfect information about the items for sale. In contrast with many commercial assets therefore, there is seldom an active market to provide indicative values of similar objects. This makes materially accurate valuations impossible to achieve for many heritage assets.

In line with Financial Reporting Standard (FRS) 30 on heritage assets, disclosures are covered in note 11 to the accounts.

Our interest in the property at the National Waterfront Museum is reflected by our 50% share in the joint venture company with the City & County of Swansea. Details of the joint venture interest are shown in note 9 to the accounts.

Prompt Payment Performance

We subscribe to the objectives of the Better Payment Practice Code issued by HM Treasury and aim to pay valid invoices within thirty days of receipt. The average time taken for payment of invoices during 2023/24 was seven calendar days (seven days in 2022/23), which includes 97.35% (by number) of invoices settled within 30 days (96.5% in 2022/23). There were no payments of interest under the Late Payment of Commercial Debts (Interest) Act 1998 (£Nil in 2022/23).

Policy on Reserves

As a body charged with the collection and conservation of heritage assets, including land and buildings, in order to achieve our aims and objectives the policy on reserves applies to disposable cash reserves only, and not to the total funds held. Our disposable cash reserves comprise private funds and public funds.

Private funds are separately maintained and specified in the accounts. These include funds subject to restrictions imposed by donors, and unrestricted gifts and donations available for use to further our objectives. Our policy is to maximise and hold these funds for projects and capital schemes for which we are unable to receive core funding or generate other grant support, while remaining within any restrictions on use contained within the Private Funds.

Our reserves policy regarding public funds remains dependent upon, and restricted by, the authority granted by the Welsh Government in our Framework Agreement, which at the financial year-end 2023/24 limited our public funds cash reserves to 2% of grant-in-aid, with exemptions from any limit in respect of the Specimen Purchase Grant and self-generated income.

Profits generated within the wholly owned trading subsidiary, NMGW Enterprises Limited, are to provide additional funding towards our aims and objectives. On occasions this might result in profits being re-invested in the trading subsidiary in order to further improve trading returns.

As a consequence of the current difficulties surrounding public finances and the announcement by Welsh Government of a cut to the revenue grant in aid for 2024/25, the museum underwent a review of its financial position and income generation strategy during the year in order to improve its future financial sustainability. The decisions made as a result of this review have been vital to enable us to improve our reserves and has allowed us to continue to deliver our vision priorities, including capital developments and refurbishments. However, we remain dependent on Welsh Government funding to sustain the majority of our activities.

Based on this work, our accounts have been prepared on a going concern basis and there are no material uncertainties about our ability to continue.

Total Funds at 31 March 2024 were £175,454,000, with an analysis provided in note 19 to the accounts.

Investment Policy and Performance

Our investment objectives are to generate income to support our activities and to grow the capital value in real terms, ahead of inflation. We invest Private Funds that are planned to be held in the long term in a discretionary Charity Fund portfolio actively managed by our advisors, Barclays. Our investment policy accepts short-term volatility in the pursuit of positive investment returns after the effects of inflation and acknowledges that the capital value may fluctuate significantly from time to time. In addition, a substantial element is retained in cash-based deposits to be readily available for investment in the capital programme. We seek to avoid investing in unethical stocks that go against our aims, through investing in funds that use screening to ensure that ethical restrictions are placed on the

investments. The performance of these funds is subject to review on a regular basis, with changes made to the portfolio as appropriate to the risk appetite.

The value of the investment portfolio increased during the year from £3,217,000 to £3,530,000

We also hold, from bequests, an equity investment in eleven blue chip companies. The value of this portfolio decreased during the year from £82,000 to £77,000.

The total value of investments held at 31 March 2024 was therefore £3,607,000.

Pension Surplus/Liability

We operate a defined benefit Pension Scheme that is available to all permanent employees. The Scheme is underpinned by a Crown Guarantee. This year, annual valuations included on the balance sheet have shown a surplus of Scheme assets when compared to Scheme liabilities.

The valuation shown on this year's balance sheet, as calculated under FRS102, shows an increase of £13.8m, from a deficit of £2.4m to surplus of £11.4m. Details of how pension costs are accounted for are contained in the accounting policies note to the accounts, and the disclosure requirements contained in FRS102 are shown in note 18 to the accounts.

Valuations under FRS102 are generally based on prevailing market conditions and are therefore subject to considerable volatility from time to time and are not appropriate as the basis for making scheme funding decisions. These decisions are instead based on a full actuarial valuation on a triennial basis, following guidance from the Pension Scheme Regulator.

The most recent triennial actuarial valuation of the scheme, to 31 March 2021, was agreed by Amgueddfa Cymru and the Scheme Trustees on 29th June 2022. The next triennial actuarial valuation to 31st March 2024 will be completed in September 2024.

Welsh Language Policy

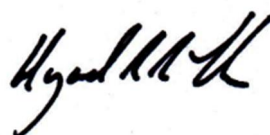
We are committed to complying with the Welsh Language Standards, as set out by the Welsh Government under Section 44 of the Welsh Language (Wales) Measure 2011. The standards set for Amgueddfa Cymru have been determined by the Welsh Language Commissioner, and cover the four areas of Service Delivery, Policy Making, Operational and Record Keeping. For our Compliance Notice and Welsh Language Policy see,

www.museum.wales/thewelshlanguage. We produce an annual report on compliance with the Welsh Language Standards, and the 2023/24 Report will be published on our website in September 2024.

We treat the Welsh and English languages on an equal basis and acknowledge the importance of providing a fully bilingual service to the public. The Welsh language is an intrinsic part of the heritage and culture of Wales, and Amgueddfa Cymru therefore has an important part to play in encouraging people's knowledge and understanding of the history of the language and Welsh culture, as well as using and celebrating the language in our work. All our exhibitions and learning programmes are delivered bilingually and our website is fully bilingual. In 2023/24 exhibitions delivered included *Geiriau Diffranedig / The Lost Words* displayed in the Welsh language for the first time.



Jane Richardson
Accounting Officer and
Chief Executive
Approved and signed on
21 January 2025



Hywel John
Treasurer, on behalf of the Board of
Trustees
Approved and signed on
21 January 2025

SECTION 2: ACCOUNTABILITY

Section 2.1: CORPORATE GOVERNANCE REPORT

2.1.1 DIRECTORS REPORT

BOARD OF TRUSTEES (From 1 April 2023 onwards)

CHAIR

Kate Eden * (appointed 1 September 2023)

PRESIDENT

Dr Carol Bell * (appointed Acting President from 1 January 2023, retired 29 September 2023)

VICE CHAIR

Rhys Evans * (appointed 1 October 2023)

TREASURER

Hywel John, FCA *

APPOINTED BY THE WELSH GOVERNMENT

Michael Prior, BA Solicitor (retired 31 December 2023)

Dr Catherine Duigan (retired 31 December 2023)

Gwyneth Hayward (retired 14 April 2023)

Freya Stannard

Cai Wilshaw

Professor John Hunt

Ameerah Mai

Owen Hathway * (appointed 15 April 2023)

David Jones (appointed 9 February 2024)

Jan Williams OBE (appointed 9 February 2024)

APPOINTED BY THE NATIONAL MUSEUM OF WALES

Robert Humphreys (retired 18 September 2023)

Dr Madeleine Havard * (retired 14 April 2023)

Abigail Lawrence

Richard Thomas *

Rachel Hughes, MBA FInstLM (appointed 1 January 2023, retired 31 December 2023)

Llion Iwan (appointed 1 January 2024)

Daniel Richards (appointed 9 February 2024)

Dr Emma Yhnell (appointed 9 February 2024)

* Members of the Audit, Risk & Assurance Committee.

All Trustees are members of the Planning, Performance & Resources Committee.

INDEPENDENT EXTERNAL MEMBERS OF THE AUDIT, RISK & ASSURANCE COMMITTEE

Spencer John (appointed 1 January 2024)

Richard Houdmont (appointed 1 January 2024)

DIRECTORATE (SENIOR EXECUTIVE TEAM) (From 1 April 2023 onwards)

Director of Corporate Resources	Philip Bushby
Director of Collections & Research	Kath Davies
Director of Business Development	Nia Elias
Interim Chief Operating Officer	Peter Holt (end of contract 31 December 2024)
Director of Visitor Experience	Janice Lane (redundancy 1 April 2024)
Chief Executive	Jane Richardson (from 11 September 2023)
Director of Learning & Public Programmes	Nia Williams
Director of Finance and Resources	Steve Hudson (from 15 October 2024)

The senior executive team was restructured in January 2024 and the new roles are as follows:

Director of Priority Programmes	Philip Bushby
Director of Collections and Research	Kath Davies
Director of Relationships and Funding	Nia Elias
Interim Director of Finance and Resources	Peter Holt (end of contract 31 December 2024)
Director of Visitor Experience	Janice Lane (redundancy 1 April 2024)
Chief Executive	Jane Richardson (from 11 September 2023)
Director of Experience, Learning and Engagement	Nia Williams
Director of Finance and Resources	Steve Hudson (from 15 October 2024)

Details of transactions with related parties involving directors or Trustees, including donations from Trustees, are disclosed in note 24 to the Accounts.

BOARD OF NMGW ENTERPRISES LTD (From 1 April 2023 onwards)

Marc Simcox
Nia Elias
Philip Bushby (appointed 6 April 2023, resigned 25 January 2024)
Nia Williams (appointed 21 March 2024)
Yvonne Ruelle (Company Secretary)

The Format of the Accounts

The accounts are prepared under Section 9(4) of the Museums & Galleries Act 1992 in a form directed by the Welsh Government with the approval of the Treasury. A copy of the Accounts Direction is available on application to the Director of Corporate Resources. The accounts are compliant with the requirements of the Charities Statement of Recommended Practice (FRS102).

Incorporated within the consolidated figures for Amgueddfa Cymru are the results of the wholly owned subsidiary, NMGW Enterprises Limited, which operates our trading and related activities. Also contained within the consolidated figures is our 50% share of National Waterfront Museum Swansea (NWMS), a joint venture company, limited by guarantee, with the

City & County of Swansea, whose prime function was the development of the National Waterfront Museum in Swansea.

Auditor

The accounts are audited by the Auditor General for Wales in accordance with Section 9 (8) of the Museums & Galleries Act 1992. Details of auditors' remuneration for the year ending 31 March 2024 are contained in note 7 to the accounts.

Principal Office

The principal office for Amgueddfa Cymru is National Museum Cardiff, Cathays Park, Cardiff CF10 3NP.

Principal Advisers

Bankers:	Lloyds Bank PLC, Cardiff
Solicitors:	Geldards LLP, Cardiff
Internal Auditors:	TIAA Ltd, Cardiff
Investment Managers:	Barclays, Cardiff
Taxation:	Deloitte LLP, Cardiff
Pension Fund Administrators:	Broadstone Consultants and Actuaries Ltd, Bristol

2.1.2 STATEMENT OF THE BOARD OF TRUSTEES AND CHIEF EXECUTIVE'S RESPONSIBILITIES

Under section 9(4) of the Museums & Galleries Act 1992, the Board of Trustees of the National Museum of Wales is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Welsh Government, with the consent of the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Amgueddfa Cymru and of its net incoming resources, realised and unrealised gains and losses and cash flows for the financial year.

In preparing the accounts, the Trustees and the Chief Executive are required to comply with the requirements of Charities Statement of Recommended Practice FRS102 and the Government Financial Reporting Manual and in particular to:

- observe the accounts direction issued by the Welsh Ministers including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis

- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on the going concern basis.

The Principal Accounting Officer for the Welsh Government has designated the Chief Executive as the Accounting Officer for the National Museum of Wales. The Chief Executive's relevant responsibilities as Accounting Officer, including responsibility for the propriety and regularity of the public finances for which she is answerable, for keeping of proper records, for safeguarding Amgueddfa Cymru's assets, and for the preparation of annual report and accounts that are fair, balanced and understandable, are set out in the Accounting Officers' Memorandum issued by the Treasury.

The Interim Chief Operating Officer was the Accounting Officer until 11 September 2023, when this responsibility was assigned to Jane Richardson as Chief Executive.

Statement of Disclosure of Information to Auditors

So far as the Accounting Officer and the Treasurer, on behalf of the Board of Trustees, are aware, there is no relevant audit information of which Amgueddfa Cymru's auditors are unaware, and they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that Amgueddfa Cymru's auditors are aware of that information.

2.1.3 ANNUAL GOVERNANCE STATEMENT

1. Scope of Responsibility

The Accounting Officer and Trustees have responsibility for maintaining a sound governance framework and system of internal control that support the achievement of the Amgueddfa Cymru policies, aims and vision, as set by the Board of Trustees, while safeguarding the public funds and assets for which the Accounting Officer is personally responsible in accordance with the responsibilities assigned in Managing Welsh Public Money.

2. The Purpose of the Governance Framework

The governance framework, incorporating the system of internal control, is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The governance framework is based on an ongoing process designed to identify and prioritise the risks to the achievement of our policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. In support of the governance framework, we issue to Trustees a Corporate Governance & Standards Framework which sets out the authority and powers of the Board of Trustees and those powers that are delegated to Committees, directors and staff. We also operate fraud and whistleblowing policies that are subject to audit review.

The governance framework has been in place for the year ended 31 March 2024, and up to the date of approval of the annual report and accounts and accords with Treasury guidance.

3. The Governance Framework

Our governance arrangements are compliant with the Code of Governance for the Voluntary and Community Sector issued by the National Governance Hub and endorsed by the Charity Commission. Amgueddfa Cymru is a Public Benefit Entity, and the Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission on public benefit. Delivery of such benefit, as set out in our aims and objectives, is comprehensively reported on in this Financial Report.

The following paragraphs summarise the governance framework, including the system of internal control, that has been in place during the year ended 31 March 2024 and up to the date of approval of the annual report and accounts. The framework is described to reflect the

arrangements in place to meet the core principles of effective governance.

