



The Horniman Public Museum and Public Park Trust
Report and Consolidated Financial Statements

For the year ended 31 March 2021

Company Registration Number: 2456393
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"Thanks for providing such beautiful gardens, free to visit. They have helped many people feel better in this difficult year."

Horniman Museum and Gardens Trustees' Annual Report 2020/21

Introduction

The Horniman Museum and Gardens began with a gift from Frederick John Horniman in 1901 to the people in perpetuity comprising the founding collections, the historic building and the Gardens. They were dedicated to the public forever 'for their recreation, instruction and enjoyment' and were registered as a charity from the outset (The Horniman Museum and Public Park Foundation). This generous gift has grown in both quality and quantity over the last 100 years.

Our collections are nationally and internationally important, large and diverse. Our Anthropology collection is amongst the most important in the UK; our Musical Instrument collection is the most diverse in the UK. These Designated collections, combined with our spectacular Natural History specimens, our popular Aquarium, our Animal Walk and Butterfly House alongside our 16.5 acres of award-winning Gardens, create a unique opportunity to understand the world around us.

We aim to share the collections and the estate both onsite and online to deliver our founding aims of 'recreation, instruction and enjoyment' for a broad public now and into the future. Our primary activities are developing, conserving and interpreting the collections and estate, and providing diverse, inspirational ways for the public to engage with, learn from and interact with them.

Mission, values and aims

Our mission is central to everything we do, whilst our values shape our work and give the Horniman its unique character as the only museum in London in which nature and culture can be seen side by side, allowing us to engage with interconnected issues such as climate change and migration, in a positive way.

Mission

'The Horniman connects us all with global cultures and the natural environment, encouraging us to shape a positive future for the world we all share.'

Values

To support this mission our **organisational values** are:

- **Inclusive:** Everyone is welcome at the Horniman. We connect audiences from all backgrounds – encouraging an interest in other peoples, cultures and environments and promoting empathy, respect and tolerance.
- **Inspiring:** The Horniman is a place of inspiration and learning. Our rich offer allows us to draw together in innovative and inspiring ways, issues and stories relating to people, animals and environments – encouraging us all to consider our future and have a positive impact on the world in which we live.
- **Generous:** We cherish Frederick Horniman's founding gift, safeguarding and developing it for future generations and embedding a spirit of kindness and generosity through all our activity.
- **Fun:** We deliver experiences that are full of surprise and wonder, creating encounters with beautiful things and sharing activities that are lots of fun.

Internally our staff will be empowered to **act sustainably, behave ethically, pursue excellence and encourage enterprise** in their delivery.

Corporate aims

The ongoing corporate aims which give structure to this are:

- **Access:** We will use the collections and Gardens to stimulate curiosity and wonder, promoting opportunities for people of all ages, abilities and backgrounds to participate in and enjoy exhibitions, educational programmes, activities and events – both face-to-face and online.
- **Collections:** We will safeguard and develop the collections so that they can be made as accessible as possible now and into the future.
- **Shaping the future:** We will effectively manage our resources and become more financially resilient so that we can continue to develop and share our collections, estate and expertise for the widest possible public benefit.

Over the course of the pandemic year 2020-21, Trustees have agreed a **Reset Agenda**, which will shape the direction and content of our plans for the coming period. These are:

1. Consult people and work in partnership
2. Address the history of the Horniman business and of institutional collecting
3. Engage wider audiences through programming and communications
4. Enhance our digital capabilities
5. Diversify staff and volunteers
6. Make the Horniman greenhouse gas neutral and more biodiverse
7. Maximise income generation.

Public benefit

The Trustees confirm that they comply with their duty to have regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties as outlined further in this report.

"I have been using the gardens for a walk most days during the lockdown as I don't have any outside space. Thank you so much for keeping them open."

"The museum was a haven for me when I was a new mother with two young children. Your green and communal space is vital to the mental wellbeing of so many people and I hope it will continue to be so in the future."

Strategic report

Summary 2020/21

This report is written in May 2021, just as museums are planning to re-open following the country's third lockdown, and looks back at probably the most extraordinary year in the Horniman's – and the nation's – history since the Second World War. In doing so we must first recognise that everyone associated with the Horniman has been affected by the Covid-19 pandemic. Some have lost loved ones, some have been dealing with Covid infection themselves, and many have had to get used to working from home or being on furlough. All of this has brought challenges around childcare, home schooling, loneliness and anxiety. A number of staff have remained on site throughout the year, keeping the Gardens open and ensuring the animals, collections, buildings and systems are maintained and secure. We thank them all for their perseverance and hard work.