3.1 Focusing on the Purpose of Amgueddfa Cymru and on Outcomes (Putting the Citizen First; Achieving Value for Money)

This year represents our ninth year of our vision Inspiring People, Changing Lives. Through this vision our purpose is to:

Inspire people through our museums and collections to find a sense of well-being and identity, to discover, enjoy and learn bilingually and to understand Wales' place in the wider world.

This vision is grounded in the Strategy 2030, which sets out how we continue to be a vital part of Wales' cultural infrastructure, through our collections, public programmes and partnerships.

Our performance against our objectives is monitored through a series of qualitative and quantitative indicators, using the vision metrics framework. The Operational Plan and associated vision metrics are monitored by the directors and progress is incorporated into the Operational Plan Monitoring Report on a quarterly basis and reported to the Amgueddfa Leadership Group, the Planning, Performance & Resources Committee and Welsh Government quarterly meetings. The Board of Trustees receives the information from these in a quarterly Chief Executive's Report, which summarises performance for the quarter.

3.2 Trustees and Officers Working Together to Achieve a Common Purpose with Clearly Defined Functions and Roles

The Board of Trustees is responsible for governance, financial management and the assets of the organization. The Board of Trustees meets on a regular basis, in public, to conduct its business.

Members of the Board of Trustees of the Charity are appointed by the Welsh Government and Amgueddfa Cymru, in numbers set out in the supplemental Royal Charter and in accordance with the principles of open selection as recommended by the Nolan Review. The Appointments & Remuneration Committee (a standing committee of the Board) assists and advises on the process. All new appointees follow an induction programme and receive a Corporate Governance & Standards Framework document that includes a Trustee handbook, shortly after their appointment.

As recommended by the Tailored Review, the position of President of the Board of Trustees was changed to Chair of the Board of Trustees during the year. Amgueddfa Cymru has the legal authority to remunerate the role of the Chair under Section 6 (vi) of its Royal Charter. This authority was granted by the Charity Commission on 15 May 2018. The Chair receives remuneration on

the basis of working two days a week in this role. The Chair receives no pension nor other benefits. During 2023/24 Kate Eden received £20,523 as Chair (£Nil in 2022/23) and Dr. Carol Bell received £14,659 as Acting President (£8,796 in 2022/23).

No other members of the Board of Trustees were remunerated during the year. Details of Trustees' company directorships and other significant interests are maintained in a Register of Interests, which is available to the public and held at National Museum Cardiff.

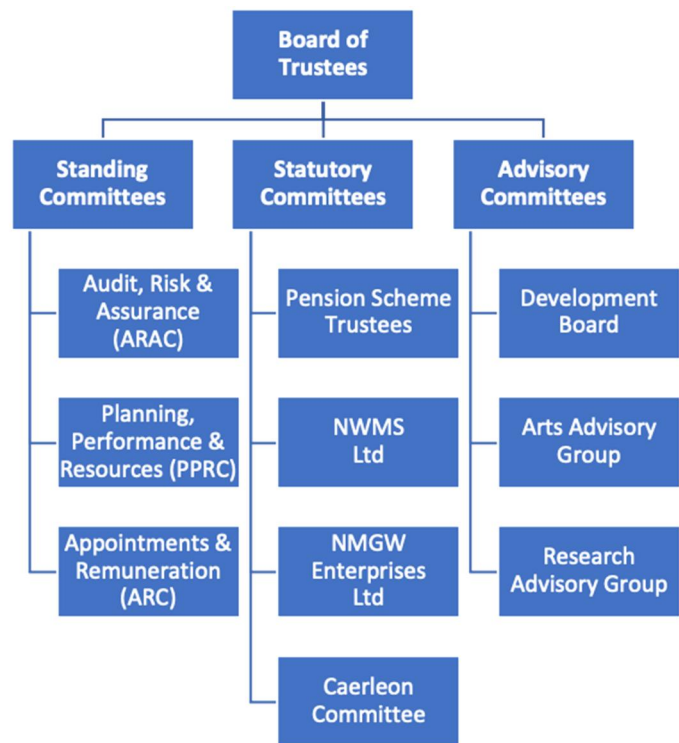
A schedule of Board of Trustee members throughout the year and up until the date of this report, including retirements and new appointments, is included in the Directors' Report at section 2.1.1 of this Report. The schedule also indicates which Trustees are members of the Audit, Risk & Assurance Committee, and that all Trustees are members of the Planning, Performance & Resources Committee. The record of attendance at Board of Trustees meetings is shown below. Satisfactory explanations of all absences were received.

Trustee	20/06/2023	28/09/2023	14/12/2023	21/03/2024	Percentage Attendance
Carol Bell	Apologies	✓	Retired	Retired	50%
Rachel Hughes	✓	✓	✓	Retired	100%
Catherine Duigan	✓	Apologies	✓	Retired	66%
Michael Prior	✓	✓	✓	Retired	100%
Robert Humphreys	Apologies	Retired	Retired	Retired	0%
Hywel John	✓	✓	✓	✓	100%
Cai Wilshaw	✓	✓	✓	Apologies	75%
Freya Stannard	Apologies	✓	✓	✓	75%
Richard Thomas	✓	Apologies	✓	✓	75%
Abigail Lawrence	✓	✓	✓	Apologies	75%
John Hunt	✓	✓	✓	✓	100%
Ameerah Mai	✓	✓	✓	Apologies	75%
Owen Hathway	✓	Apologies	✓	Apologies	50%
Kate Eden	Pre appointment	✓	✓	✓	100%
Rhys Evans	Pre appointment	Pre appointment	✓	✓	100%
David Jones	Pre appointment	Pre appointment	Pre appointment	✓	100%
Jan Williams	Pre appointment	Pre appointment	Pre appointment	✓	100%
Daniel Richards	Pre appointment	Pre appointment	Pre appointment	✓	100%
Llion Iwan	Pre appointment	Pre appointment	✓	✓	100%
Emma Yhnell	Pre appointment	Pre appointment	Pre appointment	✓	100%

The Board of Trustees delegates some authority to various committees, principally the Planning, Performance & Resources Committee, which has a broad remit to monitor financial, operational and performance issues, and the Audit, Risk & Assurance Committee, which includes independent external members. These committees meet on a quarterly basis and report to the

Board of Trustees. Terms of Reference clearly define the remit and responsibilities of each committee.

The relationship between the Board and its committees is shown below:



A schedule of the Board Members of NMGW Enterprises is included in the Directors’ Report under section 2.1.1 of this Report.

Day-to-day operational issues are led and managed by the Senior Executive Team, comprising the directors, the details of whom are also included in this report. All directors are employed under the standard Terms and Conditions of Employment, applicable to all staff, with the exception of the Chief Executive whose terms of appointment are agreed with the Welsh Government.

3.3 Promoting Values for Amgueddfa Cymru and Demonstrating the Values of Good Governance Through Upholding High Standards of Conduct and Behaviour

We support Lord Nolan’s seven principles for public life and endorse the Museums Association and ICOM (International Council of Museums) Code of Ethics and strive to ensure that all employees and Trustees apply to these principles. All Trustees are expected to comply fully with our Code of Conduct, approved by the Board of Trustees.

Staff undertake corporate induction training which provides information on a range of policies, procedures and regulations including those relating to

financial control, health and safety, the Welsh language, equalities and information management. The Financial Regulations, policies and procedures are available to all staff on our Intranet. We continue to invest time and resources to provide development and training opportunities (both formal and informal) for employees. We have a Performance Development Review process in place, aligned to the Operational Plan, which provides staff with a structured review of their personal objectives and meaningful conversations through the year, their performance is reviewed against those objectives and the opportunity to identify development needs and aspirations

We encourage volunteers, work experience and apprenticeships. All volunteers undergo an induction that includes health and safety relating both to the role and the department in which they are volunteering.

We require all staff to act honestly and with integrity and to safeguard the public resources for which they are responsible. We consider that theft or fraud of any description – no matter what the value – is totally unacceptable and have the following policies to prevent and deal with such occurrences:

- § Whistleblowing
- § Fraud & Corruption
- § HR policies regarding disciplining of staff involved in such incidents.

Under the Fraud & Corruption Policy, directors and line managers are responsible for ensuring that an adequate system of internal control exists in their areas of responsibility and that controls operate effectively.

No new complaints were raised under the Whistleblowing Policy. An earlier complaint from May 2022 was dealt with in line with our internal processes and was concluded in 2023/24. Our Whistleblowing and Fraud & Corruption policies will next be reviewed by the Audit, Risk & Assurance Committee in November 2025, in line with the normal three-year review cycle.

We have a Complaints Policy, which sets out the arrangements for handling complaints. All aspects of complaints received are fully investigated and suitable remedies identified and put into practice, including changes to procedures where appropriate.

We take the safety of staff and visitors seriously and have a series of policies and procedures in place to support this.

3.4 Taking Informed and Transparent Decisions Which Are Subject to Effective Scrutiny and Managing Risk

Responsibility for decision making in relation to our functions is clearly set out in the Royal Charter. This describes the roles and relationship of the Board of Trustees with the Committees of the Trustees and the delegation of functions to other executives.

All decisions taken by the Board of Trustees are on the basis of reports and consideration of the legal and financial implications and key risks involved with the decision. Board meetings are held in public, and minutes are translated into Welsh and then published on our website to ensure transparency. There are also closed sessions of the Board where more confidential or personal matters are discussed and determined.

3.4.1 Risk Management

Risk Management on a day-to-day basis is the responsibility of directors and heads of department, with formal review and assessment of risks conducted regularly by the Risk Management Group. These reviews are scrutinised by the Planning, Performance & Resources Committee and the Audit, Risk & Assurance Committee. By drawing on the experience of Internal Audit, who attend the Risk Management Group meetings, and by the experience of the independent external members of the Audit, Risk & Assurance Committee, the process continues to be regularly refreshed.

The Risk Management Policy sets out the framework and roles and responsibilities in managing risk, together with guidance on risk identification, assessment, monitoring and control. The Policy was established, with assistance from Internal Audit, with particular reference to HM Treasury's Orange Book on risk management and the Welsh Government's manual on risk management – Risk Essentials.

Risk management training was given to trustees in September 2023 at a specifically designed workshop.

The policy was reviewed and updated in 2024, to take account of adopting a new risk management software. This policy was approved at ARAC in June 2024.

A robust Risk Management review is conducted on a quarterly basis by a dedicated cross-departmental Risk Management Group which reviews the progress and effectiveness of controls of strategic and major risks.

The group also regularly reviews Divisional Risk Registers and engages with all directors and heads of department, regarding changes in potential threats, ensuring that risk management is embedded throughout the organisation.

The identification and management of risks is also a standing item on the agendas of divisional meetings and Senior Executive Team meetings. Separate Risk Registers are maintained for each of the trading subsidiary, the joint venture company, the Pension Scheme and for all major projects for their duration. At the end of a project, that project's Risk Register is assessed, and all continuing risks are transferred to our main registers

The group may also be requested to consider specific potential risks identified by the Board of Trustees and the Planning, Performance & Resources and Audit, Risk & Assurance committees. Furthermore, these committees review the Strategic Risk Register amendments and issues discussed at the Group's quarterly meetings, together with mitigating actions undertaken against the highest rated risks.

Membership of the Risk Management Group includes the Head of Internal Audit, which aids access to issues of concern in other bodies. The Internal Auditor's programme of work specifically cross-references to the risks identified and is also informed by the Senior Executive Team and Audit, Risk & Assurance Committee.

Internal Audit reviews our Risk Management and Assurance Framework as part of their rolling audit programme.

As part of the 23/24 internal audit report, the following comment was made:

TIAA is satisfied that, for the areas reviewed during the year, Amgueddfa Cymru - National Museum Wales has reasonable and effective risk management, control and governance processes are in place.

All audits undertaken achieved substantial or reasonable assurance assessments.

The Risk Management and Assurance Framework remains in place.

The major risks on the Strategic Risk Register include cyber security, maintenance backlog, physical security, staff well-being, funding and major fire. Mitigating actions are in place, and these risks are regularly reviewed by Internal Audit, the Risk Management Group and the Board of Trustees.

3.4.2 Information Security and Management

We have information security procedures in place to ensure the confidentiality, integrity and availability of information that we hold and process, and to ensure compliance with the Data Protection Act 2018 and Freedom of Information Act 2000. These include:

- § Assurance through attaining Cyber Essentials Plus certification.
- § Information Security Policy
- § Cyber Incident Response Plan
- § Published Data Classifications, in-line with Government Standards
- § GDPR mandatory training - hosted on our Twf platform.
- § Maintaining and reporting on statutory compliance with the Freedom of Information and Data Protection Acts
- § The Planning, Performance & Resources and Audit, Risk & Assurance committees receiving reports on data handling arrangements
- § The Digital management groups, with oversight of information and cyber security

We are also a member of the National Cyber Security Centre (NCSC) Active Cyber Defence Hub. The Active Cyber Defence Hub helps protect our critical services from cyber-attacks. These include:

- § Web Check – helps identify and fix common security issues affecting our Websites and Internet Domains.
- § Mail Check - prevents abuse of email domains and implement email security standards.
- § Early Warning - notifications of malicious activity to help investigate attacks on our network quickly.

Following improvements to the Cyber Security monitoring solutions, we have also implemented Microsoft 365 Cloud Security.

The Audit, Risk & Assurance Committee receives an annual report in respect of compliance with the Freedom of Information and Data Protection Acts.

No personal data incidents occurred in 2023/24, which required informing the Information Commissioner's Office (ICO). The number of minor incidents has reduced in number on the prior year.

The year has seen an increase in the number of Freedom of Information (FOI) requests we receive, from 17 in 2022/23 to 27 in 2023/24. The majority of requests received were related to funding, procurement and collections.

3.5 Developing the Capacity and Capability of Trustees and Officers to be Effective

The Trustees are appointed by either the Welsh Government or Amgueddfa Cymru. A formal induction is provided to Trustees on appointment. Further training and development is planned and is provided as necessary throughout the year.

Previously, each Board member met formally with the President every other year as part of a review process, and the President would then present a report to the Board of Trustees.

From 2024/25 the Chair will undertake these reviews and reports will take place annually. The Board and Audit, Risk & Assurance Committee will also carry out a self-reflection review every alternate year to ensure they adhere to effective corporate governance.

The system of financial management is based on a framework of regular management information, Regulations, Policies and Procedures and a system of delegation and accountability. This is guided by our Framework Document, best practice and Managing Welsh Public Money. It includes:

- § setting balanced budgets each year, approved by the Board
- § forecasting and monitoring budgets, with regular financial reports highlighting actual and forecast expenditure against budget
- § clearly defined capital expenditure plans
- § formal project management disciplines
- § regular consultation and involvement of Internal Audit throughout the development of, or changes to systems
- § close liaison with external auditors
- § seeking specialist advice where considered appropriate
- § regular reporting to the Board of Trustees, sub-committees and the Welsh Government
- § regular management review.

3.6 Engaging with Local People and Other Stakeholders to Ensure Robust Public Accountability

We operate a programme of public engagement and consultation in accordance with the Royal Charter and our Consultation Scheme & Policy.

Our vision, Inspiring People, Changing Lives, is a call to action on a journey towards cultural democracy.

During the year we continued to deliver digital events and virtual learning programmes alongside our in-person programme. Examples of our work are discussed in the earlier Performance Section of the Financial Report. We

continued to develop better access to our spaces and services for our visitors, including activities – at our Food Festival – through the medium of British Sign Language (BSL).

We engaged with people and communities on several projects throughout 2023/24. This inclusive and collaborative approach is key to our future way of working and is demonstrated through the following projects:

- The Valley's Re-told project is a co-created art and heritage engagement program with a core emphasis on discovering and sharing new knowledge and interpretations with people of the south Wales Valleys, using existing artworks.
- Celf ar y Cyd project offers visitors an opportunity to view collections on, and not on, display from the comfort of their devices and gain an insight into how contemporary art is housed and cared for. The project continued to feature unique voices from across Wales' vibrant society, engaging different response to the collection and sharing knowledge and thoughts on the contemporary art collection.
- Ours to Tell project aimed, and continues to collect and amplify, LGBTQ+ lives and experiences. We collaborated with Amgueddfa Cymru's Youth Collective and staff to identify gaps in our collection and worked with communities to collect objects to display to permanently preserve the experiences of LGBTQ+ people and communities from across Wales.
- Perspective(s) is a new collaboration between us and the Arts Council of Wales, which seeks to bring about a step change in how the visual arts and heritage sector reflects the cultural and ethnic diversity of our society. The project is supported by the Welsh Government as part of a collective effort to meet the culture and heritage goals of the Anti-racist Wales Action Plan. The project sees us working with artists and arts organisations to explore topics and co-create new displays including the preparations for Wales is... talking about empire exhibition that will be displayed at St Fagans National Museum of History in May 2024.

Our digital presence continued to grow with our team creating new and exciting content for our social media platforms whilst encouraging visitors and partner organisations to share their own museum inspired content. We also revamped our webpages and developed new means of accessing and exploring our sites, like our 360° virtual tours of National Roman Legion Museum.

Our collective, Bloedd, continued to support our digital presence by creating, experimenting and innovating their own content to share through their own Instagram account, @Bloedd_ac. Bloedd is Amgueddfa Cymru's platform for young people aged 16-30 and is a space to collaborate with the Museum to develop projects and gain an understanding of the arts, heritage, culture and identity through a variety of different means.

We continued to work positively with our recognised trade unions. Union representatives continued to attend the Staff Forum as well as other forums that enable social partnership to develop in the ways of working together. Annual meetings are also held between a representative of the Board of Trustees and trade union representatives.

We have a Publications Scheme and stakeholders are able to access a range of publications, policies and procedures, in addition to Board minutes and financial statements, on our website. Visitors are also welcome to attend our Open session of our Board of Trustees Committee meeting.

4. Review of Effectiveness

The Accounting Officer has responsibility for reviewing the effectiveness of the governance framework, including the system of internal control and whistleblowing arrangements. The review of the effectiveness of the governance framework is informed by the work of the internal and external auditors, other professional advisors and the Senior Executive Team, who have responsibility for the development and maintenance of the internal control framework. Comments made by the external auditors in their management letter and other reports including the tailored review also inform the review.

The Accounting Officer has been advised on the effectiveness of the governance framework by the Trustees, the Audit, Risk & Assurance Committee and directors, and the Tailored Review, which has assisted in developing plans to address issues and ensure continuous improvement. More information is provided on these plans in section 5 on Governance matters and section 6 on Future Improvements below.

Evaluation questionnaires are completed by the Board and the Audit, Risk & Assurance Committee, normally on a biannual basis, however the Tailored Review provided insight and areas for continuous improvement, therefore the next evaluation will be conducted in 2024/25 .

We have established the following processes to complement the risk management framework to maintain an effective governance framework and system of internal control:

- § Detailed financial regulations, policies and administrative procedures including segregation of duties and various levels of delegated authority; comprehensive budgeting systems; and clearly defined capital investment control guidelines and monitoring thereof.
- § Internal management processes such as performance monitoring and reporting, departmental meetings and directors' briefings.

- § The Audit, Risk & Assurance Committee considers the coverage of the internal audit programme and receives reports from internal and external auditors. The Committee meets quarterly, with the minutes of the meeting and also a report from the Chair being considered by the Board of Trustees.
- § Regular reports from Internal Auditor including their independent opinion on the adequacy and effectiveness of the systems of internal control, together with recommendations for improvement.
- § An annual report from Internal Audit. Based on the internal audit work for the year ended 31 March 2024,
- § The Internal Auditor conducts a review of compliance with the principles of the Code of Good Governance for the Third Sector in Wales on a three-yearly basis; the latest review was carried out in April 2021 and confirmed that we are compliant with the Code. The next review will take place during 2024/25 in conjunction with a review of the Tailored Review recommendations.
- § Audit Wales, our external auditor, provides a Management Letter report summarising the work undertaken in respect of the financial statements. This is reviewed by the Audit, Risk & Assurance Committee and reported to the Board of Trustees.
- § Other sources of assurance are considered including reports from the Charities Commission, Landfill Tax Inspectors, Mine Safety Inspectorate and Investors in People.
- § For 2023/24 the Tailored review report was considered and a plan to implement future changes was developed.

5. Governance Issues

No significant governance or internal control issues arose during the year. This is supported by the Internal Audit Annual Report.

6. Key matters and approach to next year

The Tailored Review report was published in June 2023, part of a planned programme of reviews across all Arm's Length Bodies. The report celebrated our valuable contribution to the cultural landscape in Wales and across the world. During this financial year Amgueddfa Cymru has taken on board the 77 recommendations, and has been actioning these, reporting progress into a Task and Finish Group, chaired by the Chair of the museum, and including colleagues from Welsh Government, as a sign of true partnership and recognising that several recommendations were for Welsh Government action, either independently or jointly with Amgueddfa Cymru.

The Museum (Chair and Chief Executive) attended the Public Accounts and Public Administration Committee (PAPAC) during the year to respond to the Public Interest Report by Audit Wales. Welsh Government was also required to give evidence. The Museum has been working with PAPAC since the hearing, providing additional material to assist the committee to better understand the issues and the Museum's response to the events that unfolded over previous years relating to governance. With a new Chair and Chief Executive, the museum's view is that it has moved forward but is continually reviewing and improving its governance model.

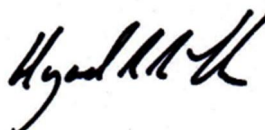
The final quarter of 2023/24 was a significant period of change, where the museum had to respond to the significant reduction (10.5%) in revenue grant in aid budget from Welsh Government for 24/25, and where revenue costs cuts had to have been made by 31st March 2024. This was carried out under the "Shaping our Future" programme. This programme essentially was carried out to resize the museum, as most of our costs are staff or staff related.

7. Certification of Annual Governance Statement

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements, and we will monitor their implementation and operation as part of our next review



Jane Richardson
Accounting Officer and
Chief Executive
Approved and signed on
21 January 2025



Hywel John
Treasurer, on behalf of the Board of
Trustees
Approved and signed on
21 January 2025

Section 2.2 Remuneration & Staff Report

Equality of Opportunity

We have a range of policies that support our compliance with The Equality Act 2010, which places a statutory General Duty on all public sector organizations to have due regard to the need to eliminate unlawful discrimination and harassment and to promote equality of opportunity between men and women both in employment and in the provision of services to the public. We also continued to implement our Equality Strategy and Equality Objectives 2022-2025, which are published on our website at <https://museum.wales/about/policy/equality-diversity/> along with our Widening Engagement Action Plan: <https://museum.wales/aims/vision-commitments-and-values/widening-engagement-research/>. These documents outline our priorities in delivering equality and inclusion to staff and visitors.

We are committed to tackling inequalities, specifically racism, in the wake of the Black Lives Matter movement and have commenced delivery of our Anti-Racism Training for all staff. We have also included a section in our Excellence in Visitor Care Training about hidden disabilities and helping visitors that have access needs.

Our most recently reported median Gender pay gap was zero for 2022/23 (1.77% 2021/22). The mean gender pay gap (the difference between men and women's hourly pay) was 1.58% for 2022/23 (0.9% for 2021/22). We have seen more women recruited in the third and upper quartile which has positively influenced the resulting data. This has been achieved through our recruitment work to improve a diverse candidate base, and changes to our systems to remove identifiers and potentially remove any bias. We have identified a number of actions that will reduce the pay gap further, including actions around pay, policy, recruitment, learning and development, flexible working, and gathering data

We continue to create and offer paid internships and placements as pathways into the cultural and heritage sector and continue to make improvements to our recruitment processes in this area.

Policies for Disabled Employees

We continue to operate our guaranteed interview scheme for disabled applicants in the recruitment process. During the year we recorded as many as 30% of applicants identifying as disabled for specific roles. The average percentage of disabled applicants was 21%. Any disabled applicant who meets the minimum requirements for the post will automatically be invited to an interview.

We have policies in place to support disabled employees to apply for reasonable adjustments in the workplace. Where any physical feature of the workplace puts a disabled member of staff at a substantial disadvantage in comparison with persons who are not disabled, a request can be made so that measures can be put in place to prevent this. Arrangements made can include, for example, changes to working patterns, job content or design, layout and type of furniture and specialist IT equipment or software. We have made reasonable adjustments to our interview processes and have provided interview questions in advance to candidates who are neurodivergent.

We have also focused on training in British Sign Language for staff to help support BSL as our third language

Our Training & Development policy is open to all staff regardless of protected characteristics. Reasonable adjustments can also be applied to eliminate barriers for participation in our staff learning and development programmes, and our new Learning Management System, Twf, has greatly advanced this work.

Staff Consultation

We continue to comply with the 2005 Information and Consultation regulations, and consult with our recognised unions, and directly with staff on major changes in the organisation, policies and future planning. Staff Forum meetings are held between management and recognised trade union representatives to discuss matters of importance, and the minutes and actions are held by the HR team. The Health & Safety Forum also includes trade union representatives and managers.

Representatives of our recognised unions attend regular meetings to review policies and design new staff policies. The legal requirement to consult is supplemented by a variety of methods including Directors briefings, staff meetings, department meetings, working groups, email and intranet communications, plus informal methods of communication as appropriate. Trade union representatives and staff are also welcome to attend the Board of Trustees meetings, which are open to the public and advertised on our website.

We have continued to work in partnership with staff and trade unions on organisational changes including our work on Investors in People, changes in department structures and amendments to policies.

Regular staff briefings held by the directors, are supported by recordings of the meetings and regular email communications to staff from our Chief Executive to keep staff informed.

Staff Training

We continue to invest time and resources to provide development and training opportunities, both formal and informal, for employees. We successfully achieved our Investors in People silver award building on past achievements, and we use the data that is collected as part of the regular surveys to track improvements.

We have recognised that leadership skills are paramount to the successful delivery of our future aims and as such have delivered leadership programme training and aspiring leader training.

Apprenticeships continue to be offered at Big Pit National Coal Museum to train Miner Guides and Mechanical and Electrical Engineers. We recognise that Apprenticeships help to address skills shortages and to implement succession plans in these areas.

Sickness Absence Data

We have policies to support the management of attendance at work. All absence is recorded and monitored by line managers and the HR Department. Absence for the year to 31 March 2024 was 5.21% or 12 days (4.81% or 10.67 days in 2022/23). We have worked with line managers to address high rates of absence and have supported managers to conduct wellbeing case conferences with staff who have reached the sickness absence trigger and ensure our policies, including return to work interviews, are consistently implemented.

To support our attendance management processes and encourage staff wellbeing, we offer an Employee Assistance Programme (EAP), which is a free, independent and confidential service available to all staff. The EAP offers advice, information, specialist counselling and support. Its services include telephone counselling, resources for managers, information, and advice on a wide range of issues, face-to-face counselling and an online information service. Mental Health First Aiders are also able to signpost individuals to assistance across the organisation.

Remuneration Report

We have an agreed pay and grading structure, which was implemented to ensure fair and equitable treatment for all. This covers all employees, with the exception of the Chief Executive whose terms and conditions are agreed with the Welsh Government.

Each year we consider the remuneration package and develop a pay remit proposal, which is submitted to the Welsh Government for approval and

forms the basis of negotiations with the recognised unions. This results in an updated pay and conditions package for the organisation.

The directors are shown on page 22 and further details of their remuneration and pension benefits are included below and that information is subject to audit. All Directors are employed on an open-ended basis unless indicated below, with the exception of the Chief Executive, who is employed on a 5-year term with an opportunity to extend a further 5 years. All terms and conditions for Directors are Amgueddfa Cymru's standard terms and conditions. Any changes to the terms and conditions pertaining to the Chief Executive are subject to the agreement of the Appointments & Remuneration Committee and (where appropriate) the Welsh Government.

The relationship between the remuneration of the highest-paid director in the organisation and the median remuneration of the organisation's workforce is disclosed below.

The notice period for the Chief Executive is 6 months, and for directors is also 6 months. The dates of commencement of employment of the current Directorate, our Senior Executive Team, as directors are:

Philip Bushby	4 January 2021
Kath Davies	6 January 2020
Nia Elias	12 April 2021
Peter Holt **	9 September 2022 (end of contract 31 December 2024)
Janice Lane	3 September 2012 (redundancy 1 April 2024)
Nia Williams	17 October 2016
Jane Richardson	11 September 2023
Steve Hudson	15 October 2024

** Peter Holt is employed on a fixed-term contract as Interim Chief Operating Officer.

Provision for compensation for early termination of employment is contained in our standard redundancy arrangement. Details of any severance payments to employees during the year can be found in note 8 to the accounts.

Included within our operating costs are £157,000 for agency staff (£67,000 in 2022/23) and consultancy fees of £6,000 (£52,000 in 2022/23)

The Chair is not an employee of Amgueddfa Cymru. Details of her remuneration can be found on page 27 of this report.

Remuneration and Pension Benefits of the Directors

Single Total Figure of Remuneration					
	Salary band	Bonus band	Benefits in kind	Pension benefits	Total band
	2023/24 (2022/23)	2023/24 (2022/23)	2023/24 (2022/23)	2023/24 (2022/23)	2023/24 (2022/23)
	£'000	£'000	£'000	£'000	£'000
Jane Richardson Chief Executive	50-55 -	- -	- -	0 -	50-55 -
Janice Lane (Note 1) Director of Visitor Experience	185-190 (80-85)	- -	- -	8 (6)	195-200 (85-90)
Nia Williams Director of Learning & Public Programmes (from 1/1/24 Director of Experience, Learning and Engagement)	85-90 (80-85)	- -	- -	5 (4)	90-95 (85-90)
Kath Davies Director of Collections & Research	85-90 (80-85)	- -	- -	5 (5)	90-95 (85-90)
Philip Bushby Director of Corporate Resources (from 1/1/24 Director of Priority Programmes)	85-90 (80-85)	- -	- -	3 (2)	90-95 (85-90)
Nia Elias Director of Business Development (from 1/1/24 Director of Relationships and Funding)	85-90 (80-85)	- -	- -	-2 (-2)	80-85 (80-85)
Peter Holt Interim Chief Operating Officer (From 1/1/24 Director of Finance and Corporate Resources)	95-100 (50-55)	- -	- -	11 (6)	110-115 (55-60)
David Anderson Director General	- (105-110)	- -	- -	- (14)	- (120-125)
Neil Wicks Chief Operating Officer & Deputy Director General	- (40-45)	- -	- -	- (3)	- (40-45)

Note 1: The emoluments for the Director of Visitor Experience consisted of basic salary including contractual notice and £80,491 for severance pay.

The directors are all ordinary members of the pension scheme. The value of pension benefits accrued during the year in the above table has been calculated following the guidance in the Cabinet Office's Employer Pension Notice 452, as the real increase in pension multiplied by 20 plus the real increase in any lump sum, less the contributions made by the individual. The real increase excludes increases due to inflation or any increases or decreases due to a transfer of pension rights.

The directors were employed for the whole of 2023/24 and 2022/23, except for:

- Jane Richardson took up office on 11th September 2023. Her emoluments as Chief Executive consisted of a basic salary as shown above. Her annualised salary for 2023/24 was between £105,000 and £110,000.

- David Anderson resigned as Director General on 31st March 2023. His role is now that of employee.
- Neil Wicks retired on 31 July 2022. His emoluments as Chief Operating Officer & Deputy Director General consisted of a basic salary including contractual notice as shown above. His annualised salary for 2022/23 was between £85,000 and £90,000.
- Peter Holt took up office on 9 September 2022. His emoluments as Interim Chief Operating Officer consisted of a basic salary as shown above. His annualised salary for 2022/23 was between £95,000 and £100,000.

Pension Benefits					
	Real increase/ (decrease) in pension and related lump sum	Accrued pension at 31 March 2024 and related lump sum	CETV at 31 March 24	CETV at 31 March 23 or at date of appointment if later	Real increase/ (decrease) in CETV in excess of members contributions
	£	£	£'000	£'000	£'000
Jane Richardson Chief Executive	0-2,500 plus 0-2,500 lump sum	0-5,000 plus 0-5,000 lump sum	4	0	0
Janice Lane Director of Visitor Experience	2,500 - 5,000 plus 5,000-10,000 lump sum	35,000-40,000 plus 110,000-115,000 lump sum	577	492	60
Nia Williams Director of Learning & Public Programmes (from 1/1/24 Director of Experience, Learning and Engagement)	0-2,500 plus 5,000-10,000 lump sum	20,000-25,000 plus 65,000-70,000 lump sum	366	310	38
Kath Davies Director of Collections & Research	0-2,500 plus 2,500-5,000 lump sum	0-5,000 plus 10,000-15,000 lump sum	57	40	7
Philip Bushby Director of Corporate Resources (from 1/1/24 Director of Priority Programmes)	0-2,500 plus 2,500-5,000 lump sum	0-5,000 plus 5,000-10,000 lump sum	35	22	4
Nia Elias Director of Business Development (from 1/1/24 Director of Relationships and Funding)	0-2,500 plus 2,500-5,000 lump sum	0-5,000 plus 5,000-10,000 lump sum	18	11	(1)
Peter Holt Interim Chief Operating Officer (From 1/1/24 Director of Finance and Corporate Resources)	0-2,500 plus 2500-5000 lump sum	0-5,000 plus 5,000-10,000 lump sum	31	11	11

The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The real increase in CETV reflects the increase funded by the employer. It does not include the increase in accrued pension due to inflation, or contributions paid by the employee (including the value of any benefits transferred from another pension scheme).

Number of Employees

The average number of employees in 2023/24, excluding workers engaged under our pool arrangements, was 733 (710 in 2022/23). Including workers

engaged under our pool arrangements, the average number became 924 (845 in 2022/23).

The average number of full-time equivalent employees, including workers engaged under our pool arrangement, was as follows:

	Permanent Staff	Other Staff	2023/24 Number	2022/23 Number
Trading Subsidiary	38	7	45	40
Fundraising	12	0	12	12
Learning and Public Programmes	56	9	65	61
Collections and Research	77	19	96	96
Visitor Experience	252	43	295	288
Support	85	12	97	94
	520	90	610	591
	Female Staff	Male Staff	2023/24 Number	2022/23 Number
Directors	5	2	7	7
Employees	320	283	603	584
	325	285	610	591

Employees (Excluding Directors) Whose Emoluments Exceeded £60,000

There were 15 employees (17 in 2022/23) whose emoluments for the year were between £60,001 and £69,999, 2 (1 in 2022/23) whose emoluments were between £70,000 and £79,999 and 1 (0 in 2022/23) whose emoluments were between £105,000 and £110,000. All of these employees are ordinary members of our pension scheme. There were no other employees who earned over £60,000 except for the directors whose emoluments are disclosed above. The one-off cost of living payment and the non-consolidated pay award have been excluded from the bandings.

Median Remuneration

Welsh Government Sponsored Bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce. The banded remuneration of the Chief Executive, who was the highest-paid director in 2023/24, was £105,000-£110,000 (2022/23 – Director General - £105,000-£110,000). The percentile remuneration and ratios are set out in the table below. One employee was in the same remuneration band as the Chief Executive in 2023/24 (none in the same band as the Director General in 2022/23). Remuneration (including

directors and the highest-paid director) ranged from £21,175 to £110,000 (2022/23 £22,150 to £108,933). Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. In 2023/24 and 2022/23 no employees received any non-consolidated performance-related pay or benefits-in-kind, so the total pay figures disclosed in the table below are for total salary, which is total remuneration.

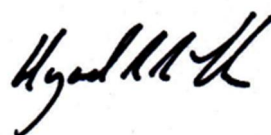
	2023/24	2022/23
Band of Highest Paid Individual's Remuneration	105,000-110,000	105,000-110,000
25th Percentile Total Pay	24,176	23,985
25th Percentile Pay Ratio	4.4	4.5
Median Total Pay	26,609	26,609
Median Pay Ratio	4.0	4.0
75th Percentile Total Pay	33,689	34,098
75th Percentile Pay Ratio	3.2	3.2

The percentage change in salary for the highest-paid individual based on the mid-point of the salary band was 0% (0% in 2022/23) and based on highest paid individual's actual salary was 0% (0% in 2022/23).

The salary bands for all staff remained the same for 2022/23 and 2023/24. During the year all staff, with the exception of the directors, that had been employed prior to 31st March 2023 and were still employed as at 25th August 2023, received a one-off cost of living payment of £1500 (pro rata'd for pool staff). A non-consolidated payment equivalent to 5% of employee basic salary for the year was also made. These one-off payments have been excluded from the salary bands.



Jane Richardson
Accounting Officer and
Chief Executive
Approved and signed on
21 January 2025



Hywel John
Treasurer, on behalf of the Board of
Trustees
Approved and signed on
21 January 2025

Section 2.3: Audit Report

The Certificate and Report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of National Museum of Wales for the year ended 31 March 2024 under Section 9 of the Museums and Galleries Act 1992. These financial statements comprise, the Consolidated Balance Sheet, Consolidated Statement of Financial Activities, Consolidated Cashflow and related notes, including the material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Charities SORP (FRS102).

In my opinion, in all material respects the financial statements:

- give a true and fair view of the state of National Museum of Wales' affairs as at 31 March 2024 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with the Charities SORP (FRS 102); and
- have been properly prepared in accordance with the Museum and Galleries Act 1992 and directions made thereunder by Welsh Ministers'.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate. My staff and I are independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

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

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

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other information

The other information comprises the information included in the Financial Report but does not include the financial statements nor my auditor's report thereon. The Statement of Practice sets out the requirements for other information, however neither it nor legislation, nor the directions issued to National Museum of Wales set out the content and form of the Annual Governance Statement or Remuneration Report presented with the financial statements. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained during the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

The Statement of Practice sets out the requirements for other information, however neither it nor legislation, nor the directions issued to National Museum of Wales set out the content and form of the Annual Governance Statement or Remuneration Report presented within the financial statements. Therefore, I am not able to confirm that the Governance Statement or Remuneration Report issued with financial statements have been prepared in accordance with guidance.

In my opinion, based on the work undertaken during my audit, the information given in the other information for the financial year for which the financial statements are prepared is consistent with the financial statements.

Although there are no legislative requirements for a Remuneration Report, the National Museum of Wales has prepared such a report and, in my opinion, that part ordinarily required to be audited has been properly prepared in accordance with HM Treasury guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained during the audit, I have not identified material misstatements in the Performance Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit.
- sufficient accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team
- the financial statements are not in agreement with the accounting records and returns; or
- information specified by Welsh Ministers regarding remuneration and other transactions is not disclosed.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Board of Trustees and Chief Executive's responsibilities, the Accounting Officer is responsible for:

- maintaining sufficient accounting records
- the preparation of the financial statements and Financial Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring the regularity of financial transactions;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatements whether due to fraud or error;
- assessing National Museum of Wales's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by National Museum of Wales will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Museum and Galleries Act 1992.

My 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 a [certificate] that includes my 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. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the National Museum of Wales's internal auditors and those charged with governance, including obtaining and reviewing supporting documentation relating to National Museum of Wales's policies and procedures concerned with:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. Obtaining an understanding of National Museum of Wales's framework of authority as well as other legal and regulatory frameworks that the National Museum of Wales operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the National Museum of Wales;
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance, the Board and Audit Committee;

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the National Museum of Wales's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

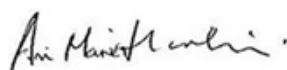
Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I 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 I identify during my audit.

Report

I have no observations to make on these financial statements.



Ann-Marie Harkin

For and on Behalf of the
Auditor General for Wales
24 January 2025

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 MARCH 2024

	Notes	Public funds		Private Funds		2023/24	2022/23
		Restricted	Unrestricted	Restricted	Unrestricted	Total	Total
		£'000	£'000	£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:							
Donations & Legacies							
Grants	3	7,627	33,725	0	0	41,352	34,342
Donations & Legacies	4	220	618	589	670	2,097	1,563
		<u>7,847</u>	<u>34,343</u>	<u>589</u>	<u>670</u>	<u>43,449</u>	<u>35,905</u>
Other Trading Activities	5	0	3,833	0	0	3,833	3,465
Income from Investments		0	0	45	59	104	98
Other Income	6	33	1,946	87	117	2,183	1,525
TOTAL INCOME AND ENDOWMENTS		<u>7,880</u>	<u>40,122</u>	<u>721</u>	<u>846</u>	<u>49,569</u>	<u>40,993</u>
EXPENDITURE ON:							
Raising Funds:	7&8						
Expenditure on Raising Donations & Legacies		0	1,842	4	1,040	2,886	1,263
Expenditure on Other Trading Activities	5	0	3,315	0	0	3,315	2,950
		<u>0</u>	<u>5,157</u>	<u>4</u>	<u>1,040</u>	<u>6,201</u>	<u>4,213</u>
Charitable Activities:							
Learning & Public Programmes		486	5,597	54	0	6,137	6,355
Collections & Research		2,372	8,790	101	2	11,265	10,729
Visitor Experience		2,406	19,590	307	2	22,305	20,806
Governance		0	1,019	0	0	1,019	1,063
		<u>5,264</u>	<u>34,996</u>	<u>462</u>	<u>4</u>	<u>40,726</u>	<u>38,953</u>
Other:							
Pension Finance Costs	18e	0	3	0	0	3	851
TOTAL EXPENDITURE		<u>5,264</u>	<u>40,156</u>	<u>466</u>	<u>1,044</u>	<u>46,930</u>	<u>44,017</u>
Share of Joint Venture	9	(171)	0	0	0	(171)	(174)
Net Gains/(Losses) on Investments	12	0	0	94	129	223	(251)
NET (EXPENDITURE)/INCOME		<u>2,445</u>	<u>(34)</u>	<u>349</u>	<u>(69)</u>	<u>2,691</u>	<u>(3,449)</u>
OTHER RECOGNISED GAINS/(LOSSES):							
Gains/(losses) on revaluation of fixed assets	10	(7,419)	25	43	13	(7,338)	8,673
Actuarial Gains on defined benefit pension scheme	18d	0	12,543	0	0	12,543	59,333
NET MOVEMENT IN FUNDS		<u>(4,974)</u>	<u>12,534</u>	<u>392</u>	<u>(56)</u>	<u>7,896</u>	<u>64,557</u>
RECONCILIATION OF FUNDS:							
Total Funds Brought Forward	19	136,491	6,390	17,742	6,935	167,558	103,001
TOTAL FUNDS CARRIED FORWARD	19	<u>131,517</u>	<u>18,924</u>	<u>18,134</u>	<u>6,879</u>	<u>175,454</u>	<u>167,558</u>

The above Statement of Financial Activities includes all recognised gains and losses.

All activities are continuing.

The non-consolidated net increase in funds recorded in Amgueddfa Cymru's own Statement of Financial Activities during 2023/24 was £18,969,000 (net increase of funds of £64,087,000 in 2022/23).

The notes on pages 54 to 81 form part of these accounts.

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024

		Amgueddfa Cymru		Consolidated	
		2024	2023	2024	2023
		£'000	£'000	£'000	£'000
	Notes				
FIXED ASSETS					
Tangible Assets	10	110,864	114,836	110,890	114,873
Intangible Assets	10	66	60	66	60
Heritage Assets	11	31,454	30,961	31,454	30,961
Share of Joint Venture:	9				
Share of gross assets		8,609	8,780	8,609	8,780
Share of gross liabilities		(1)	(1)	(1)	(1)
		<u>8,608</u>	<u>8,779</u>	<u>8,608</u>	<u>8,779</u>
Investments	12	<u>3,607</u>	<u>3,299</u>	<u>3,607</u>	<u>3,299</u>
		<u>154,599</u>	<u>157,935</u>	<u>154,625</u>	<u>157,972</u>
CURRENT ASSETS					
Stock	13	18	19	330	304
Debtors due within one year	14	9,450	3,840	8,640	3,422
Investments	21	0	5,811	0	5,811
Cash at bank and in hand	21	<u>9,169</u>	<u>5,536</u>	<u>9,905</u>	<u>5,879</u>
		<u>18,637</u>	<u>15,206</u>	<u>18,875</u>	<u>15,416</u>
CURRENT LIABILITIES					
Creditors due within one year	15	(8,238)	(2,616)	(8,435)	(2,794)
Provisions	17	(752)	(188)	(752)	(188)
NET CURRENT ASSETS		<u>9,647</u>	<u>12,402</u>	<u>9,688</u>	<u>12,434</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>164,246</u>	<u>170,525</u>	<u>164,313</u>	<u>170,406</u>
CREDITORS					
Amounts falling due after one year	16	(239)	(416)	(239)	(416)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY		<u>164,007</u>	<u>170,109</u>	<u>164,074</u>	<u>169,990</u>
Defined benefit pension scheme surplus / (deficit)	18a	11,380	(2,432)	11,380	(2,432)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		<u>175,387</u>	<u>167,489</u>	<u>175,454</u>	<u>167,558</u>
FUNDS	19				
Public Funds Restricted - Income		116,329	113,882	116,328	113,882
Public Funds Restricted - Revaluation		<u>15,189</u>	<u>22,609</u>	<u>15,189</u>	<u>22,609</u>
Total Public Funds Restricted		<u>131,518</u>	<u>136,491</u>	<u>131,517</u>	<u>136,491</u>
Public Funds Unrestricted - Income		7,380	8,683	7,449	8,752
Public Funds Unrestricted - Revaluation		95	70	95	70
Pension Reserve		<u>11,380</u>	<u>(2,432)</u>	<u>11,380</u>	<u>(2,432)</u>
Total Public Funds Unrestricted		<u>18,855</u>	<u>6,321</u>	<u>18,924</u>	<u>6,390</u>
Private Funds Restricted - Income		17,855	17,503	17,852	17,503
Private Funds Restricted - Revaluation		<u>282</u>	<u>239</u>	<u>282</u>	<u>239</u>
Total Private Funds Restricted		<u>18,137</u>	<u>17,742</u>	<u>18,134</u>	<u>17,742</u>
Private Funds Unrestricted - Income		6,791	6,862	6,793	6,862
Private Funds Unrestricted - Revaluation		<u>86</u>	<u>73</u>	<u>86</u>	<u>73</u>
Total Private Funds Unrestricted		<u>6,877</u>	<u>6,935</u>	<u>6,879</u>	<u>6,935</u>
		<u>175,387</u>	<u>167,489</u>	<u>175,454</u>	<u>167,558</u>

Signed on behalf of the Trustees by



Jane Richardson
Accounting Officer and Chief Executive
Approved and signed on 21 January 2025



Hywel John
Treasurer, on behalf of the Board of Trustees
Approved and signed on 21 January 2025

The notes on pages 54 to 81 form part of these accounts.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Consolidated Cash Flow Statement				2023/24 Total £'000	2022/23 Total £'000
		Public funds		Private Funds			
		Restricted £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000		
Net Cash Inflow/(Outflow) from Operating Activities	20	5,540	386	24	(195)	5,755	4,039
Cashflows from Investing Activities:							
Purchase of tangible fixed assets		(6,664)	(260)	0	0	(6,924)	(3,294)
Purchase of intangible fixed assets`		(22)	0	0	0	(22)	0
Purchase of heritage assets		(260)	0	0	0	(260)	(71)
Disposal of tangible fixed assets		0	0	0	0	0	36
Disposal of heritage assets		0	0	0	0	0	0
Net purchase/sale of investments		0	0	(41)	(44)	(85)	(86)
Net Cash (used in)/provided by Investing Activities		(6,946)	(260)	(41)	(44)	(7,291)	(3,415)
Cashflows from Financing Activities:							
Loan repayments		(157)	(92)	0	0	(249)	(249)
Net Cash (used in)/provided by Financing Activities		(157)	(92)	0	0	(249)	(249)
Increase/(Decrease) in Cash		(1,563)	34	(17)	(239)	(1,785)	375
Cash and cash equivalents at start of year		(1,581)	4,702	4,053	4,516	11,690	11,315
Cash and cash equivalents at end of year	21	(3,144)	4,736	4,036	4,277	9,905	11,690

	Notes	Amgueddfa Cymru Cash Flow Statement				2023/24 Total £'000	2022/23 Total £'000
		Public funds		Private Funds			
		Restricted £'000	Unrestricted £'000	Restricted £'000	Unrestricted £'000		
Net Cash Inflow/(Outflow) from Operating Activities	20	5,542	(18)	25	(194)	5,355	4,124
Cashflows from Investing Activities:							
Purchase of tangible fixed assets		(6,664)	(253)	0	0	(6,917)	(3,291)
Purchase of intangible fixed assets`		(22)	0	0	0	(22)	0
Purchase of heritage assets		(260)	0	0	0	(260)	(71)
Disposal of tangible fixed assets		0	0	0	0	0	36
Disposal of heritage assets		0	0	0	0	0	0
Net sale of investments		0	0	(41)	(44)	(85)	(86)
Net Cash (used in)/provided by Investing Activities		(6,946)	(253)	(41)	(44)	(7,284)	(3,412)
Cashflows from Financing Activities:							
Loan repayments		(157)	(92)	0	0	(249)	(249)
Net Cash (used in)/provided by Financing Activities		(157)	(92)	0	0	(249)	(249)
Increase/(Decrease) in Cash		(1,561)	(363)	(16)	(238)	(2,178)	463
Cash and cash equivalents at start of year		(1,578)	4,356	4,053	4,516	11,347	10,884
Cash and cash equivalents at end of year	21	(3,139)	3,993	4,037	4,278	9,169	11,347

The notes on pages 54 to 81 form part of these accounts.

Notes to the Accounts for the Year Ended 31 March 2024

1. Accounting Policies

1.1 Basis of Accounting

The Accounts are prepared under the historical cost convention, modified to include the revaluation of certain tangible fixed assets at their value to Amgueddfa Cymru. They have been prepared on the accruals basis in accordance with the Accounts Direction issued by the Welsh Ministers with the consent of the Treasury. Without limiting the information given, the Accounts meet the accounting and disclosure requirements of the Charities Statement of Recommended Practice FRS102, (Charities SORP (FRS102)), issued by the Charities Commissioners for England and Wales, and the accounting statements issued or adopted by the Accounting Standards Board in so far as those requirements are appropriate. HM Treasury has confirmed that the exemptions contained in the Charities SORP (FRS102) in respect of the need to disclose the historic cost of tangible fixed assets may apply.

1.2 Joint Venture Undertakings

Amgueddfa Cymru and the City & County of Swansea are two equal members in National Waterfront Museum Swansea (NWMS), a company limited by guarantee, and which does not have a share capital. The results of the joint venture have been included within the financial statements and are accounted for using the equity method of accounting. The accounts of NWMS for the year to 31 March 2024 have been approved and received an unqualified audit opinion. A copy of the accounts can be obtained from our Principal Office at National Museum Cardiff, Cathays Park, Cardiff CF10 3NP.

1.3 Subsidiary Undertakings

We operate a wholly owned trading subsidiary, NMGW Enterprises Ltd, company number 02449244, registered in England & Wales. The trading results for the company have been included within the consolidated financial statements on the 'line by line' method. The accounts of NMGW Enterprises Ltd for the year to 31 March 2024 have been approved and received an unqualified audit opinion. A copy of the accounts can be obtained from our Principal Office at National Museum Cardiff, Cathays Park, Cardiff CF10 3NP.

1.4 Income and Resources

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met. Grants are credited on a receivable basis, with any un-spent non-Grant-in-Aid grant income being deferred to the following year. Income for services performed is credited when the service is provided. Donations and bequests are accounted for when receipt is deemed probable, as defined in FRS102.

1.5 Expenditure

Expenditure is apportioned across expenditure heads on the basis of direct allocation and indirect apportionment in the case of support costs as appropriate. Expenditure on Raising Donations & Legacies includes all fundraising expenditure. Expenditure on Other Trading Activities includes all expenditure associated with the trading subsidiary. Expenditure on charitable activities includes all expenditure associated with Learning and Public Programmes; Collections and Research; Visitor Experience; and Governance. Governance costs include all expenditure associated with corporate and strategic planning, Board and Committee work, Welsh Government liaison, internal and external audit, risk management and statutory reports, and accounts work.

The basis of support cost allocation is as follows: Marketing, Press and PR is allocated per percentage time, Finance is allocated per total income and total expenditure, ICT is allocated per number of computer users and Human Resources is allocated per number of full-time equivalent employees.

1.6 Tangible and Intangible Assets

All items of a capital nature costing in excess of £10,000 are capitalised. Items of a capital nature costing less than £10,000 are not capitalised and are written off in-year. Previous to 1 April 2014, items of a capital nature costing in excess of £5,000 were capitalised.

Land and buildings assets are professionally valued every five years on the basis of their current value in existing use assuming that the properties would continue to be used to provide the service and are revalued using an index in the intervening period. Revaluation gains are recognised in the Statement of Financial Activities under Gains/(losses) on the revaluation of fixed assets, except to the extent to which they offset any previous write off of expenditure in the Statement of Financial Activities, in which case the gain is reversed against the relevant expenditure heading. Revaluation losses are recognised as an expense under the relevant expenditure heading in the Statement of Financial Activities except to the extent to which they offset any previous revaluation gains, in which case the loss is shown under Gains/(losses) on the revaluation of fixed assets. Routine maintenance work in respect of these properties is written off in the year in which it is undertaken.

Although land and buildings are professionally valued every five years and the next valuation is not due until 31st March 2026, it felt prudent to value the land and buildings at the National Museum Cardiff this year following the identification of significant maintenance works required across the site. The museum is comfortable with the valuation of the properties at our other sites and the valuation of these will take place in accordance with our policy.

Non-property assets (i.e. plant & vehicles, and fixtures, fittings & equipment) are held at historic cost (or the revalued cost prior to 1 April 2010) and not indexed as these assets have short useful economic lives or low values (or both).

An annual impairment review is carried out by management.

Intangible assets with an original cost of under £10,000 are written off in the year of acquisition.

1.7 Heritage Assets

The Museum's collections which are assets of historical and scientific importance held to advance the Museum's scientific and educational objectives and, through public access, contribute to the nation's culture and education, are recognised as heritage assets in accordance with FRS 102 (Heritage Assets) which requires such assets to be reported in the Balance Sheet where information is available on cost or value. Prior to the financial year 2001-02 these assets were not capitalised. Reliable cost information is not available and conventional valuation approaches lack sufficient reliability, with the cost of providing such information unaffordable and unmanageable, and deemed to outweigh the benefits to the users. Accordingly, these assets are not capitalised in the Balance Sheet. However, since 1 April 2001 collections acquisitions in excess of the capitalisation threshold of £10,000 have been capitalised at acquisition value and treated as non-depreciable heritage assets in the Balance Sheet. Donated or part-donated assets are valued with reference to invoices or other documentation where available, and otherwise by curatorial staff.

1.8 Depreciation/Amortisation

Depreciation is charged on tangible fixed assets (excluding land and heritage assets). The principal rates, using the straight-line method, are as follows:

- Freehold buildings and long leasehold properties are depreciated over their useful lives from 50 to 125 years.
- As permitted by the Charities SORP (FRS102), heritage assets are not depreciated. It is the opinion of the Trustees that with regard to works of art their residual value is higher than the carrying value and with regard to other heritage assets their estimated useful life is of such length that depreciation is not material.
- Plant, equipment, fixture and fittings are depreciated over 5-10 years. In specific cases of items subject to technological changes or with a high obsolescence factor, a 3-year life is used. Other specific items may have a longer depreciation period.
- Leased assets are charged on a straight-line basis over the term of the lease.
- Intangible assets with an economic life of more than one year and value greater than £10,000 are capitalised. All intangible assets are measured at cost. Intangible assets are amortised on a straight-line basis over 5-10 years.

1.9 Funds

Public and Private Unrestricted Funds are available for use, at the discretion of the Trustees, in furtherance of our general objectives.

Public Restricted Funds represent Capital and Specimen Purchase Grants receivable from the Welsh Government and other government bodies.

Private Restricted Funds are funds subject to specific restriction imposed by donors and can only be applied in accordance with the instructions under which they are set up.

Revaluation reserves represent accumulated gains/losses on revaluation of fixed assets arising from 1 April 2011 onwards.

Transfers may be made between funds provided that restricted funds are used only for the purpose imposed by the donor or grant making body.

1.10 Stock

We maintain a stock of publications and other items for sale in our shops. These are valued at the lower of cost and net realisable value.

1.11 Investments

Investments are shown at market value. It is our policy to keep valuations up to date such that when investments are sold there is no gain or loss arising relating to previous years. As a result, the Statement of Financial Activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings, as they are treated as changes in the value of the investment portfolio throughout the year.

1.12 Staff Holiday Accrual

We recognise accruals at year-end for staff holiday entitlement that has not yet been taken, and which is being carried forward to the following year.

1.13 Research and Development

Expenditure on research and development is charged to the Statement of Financial Activities in the year in which it is incurred.

1.14 Taxation

We have been granted charitable status by the HM Revenue & Customs, though NMGW Enterprises Ltd is subject to Corporation Tax.

1.15 Pensions

Contributions to the National Museum of Wales Pension Scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives. The charge to the Statement of Financial Activities is based on the current service cost as calculated by the scheme actuary.

1.16 Contingent Assets and Liabilities

Contingent assets and liabilities are not accrued in the accounting statements. Contingent liabilities in respect of any legal claims for which there is no insurance cover are disclosed in a note to the accounts, as are any other material contingent assets and liabilities.

1.17 Severance costs

Severance payments under the Redundancy and Early Severance Agreement and Mutually Agreed Resignation Scheme are recognised in the accounting period in which severance has been formally approved and agreed with the employee.

1.18 Financial instruments

Trade debtors do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Cash comprises cash in hand and cash at bank and on short term deposit on instant access term. Cash on short term deposit which is not on instant access term is included in current asset investments.

Trade creditors are not interest bearing and are stated at their nominal value. Liabilities are recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligations can be measured reliably.

1.19 Provisions

Where either the timing or the amount of the future expenditure required to settle the obligation is uncertain this is recognised as a provision rather than a creditor. The amount recognised as a provision is the best estimate of the expenditure required to settle or to transfer it to a third party at the reporting date. Provisions are stated at their nominal value.

2. Statement of Financial Activities comparatives

	Public funds		Private Funds		2022/23
	Restricted	Unrestricted	Restricted	Unrestricted	Total
	£'000	£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:					
Donations & Legacies					
Grants	4,975	29,367	0	0	34,342
Donations & Legacies	68	0	676	819	1,563
	5,043	29,367	676	819	35,905
Other Trading Activities	0	3,465	0	0	3,465
Income from Investments	0	0	44	54	98
Other Income	35	1,479	5	6	1,525
TOTAL INCOME AND ENDOWMENTS	5,078	34,311	725	879	40,993
EXPENDITURE ON:					
Raising Funds:					
Expenditure on Raising Donations & Legacies	0	1,210	4	49	1,263
Expenditure on Other Trading Activities	0	2,950	0	0	2,950
	0	4,160	4	49	4,213
Charitable Activities:					
Learning & Public Programmes	400	5,545	332	78	6,355
Collections & Research	2,077	8,643	8	1	10,729
Visitor Experience	1,981	18,819	5	1	20,806
Governance	0	1,063	0	0	1,063
	4,458	34,070	345	80	38,953
Other:					
Pension Finance Costs	0	851	0	0	851
TOTAL EXPENDITURE	4,458	39,081	349	129	44,017
Share of Joint Venture	(174)	0	0	0	(174)
Net Gains on Investments	0	0	(104)	(147)	(251)
NET (EXPENDITURE)/INCOME	446	(4,770)	272	603	(3,449)
Transfers Between Funds	0	0	0	0	0
OTHER RECOGNISED GAINS/(LOSSES):					
Gains/(losses) on revaluation of fixed assets	8,500	53	92	28	8,673
Actuarial Gains on defined benefit pension scheme	0	59,333	0	0	59,333
NET MOVEMENT IN FUNDS	8,946	54,616	364	631	64,557
RECONCILIATION OF FUNDS:					
Total Funds Brought Forward	127,545	(48,226)	17,378	6,304	103,001
TOTAL FUNDS CARRIED FORWARD	136,491	6,390	17,742	6,935	167,558

3. Grants Receivable

	Public Restricted	Public Unrestricted	2023/24	2022/23
	£'000	£'000	£'000	£'000
Revenue Grant-in-Aid	0	27,114	27,114	27,724
Specimen Purchase Grant-in-Aid	269	0	269	269
Capital Grant-in-Aid	5,353	0	5,353	4,481
Other government grant	2,005	6,611	8,616	1,868
	<u>7,627</u>	<u>33,725</u>	<u>41,352</u>	<u>34,342</u>

We received total Grant-in-Aid from the Welsh Government of £33,236,000 (£32,474,000 in 2022/23) which comprises the Revenue, Specimen Purchase and Capital Grant-in-Aid.

Other government grant included Welsh Government grants of £8,492,000 (£1,497,000 in 2022/23), and National Lottery Heritage Fund grant of £124,000 (£371,000 in 2022/23).

4. Donations & Legacies

	Public Funds		Private Funds		2023/24	2022/23
	Restricted	Unrestricted	Restricted	Unrestricted	2023/24	2022/23
	£'000	£'000	£'000	£'000	£'000	£'000
Donated Assets	0	0	243	0	243	250
Legacies	0	0	0	6	6	23
Other donations	220	618	346	664	1,848	1,290
	<u>220</u>	<u>618</u>	<u>589</u>	<u>670</u>	<u>2,097</u>	<u>1,563</u>

Donated assets include heritage assets valued at £243,000 (£250,000 in 2022/23) (see note 11 for more details). All valuations of donated (or part-donated) assets in the year and the previous year were carried out by curatorial staff or other qualified staff, or by reference to invoices or acceptance in lieu correspondence.

Other donations include gifts from trusts and foundations received as contributions towards our work, specific projects and specimen purchases. Major gifts included £750,000 from players of the People's Postcode Lottery (£600,000 in 2022/23) and £364,000 from the Paul Hamlyn Foundation (£350,000 in 2022/23).

5. Trading Subsidiary

We have one wholly owned trading subsidiary, which is incorporated in the UK. The principal activities of NMGW Enterprises Ltd are sales at all our retail shops, catering, car parking, image licensing, corporate hire, lettings, mail order, proceeds from the sale or loan of exhibitions and filming rights. NMGW Enterprises Ltd remits its profits to the museum by means of gift aid. A summary of the Company's results is shown below.

	2023/24	2022/23
	£ '000	£ '000
Turnover	3,546	3,215
Cost of sales	(2,836)	(2,471)
Gross Profit/(Loss)	710	744
Administrative expenses	(473)	(473)
Other operating income	287	250
Profit/(loss) on ordinary activities before interest	524	521
Interest receivable	0	0
Interest payable	(6)	(6)
Profit/(loss) on ordinary activities before taxation	518	515
Tax on profit on ordinary activities	0	0
Profit/(loss) for the financial year	518	515
Gift aid payable to the Museum	(521)	0
Retained profit/(loss) for the financial year	(3)	515
Total Assets	1,335	823
Total Liabilities	(1,265)	(749)
Shareholders' Funds	70	74

The consolidated Statement of Financial Activities includes the subsidiary's turnover, other operating income and interest receivable as income from trading subsidiary, and cost of sales, administrative expenses and interest payable as costs of trading subsidiary

6. Other Income

	Public Funds		Private Funds		2023/24	2022/23
	Restricted	Unrestricted	Restricted	Unrestricted		
	£'000	£'000	£'000	£'000	£'000	£'000
Learning & Public Programmes	0	285	0	0	285	315
Collections & Research	0	573	0	0	573	315
Visitor Experience	0	875	0	0	875	767
Support	33	213	87	117	450	128
	33	1,946	87	117	2,183	1,525

7. Total Expenditure

(a) Amgueddfa Cymru

	Direct Costs £'000	Depre- ciation £'000	Marketing, Press & PR £'000	Support Costs			2023/24 £'000	2022/23 £'000
				Finance £'000	ICT £'000	Human Resources £'000		
Expenditure on Raising Funds								
Raising Donations & Legacies	2,690	0	57	19	74	46	2,886	1,262
	2,690	0	57	19	74	46	2,886	1,262
Activities								
Learning & Public Programmes	5,155	315	192	65	253	157	6,137	6,355
Collections & Research	8,852	1,481	268	91	354	219	11,265	10,729
Visitor Experience	18,358	1,559	723	246	957	592	22,435	20,936
Governance	627	0	113	38	149	92	1,019	1,063
	32,992	3,355	1,296	440	1,713	1,060	40,856	39,083
Pension Finance Costs	3	0	0	0	0	0	3	851
Total Expenditure	35,685	3,355	1,353	459	1,787	1,106	43,745	41,196

(b) Consolidated

	Direct Costs £'000	Depre- ciation £'000	Marketing, Press & PR £'000	Support Costs			2023/24 £'000	2022/23 £'000
				Finance £'000	ICT £'000	Human Resources £'000		
Expenditure on Raising Funds								
Raising Donations & Legacies	2,690	0	57	19	74	46	2,886	1,263
Trading Subsidiary	3,297	18	0	0	0	0	3,315	2,950
	5,987	18	57	19	74	46	6,201	4,213
Activities								
Learning & Public Programmes	5,155	315	192	65	253	157	6,137	6,355
Collections & Research	8,852	1,481	268	91	354	219	11,265	10,729
Visitor Experience	18,228	1,559	723	246	957	592	22,305	20,806
Governance	627	0	113	38	149	92	1,019	1,063
	32,862	3,355	1,296	440	1,713	1,060	40,726	38,953
Pension Finance Costs	3	0	0	0	0	0	3	851
Total Expenditure	38,852	3,373	1,353	459	1,787	1,106	46,930	44,017

The amount of £66,718 (£101,033 in 2022/23) is included in resources expended for external auditors' fees. This includes £53,743 (£47,240 in 2022/23) for the Amgueddfa Cymru audit fee, £8,000 fees for additional Amgueddfa Cymru audit work related to 2022/23, £4,375 (£4,375 in 2022/23) for the trading subsidiary audit fee and £600 (£600 in 2022/23) for other work for the trading subsidiary.

67.5% of total expenditure during the year was on staff costs (69.0% in 2022/23).

8. Staff Costs

(a) Staff Costs during the year:

	2023/24	2022/23
	£'000	£'000
Salaries & Wages	21,868	19,985
Social Security Costs	2,136	1,754
Pension current service cost (note 18e)	3,454	8,335
Pension scheme expenses (note 18e)	461	349
Pension FRS102 current service cost adjustment	(1,239)	(1,173)
Apprenticeship Levy	83	80
Severance Costs	4,917	81
	<u>31,680</u>	<u>29,411</u>
FRS102 Pension Finance Costs (note 18e)	<u>3</u>	<u>851</u>
	<u>31,683</u>	<u>30,262</u>

Included within the staff costs are £1,655,000 (£1,415,000 in 2022/23) relating to the trading subsidiary.

Severance costs include payments under our Redundancy Scheme and Early Severance Agreement and our Mutually Agreed Resignation Scheme. The social security costs relating to severance are included in the social security figures.

At the end of the financial year the Museum undertook a reorganisation with voluntary severance being taken by 148 employees.

(b) Members of the Board of Trustees

Trustees did not receive any emoluments during 2023/24 or 2022/23, with the exception of the Chair and Acting President. Details of their remuneration can be found on page 27 of this report. The total amount of travel, subsistence and accommodation expenses reimbursed by us for our Board and committee members was £1,552 (£2,788 in 2022/23). This does not include any expenses waived by trustees as this is immaterial. Five trustees were reimbursed expenses during the year (18 in 2022/23).

9. Share of Joint Venture

We are an equal member, with the City & County of Swansea, of National Waterfront Museum Swansea (NWMS) (Charity No 1090512), a company limited by guarantee. The principal objective of NWMS is to establish for the benefit of the public a museum in Swansea to house and display (inter alia) the industrial and maritime collection of Amgueddfa Cymru and the City & County of Swansea. In the event of the wind-up or dissolution of NWMS its articles and memorandum of association state that any property belonging to or vested in the charity shall be transferred to some other charity or charities having similar objectives.

Our share of the net movement in funds and net assets of the Joint Venture comprises:

	Total Net Movement in Funds		Share of Net Movement in Funds	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Donations and Legacies	5	5	3	3
Other Income	0	0	0	0
Total Incoming Resources	5	5	3	3
Charitable activity expenditure	345	345	172	174
Governance Costs	5	5	2	3
Total Resources expended	350	350	174	177
Net Movement in Funds	(345)	(345)	(171)	(174)

	Total Assets and Liabilities		Share of Assets and Liabilities	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Fixed Assets	17,212	17,558	8,606	8,779
Current Assets	6	2	3	1
Liabilities due within one year	(5)	(2)	(1)	(1)
Liabilities due after more than one year	(43)	(43)	0	0
Net Assets	17,170	17,515	8,608	8,779
Funds				
General Fund (unrestricted)	16,717	17,062	8,381	8,552
Revaluation reserve	451	451	226	226
Restricted Fund	2	2	1	1
	17,170	17,515	8,608	8,779

10. Tangible and Intangible Fixed Assets

A. Tangible Assets

(a) Amgueddfa Cymru	Freehold Land £'000	Freehold Buildings £'000	Leasehold Properties £'000	Plant & Vehicles £'000	Fixtures, Fittings & Equipment £'000	Assets Under Construction £'000	Total £'000
Cost or Valuation							
At 1 April 2023	2,214	38,802	62,227	5,949	10,097	6,397	125,686
Additions in Year	0	393	0	2,939	994	2,475	6,801
Disposals	0	0	0	(119)	(331)	0	(450)
Transfers	0	23	5,735	0	80	(5,838)	0
Impairment	0	0	0	0	0	0	0
Revaluation	83	1,456	(10,509)	0	0	0	(8,970)
At 31 March 2024	2,297	40,674	57,453	8,769	10,840	3,034	123,067
Depreciation							
At 1 April 2023	0	1,138	966	2,747	5,999	0	10,850
Charge for the Year	0	595	767	890	1,088	0	3,340
Disposals	0	0	0	(59)	(296)	0	(355)
Transfers	0	0	0	0	0	0	0
Revaluation	0	64	(1,696)	0	0	0	(1,632)
At 31 March 2024	0	1,797	37	3,578	6,791	0	12,203
Net Book Value							
At 1 April 2023	2,214	37,664	61,261	3,202	4,098	6,397	114,836
At 31 March 2024	2,297	38,877	57,416	5,191	4,049	3,034	110,864

(b) Consolidated	Freehold Land £'000	Freehold Buildings £'000	Leasehold Properties £'000	Plant & Vehicles £'000	Fixtures, Fittings & Equipment £'000	Assets Under Construction £'000	Total £'000
Cost or Valuation							
At 1 April 2023	2,214	38,802	62,227	5,949	10,264	6,397	125,853
Additions in Year	0	393	0	2,939	1,002	2,475	6,809
Disposals	0	0	0	(119)	(331)	0	(450)
Transfers	0	23	5,735	0	80	(5,838)	0
Impairment	0	0	0	0	0	0	0
Revaluation	83	1,456	(10,509)	0	0	0	(8,970)
At 31 March 2024	2,297	40,674	57,453	8,769	11,015	3,034	123,242
Depreciation							
At 1 April 2023	0	1,138	966	2,747	6,129	0	10,980
Charge for the Year	0	595	767	890	1,107	0	3,359
Disposals	0	0	0	(59)	(296)	0	(355)
Transfers	0	0	0	0	0	0	0
Revaluation	0	64	(1,696)	0	0	0	(1,632)
At 31 March 2024	0	1,797	37	3,578	6,940	0	12,352
Net Book Value							
At 1 April 2023	2,214	37,664	61,261	3,202	4,135	6,397	114,873
At 31 March 2024	2,297	38,877	57,416	5,191	4,075	3,034	110,890

Our freehold and leasehold properties were professionally valued on 31 March 2021 by External Valuers, Elizabeth Hill BSc MRICS and Alan Jones BSc MRICS of

Cooke and Arkwright Chartered Surveyors. The valuations were in accordance with the requirements of the Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards (effective from 2020), the International Valuation Standards and the RICS Valuation, Global Standards – UK National Supplement. The valuation of each property was on the basis of being valued to Current Value in Existing Use using Depreciated Replacement Cost assuming that the properties would continue to be used to provide the service. In the intervening period those assets are revalued using indices. The index used for land and buildings is the BCIS All in Tender Price Index, estimated by Cooke and Arkwright Chartered Surveyors. The estimated index value was 387 in March 2024 (373 in March 2023).

Although land and buildings are professionally valued every five years and the next valuation is not due until 31st March 2026, it felt prudent to value the land and buildings at the National Museum Cardiff this year following the identification of significant maintenance works required across the site. The land and buildings at National Museum Cardiff were professionally valued by Cooke and Arkwright Chartered Surveyors as at 31st March 2024 at £56,665,000 (Net book value at 31st March 2023 including assets under construction £66,144,000).

B. Intangible Assets

(a) Amgueddfa Cymru		
	Software £'000	Assets Under Construction £'000
Cost or Valuation		
At 1 April 2023	0	60
Additions in Year	22	0
Disposals	0	0
Transfers	60	(60)
At 31 March 2024	82	0
Amortisation		
At 1 April 2023	0	0
Charge for the Year	16	0
Disposals	0	0
Transfers	0	0
At 31 March 2024	16	0
Net Book Value		
At 1 April 2023	0	60
At 31 March 2024	66	0

(b) Consolidated		
	Software	Assets Under Construction
	£'000	£'000
Cost or Valuation		
At 1 April 2023	0	60
Additions in Year	22	0
Disposals	0	0
Transfers	60	(60)
At 31 March 2024	82	0
Amortisation		
At 1 April 2023	0	0
Charge for the Year	16	0
Disposals	0	0
Transfers	0	0
At 31 March 2024	16	0
Net Book Value		
At 1 April 2023	0	60
At 31 March 2024	66	0

11. Heritage Assets

(a) Collection Management Policies

Collections of specimens are the *raison d'être* of museums and provide the fundamental database for all their work and objectives. We are the national repository of material relating to Wales's natural and created heritage and international material that helps define Wales's place in the world. Our collections number approximately 5.3 million specimens or groups and are of international importance. We differ from other national museums and galleries in the UK by the range of our disciplines and by the number and range of sites that we operate.

We maintain and review our policies on acquisitions, disposals, care and conservation, documentation and access to the highest international standards. These policies can be obtained on request from our Principal Office at National Museum Cardiff, Cathays Park, Cardiff CF10 3NP.

(b) Collection Management Costs

These costs are recognised in the Statement of Financial Activities.

	2023/24	2022/23
	£'000	£'000
Collections management costs		
Conservation	878	891
Collections Information	193	288
Collections Services	243	407
Collections Centre	65	17
	<u>1,379</u>	<u>1,603</u>

(c) Summary of capitalised heritage assets on the Balance Sheet

	Historic			Total
	Art	Buildings	Other	
	£'000	£'000	£'000	£'000
Donated Assets	12,992	160	822	13,974
Purchased Assets	10,517	5,696	1,267	17,480
Total at 31 March 2024	<u>23,509</u>	<u>5,856</u>	<u>2,089</u>	<u>31,454</u>
Total at 31 March 2023	<u>23,264</u>	<u>5,856</u>	<u>1,841</u>	<u>30,961</u>

(i) Heritage Assets donated during the year:

	Historic			Total
	Art	Buildings	Other	
	£'000	£'000	£'000	£'000
Gwendoline Davies Gregynog Press collection	0	0	243	243
Total Additions in Year	<u>0</u>	<u>0</u>	<u>243</u>	<u>243</u>

All valuations of donated (or part donated) assets were carried out by curatorial staff or by reference to invoices/acceptance in lieu correspondence.

(ii) Heritage Assets purchased during the year:

	Historic			Total
	Art	Buildings	Other	
	£'000	£'000	£'000	£'000
<i>The Sea Horizon</i> - Garry Fabian Miller	160	0	0	160
<i>David Nott Interview 2014</i> - Bob & Roberta Smith	100	0	0	100
Total Additions in Year	<u>260</u>	<u>0</u>	<u>0</u>	<u>260</u>

(iii) Heritage Assets disposals and impairments during the year:

	Historic		Other £'000	Total £'000
	Art £'000	Buildings £'000		
Disposals				
Unidentified Women in 17th C Dress	10	0	0	10
Total Disposals in Year	10	0	0	10
Impairments				
	0	0	0	0
Total Impairments in Year	0	0	0	0

(iv) Capitalised specimen acquisition over the last five years:

	2023/24 £'000	2022/23 £'000	2021/22 £'000	2020/21 £'000	2019/20 £'000
Donated Assets					
Art	0	0	15	50	5,460
Historic Buildings	0	0	0	0	0
Other	243	250	0	0	0
Total Donated Assets	243	250	15	50	5,460
Purchased Assets					
Art	260	71	225	300	349
Historic Buildings	0	0	0	0	14
Other	0	0	0	85	45
Total Purchased Assets	260	71	225	385	408
Total Capitalised Specimen Acquisition	503	321	240	435	5,868

(d) Summary of specimen acquisition expenditure on the Statement of Financial Activities

Non-capitalised specimen acquisition spend over the last five years:

	2023/24	2022/23	2021/22	2020/21	2019/20
	£'000	£'000	£'000	£'000	£'000
Art	110	45	14	24	85
Natural Sciences	27	29	38	18	33
Industry	0	0	0	0	0
Conservation	6	7	25	0	0
Library	15	22	21	31	59
History	13	95	54	25	46
Transfer from Art to Heritage Assets	0	0	0	(60)	0
	171	198	38	223	149

Expenditure includes acquisitions valued at less than £10,000 (acquisitions valued at less than £5,000 prior to 2014/15), fieldwork, collections refurbishment and renovation. These costs are recognised in the Statement of Financial Activities.

(e) Further information on Amgueddfa Cymru's collection of heritage assets

There are c. 5.3 million items in Amgueddfa Cymru's collections	
Archaeology & Numismatics	1,310,688
Art	46,801
Natural Sciences	3,011,151
Industry	269,778
National Wool Museum	12,000
Library	265,159
Social & Cultural History	402,490
Total	5,318,067

(i) Archaeology & Numismatics: the Department holds a collection of 823,188 items at National Museum Cardiff, as well as 487,500 at the National Roman Legion Museum in Caerleon. Archaeology and Numismatics (the study of coins and medals) tell us about the archaeology and history of Wales from the first use of caves 250,000 years ago to the start of the industrial revolution.

(ii) Art: the Welsh national collection of fine and applied art is housed at National Museum Cardiff. This unique resource documents the history of art in Wales since the sixteenth century and is a major international collection of British and European art, as well as holding art from other cultures.

(iii) Natural Sciences: a collection of 3,011,151 items held at National Museum Cardiff, on display in the natural history galleries, or viewable by appointment. The botany and

zoology specimens cover the study of the earth's biodiversity and of how organisms interact. This study is essential to our future wellbeing. The geology specimens include rocks, minerals and fossils that help us to understand the geological history of the Earth from its origins around 4,600 million years ago, and the processes involved in forming and shaping the Earth's crust. They provide evidence for how the Wales we know today has evolved over 700 million years.

(iv) Industry: 269,778 objects are held in collections at the National Slate Museum in Llanberis, Big Pit: National Coal Museum in Blaenafon, the National Waterfront Museum in Swansea and in our Collections Centre in Nantgarw, where they can be viewed by appointment. The collections include items from the coal, manufacturing, maritime and transport industries. The 1841 census records that Wales was the first nation in the world to have a higher proportion of its workforce employed in industry rather than agriculture – Wales was therefore 'the world's first industrial nation'.

(v) The National Wool Museum: this Museum holds 12,000 items in its collection, showcasing one of the most important and widespread industries in Wales. The Museum follows the process from fleece to fabric through its collection of objects, restored listed buildings and working historic machinery.

(vi) Library: the main Library, housed at National Museum Cardiff, and the library housed at St Fagans: National History Museum, contain 265,159 books and periodicals. This includes a collection of rare and special edition books, particularly in natural history. The Library is also a source of information for staff, and items can be viewed by the public by appointment.

(vii) Social & Cultural History: this collection holds 402,490 items, housed at St Fagans: National History Museum. It covers the domestic, cultural, agricultural and commercial aspects of the people of Wales from the Middle Ages to the present day. We illustrate and interpret these aspects with over forty re-constructed buildings spread across one hundred acres of land. The collection also has extensive photographic, film and sound archives

12. Fixed Asset Investments

	Amgueddfa Cymru		Consolidated	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
At 1 April	3,299	3,464	3,299	3,464
Adjustment for cash deposit	(6)	0	(6)	0
Additions to investments at cost	91	86	91	86
Disposals at market value	0	0	0	0
Net Gain on Revaluation	223	(251)	223	(251)
Market Value at 31 March	3,607	3,299	3,607	3,299

Of the total investments of £3,607,000, £1,608,000 (£2,736,000 at 31 March 2023) was held in Restricted Private Funds and £1,999,000 (£563,000 at 31 March 2023) in Unrestricted Private Funds.

The historic cost of investments at 31 March 2024 was £3,250,000 (£3,158,000 at 31 March 2023). The portfolio consists of Collective Investments (Unit Trusts) authorized by the Securities and Investments Board (these were professionally valued by our investment managers, Barclays) and shareholdings (bequeathed to us) listed on the London Stock Exchange.

The investments were held in the following asset classes:

	Amgueddfa Cymru		Consolidated	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
UK Listed Investments	1,719	1,501	1,719	1,501
Non UK Listed Investments	1,888	1,791	1,888	1,791
Cash & Cash Deposits	0	7	0	7
	3,607	3,299	3,607	3,299

13. Stock

	Amgueddfa Cymru		Consolidated	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Shop Goods for Sale	0	0	320	290
Publications stock held separately	50	51	50	51
Less: Provision for stock write-off	(32)	(32)	(40)	(37)
	18	19	330	304

14. Debtors

	Amgueddfa Cymru		Consolidated	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade Debtors	110	147	269	216
Amount due from trading subsidiary	766	272	0	0
Loan due from trading subsidiary	301	301	0	0
Other Debtors	7,724	2,585	7,793	2,586
Prepayments	549	535	578	620
	9,450	3,840	8,640	3,422
Balances with:				
Central government bodies	7,609	2,487	7,610	2,490
Local authorities	17	18	20	20
Sub total intra government balances	7,626	2,505	7,630	2,510
Bodies external to government	1,824	1,335	1,010	912
Total	9,450	3,840	8,640	3,422

15. Creditors: Amounts falling due within one year

	Amgueddfa Cymru		Consolidated	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Loans	157	313	157	313
Trade Creditors	1,273	176	1,283	195
Accruals and Deferred Income	6,808	2,127	6,995	2,286
	8,238	2,616	8,435	2,794
Balances with:				
Central government bodies	198	193	198	193
Local authorities	2	-	2	-
Sub total intra government balances	200	193	200	193
Bodies external to government	8,038	2,423	8,235	2,601
Total	8,238	2,616	8,435	2,794

Accruals and Deferred Income includes £4.3m for severance and associated costs following the re-organisation of the museum at the end of the financial year (nil at 31 March 2023). It also includes £490,000 un-spent grant income deferred to the following year (£539,000 at 31 March 2023)

Loans due in less than one year are £157,000 (£157,000 at 31 March 2023) to the Welsh Government (assigned from Salix Finance Ltd, an independent, publicly funded company which provides the public sector with loans for energy efficiency projects, on 15 January 2021).

16. Creditors: Amounts falling due after one year

	Amgueddfa Cymru		Consolidated	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Loans	239	396	239	396
Accruals and Deferred Income	0	20	0	20
	<u>239</u>	<u>416</u>	<u>239</u>	<u>416</u>

Loans of £239,000 (£396,000 at 31 March 2023) are outstanding to the Welsh Government (assigned from Salix Finance Ltd on 15 January 2021) repayable within 2 to 5 years.

17. Provisions

	Amgueddfa Cymru		Consolidated	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Provisions	<u>752</u>	<u>188</u>	<u>752</u>	<u>188</u>

A provision has been made for staff redundancy and associated costs where final agreements although agreed had not been ratified by 31st March 2024.

18. Pensions

We operate a defined benefit pension scheme in the UK, which is underwritten by a Crown Guarantee issued by the National Assembly for Wales. A full actuarial valuation was carried out at 31 March 2021. This was updated at 31 March 2023 by a qualified independent actuary using guidelines issued by HM Treasury.

The FRS102 valuation as at 31 March 2024 showed an increase from a deficit of £2,432,000 at 31 March 2023 to a gain of £11,380,000 at 31 March 2024.

Our contribution to the scheme in the year to 31 March 2024 amounted to £5,187,000 (£5,085,000 in 2022/23). This included contributions at a rate of 21.3% of Pensionable Remuneration up to 29th February 2024 and 12.8% from that date, and salary forgone by members under salary-sacrifice arrangements which we paid over to the Scheme. The expected employer contributions for 2024/25 are £3.3m

(a) Amounts in the balance sheet:

	2024	2023
	£'000	£'000
Fair value of assets	144,042	141,421
Defined benefit obligation	(132,662)	(143,853)
Gain/(Deficit)	11,380	(2,432)

(b) Analysis of changes in the fair value of assets:

	2024	2023
	£'000	£'000
Opening fair value of assets	141,421	174,928
Interest income	5,851	2,712
Employer's contributions	5,187	5,085
Members' contributions	520	450
Scheme expenses	(461)	(349)
Actuarial experience gains/(losses)	(2,376)	(36,265)
Benefits paid	(6,100)	(5,140)
Closing fair value of assets	144,042	141,421

(c) Analysis of changes in the present value of defined benefit obligations:

	2024	2023
	£'000	£'000
Opening defined benefit obligation	143,853	232,243
Current service cost	3,454	8,335
Members' contributions	520	450
Interest cost	5,854	3,563
Actuarial experience losses	(14,919)	(95,598)
Benefits paid	(6,100)	(5,140)
Closing defined benefit obligation	132,662	143,853

(d) Actuarial Gains/(Losses) charged to the Statement of Financial Activities

	2024	2023
	£'000	£'000
Actuarial experience gains/(losses) - fair value of assets (note 18b)	(2,376)	(36,265)
Actuarial (losses) - present value of obligations (note 18c)	14,919	95,598
Actuarial gains/(losses)	12,543	59,333

(e) Amounts charged to resources expended:

	2024		2023	
	£'000	£'000	£'000	£'000
Current service cost	3,454		8,335	
Scheme expenses	461		349	
		3,915		8,684
Interest income	(5,851)		(2,712)	
Interest cost	5,854		3,563	
		3		851
Total charge to resources expended		3,918		9,535

The above amounts charged to resources expended are included in staff costs, shown in note 8a to these accounts.

(f) Major categories of scheme assets as a percentage of total scheme assets:

	2024	2023
Equities	36.5%	34.7%
LDI	33.7%	33.9%
Multi-asset	29.1%	30.4%
Others	0.7%	1.0%

(g) Principal actuarial assumptions:

	2024	2023
Discount rate	5.10%	4.15%
Inflation - RPI short term	3.55%	3.40%
Inflation - RPI long term	2.65%	2.50%
Inflation - CPI	2.55%	2.40%
Pension increases in payment - pre 2000	3.30%	3.20%
Pension increases in payment - post 2000, pre 2016	2.55%	2.40%
Pension increases in payment - post 2016	2.15%	2.06%
Pension increases in deferment	2.55%	2.40%
Assumes life expectancy currently age 65		
Male	86.2	86.8
Female	88.7	89.2
Assumes life expectancy currently age 45		
Male	87.1	87.8
Female	89.8	90.3

(h) Sensitivity analysis – Change in defined benefit obligation as at 31 March 2024:

Increase/decrease discount rate by 0.5%	-7%/+8%
Increase/decrease assumed rate of inflation by 0.5%	+8%/-7%

19. Statement of Funds

Funds recorded in our own non-consolidated accounts at 31 March 2024 were £175,384,000 with £70,000 attributable to NMGW Enterprises Ltd.

(a) Movement in Funds		1 April	Incoming	Resources	Other	Transfer	
		2023	Resources	Expended	in Year	Between	31 March
		£'000	£'000	£'000	£'000	£'000	2024
							£'000
Public Funds							
Restricted - Capital Income		98,496	7,358	(5,129)	(138)	0	100,587
Restricted - Specimen Income		15,387	489	(135)	0	0	15,741
Restricted - Revaluation		22,608	0	0	(7,419)	0	15,189
Total Restricted		136,491	7,847	(5,264)	(7,557)	0	131,517
Unrestricted - Income		8,752	40,122	(41,425)	0	0	7,449
Unrestricted - Revaluation		70	0	0	25	0	95
Pension Reserve		(2,432)	0	1,269	12,543	0	11,380
Total Unrestricted		6,390	40,122	(40,156)	12,568	0	18,924
Total Public Funds		142,881	47,969	(45,420)	5,011	0	150,441
Private Funds							
Restricted - Income		17,503	721	(466)	94	0	17,852
Restricted - Revaluation		239	0	0	43	0	282
Unrestricted - Income		6,862	846	(1,044)	129	0	6,793
Unrestricted - Revaluation		73	0	0	13	0	86
Total Private Funds		24,677	1,567	(1,510)	279	0	25,013
Total		167,558	49,536	(46,930)	5,290	0	175,454

Total revaluation reserves at 31 March 2024 were £15,652,000. These represent accumulated gains/losses on revaluation of fixed assets arising from 1 April 2011 onwards.

(b) Analysis of Net Assets Between Funds		Public Funds		Private Funds		31 March
		Restricted	Unrestricted	Restricted	Unrestricted	2024
		£'000	£'000	£'000	£'000	£'000
Fixed Assets		135,098	2,846	14,387	2,294	154,625
Current Assets		(1,576)	12,119	3,747	4,585	18,875
Current Liabilities		(1,766)	(6,669)	0	0	(8,435)
Long term Liabilities		(239)	0	0	0	(239)
Provisions		0	(752)	0	0	(752)
Net Assets (before pension asset/ liabilities)		131,517	7,544	18,134	6,879	164,074
Pension Asset/(Liabilities)		0	11,380	0	0	11,380
Net Assets (after pension asset/liabilities)		131,517	18,924	18,134	6,879	175,454

20. Reconciliation of Net Income/Expenditure to Net Cash Flow from Operating Activities

	Amgueddfa Cymru		Consolidated	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Net (Expenditure)	2,694	(3,963)	2,691	(3,449)
Share of Joint Venture	171	174	171	174
Unrealised (Gains) on market value investments	(223)	251	(223)	251
Donated Assets	(243)	(250)	(243)	(250)
Depreciation	3,355	2,544	3,373	2,561
Loss on disposal	106	21	106	21
(Increase)/Decrease in Stocks	1	(13)	(26)	(103)
(Increase)/Decrease in Debtors	(5,610)	672	(5,218)	81
Increase/(Decrease) in Creditors	6,561	238	6,581	303
Increase in Creditors: Amounts falling due after one year	0	0	0	0
Increase in Provisions	(188)	0	(188)	0
FRS102 current year pension costs	(1,269)	4,450	(1,269)	4,450
Net Cash Inflow from Operating Activities	5,355	4,124	5,755	4,039

21. Analysis of Cash and Cash Equivalents

	Amgueddfa Cymru		Consolidated	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Cash in hand	9,169	5,536	9,905	5,879
Short term notice deposits	0	5,811	0	5,811
Total cash and cash equivalents	9,169	11,347	9,905	11,690

22. Capital Commitments

	2024	2023
	£'000	£'000
At the balance sheet date there were capital commitments of	1,875	1,300

The majority of the capital commitments as at 31 March 2024 related to the essential backlog maintenance works programme.

23. Contingent Liabilities and Guarantees

As at 31 March 2024 there were no claims against us in respect of personal injury allegedly occurring at our museums, which have not been provided for in the accounts or which are not covered by our insurance.

There was an outstanding employment tribunal claim at the end of the financial year. This was withdrawn on 30th April 2024

There is a guarantee in the event of the closure of Big Pit: National Coal Museum to make safe the mineshaft and surrounding areas. Decommissioning is likely to cost around £5 million and has been underwritten by the Welsh Government.

Emerging case law relating to pension schemes: In June 2023, the High Court confirmed in the Virgin Media case that changes to member benefits in contracted out defined benefit pension schemes between 1997 and 2016 required an actuarial certificate in line with section 37 of the Pensions Act 1993 and ruled that changes that were made without this certification are to be considered void. This requirement applies to past service rights and future service rights, and to changes to the detriment or benefit of scheme members. The judgement was appealed in June 2024, but the appeal was dismissed. For the National Museum of Wales Pension Scheme, the Museum's current actuarial advisers (Broadstone) have confirmed that they have no reason to believe that any relevant changes would have been made absent of actuarial confirmations, they therefore do not currently expect any liability changes to arise following this judgement. The position will continue to be monitored in light of further and ongoing developments such as related Court rulings.

24. Related Party Transactions

We are a Welsh Government Sponsored Body. The Welsh Government is therefore regarded as a related party. During the year we received funding from the Welsh Government in the form of Grant-in-Aid and other grant referred to in note 3 to the accounts. We also received £7,559 in relation to service activities from the Welsh Government and made a payment of £225 for services from them. Our trading subsidiary NMGW Enterprises Ltd received income of £3,389 for venue hire income from the Welsh Government during the year. Outstanding balances with the Welsh Government, including loans, are referred to in notes 14, 15 and 16 to the accounts.

We made the following payments to or received income from other related parties in 2023/24. Unless otherwise stated there were no outstanding balances at the end of the year.

- £1,067 from BBC Wales. Abigail Lawrence and Rhys Evans are employees of BBC Wales
- £771 to Natural Resources Wales. David Jones is a Senior Specialist Advisor to Natural Resources Wales

- £1,000 to Clwyd Powys Archaeological Trust. Hywel John is a Trustee of Clwyd Powys Archaeological Trust
- £4,150 to Gwynedd Archaeological Trust. Hywel John is a Trustee of Gwynedd Archaeological Trust
- £26,814 from Swansea University. Richard Thomas is a Member of Council at Swansea University
- £700 from Cwmni Da Cyf. Llion Iwan is a director of Cwmni Da Cyf
- £125,141 from Cardiff University and £498 to Cardiff University. Emma Yhnell is the Associate Dean and Senior Lecturer at Cardiff University. £1,116 included in debtors
- £180,816 from Natural History Museum and £30,274 to Natural History Museum Trading Company. Freya Stannard was an employee of Natural History Museum. £11,624 is included in debtors
- £2,050 from Public Health Wales. Jan Williams was the Chair of Public Health Wales until May 2024. Kate Eden was Vice Chair of Public Health Wales until February 2024
- £1,903 from Prifysgol Aberystwyth University and paid to them £9,874. Kate Eden is a Council Member of Prifysgol Aberystwyth University, Catherine Duigan is an Honorary Professor of Environmental Science at Aberystwyth University.
- £200 to Coleg Y Cymoedd. John Hunt is a Governor of Coleg y Cymoedd
- £2,000 from Blaenavon Town Council. John Hunt is a Councillor of Blaenavon Town Council.
- £500 from Welsh Language Commission. Nia Elias is on an Advisory Panel of Welsh Language Commission.
- £497.50 to Pembrokeshire Coast National Park Trust. Gwyneth Hayward and Madeleine Havard are trustees of Pembrokeshire Coast National Park Trust.

We received a £5 donation from Trustees in 2023/24 (£nil in 2022/23).

During the year Hywel John, Treasurer, Richard Thomas, Trustee and Robert Humphreys, Trustee served as directors of NWMS referred to in note 9 to the accounts. None of the directors receive remuneration from this company.

25. Financial Instruments

Amgueddfa Cymru has no borrowings other than interest-free loans from the Welsh Government, including from their Invest-to-Save Fund. We rely primarily on Welsh Government grant-in-aid drawn down on a monthly basis for our cash requirements which limits our liquidity risk. In 2023/24 £41.3m or 83.4% of our consolidated income derived from the Welsh Government (£33.9m or 82.7% in 2022/23). The balance of £8.2m or 16.6% (£7.1m or 17.3% in 2022/23) is derived from grants from other bodies, trading and income generating activities, donations and investments.

All assets and liabilities are denominated in sterling and so we are not exposed to currency risk. We mitigate exposure to market risk through diversification of our investment portfolio, managed by Barclays in line with the risk appetite and investment objectives we set.

26. Post Balance Sheet Events

The Accounting Officer authorized these financial statements for issue on 21 January 2025.