As the financial year began in April 2020 we had been in lockdown for a fortnight or so and, as an organisation, we were learning to respond to, and cope with, the new circumstances. There was particular pressure on our IT team to scale up our external working licences and the number of our laptops, as well as introducing new security protocols at speed as part of their support to people adjusting to working from home. Our Digital, Learning and Curatorial teams also responded to the rapid demand to supply greatly increased online content.

After the abrupt lockdown, much of the year was spent managing the short-, medium- and longer-term impacts of the pandemic. We greatly benefited from the Coronavirus Job Retention Scheme, and the additional funding made available by the Department for Digital, Culture, Media and Sport (DCMS) helped us avoid a deficit budget at the end of the year, for which we are most grateful. As we emerge from lockdown on 17 May 2021 and the Museum reopens to visitors, we are predicting deficits for the next few years as a result of both the ongoing impact of the pandemic and the longer-term impact of austerity. Due to the uncertainty of the situation regarding infection rates, much of our on-site events programme was cancelled or postponed over the course of the year. In spite of this, much was achieved, and the headlines are set out in this report under the headings of Access, Collections and Shaping the Future.

Highlights of the year include:

- Our Gardens remained open throughout the year as a much-appreciated resource for exercise, play, tranquillity and respite for our local community. This quotation sums up the feelings of many: *"I put myself back together sitting on the hill at the Horniman during the summer... the Gardens have been my sanity and my peace."*
- The Association for Leading Visitor Attractions (ALVA) collects total visit figures for the Horniman, combining Gardens and Museum. As Gardens visits were high throughout, in 2020 the Horniman was the 12th most visited attraction in the UK, up from 41st in the previous year.
- Our Beat Plastic Pollution pop-up intervention in the Aquarium won the Museum and Heritage Award for Best Project on a Limited Budget and our Bee Garden won an award at the Bees' Needs Champions Awards.
- A new species was named after the Horniman: a shrimp, named *Heteromysis hornimani*. The Aquarium team contributed samples of it for analysis that was recently published as a research paper in the European Journal of Taxonomy.

- An appeal for a tree planting scheme along London Road was launched in February 2021, with a video from TV gardener and Ambassador Joe Swift, and a target of £10,000, to cover costs. Thanks to a great response from the public this target was rapidly reached, and to date the money raised has surpassed £20,000.
- The exhibition *From Birth till Death: Scrolled Life Stories* opened in December. It is a moving collaboration between artist R.M. Sánchez-Camus and participants at St Christopher's Hospice, Arts Network and Three Cs mental health charities, and Guy's and St Thomas' NHS Foundation Trust's Health Inclusion Team, as part of our community engagement programme. It has recently been nominated for a Museums + Heritage Award.
- Our pilot Environmental Champions Club was launched online and on Facebook in March 2021. This free, virtual club encourages 6-10 year olds and their families to make small positive changes in their daily lives to take care of the environment through sharing activities, making pledges, providing inspiration to tackle climate change and providing useful information and resources.
- Despite everything, visitor satisfaction remained high at 92% and regarding the safety measures that were introduced, 99% of visitors felt safe, 97% were positive about our safety/hygiene and 92% were positive about the assistance provided by staff.
- Over the course of the year we undertook a variety of projects to address the colonial context of the Horniman and its collections. A new interpretation panel was placed in the history section of the World Gallery noting the link between the Chinese tea trade and opium smuggling. The *Rethinking Relationships and Building Trust around African Collections* project continued in its second year, recruiting researchers from Kenya and Nigeria to provide contextualised histories of collections from those countries. This was paralleled by the *Community Action Research* project which recruited and supported African and Caribbean diaspora community members to undertake collections research on topics of interest to them.

All of these achievements were made possible by our grant-in-aid funding from the Department for Digital, Culture, Media and Sport (DCMS) who are our key sponsor body, along with our funding from Arts Council England (ACE) which together form the essential bedrock on which we operate.

A full list of the performance indicators which are reported to DCMS can be found at Appendix I.

1.0 Access

Aim: We will use the collections and Gardens to stimulate curiosity and wonder, promoting opportunities for people of all ages, abilities and backgrounds to participate in and enjoy exhibitions, educational programmes, activities and events – both face-to-face and online.

Performance against **Access aim and objectives as outlined in the Corporate Plan:**

- a. We attracted 618,532 visits to the Museum and Gardens over the past year, and welcomed 547,427 website visits. Whilst not meeting our **visitor numbers** target of 950,000 for both onsite and online this was extremely positive given the extensive closure periods. The Gardens fuelled the majority of these visits and helped us become the **UK's 12th most visited UK attraction during 2020** according to

ALVA, the Association of Leading Visitor Attractions. The ethnic diversity of our visitors remained consistent and we recorded 18% visitors from an ethnic minority background.

- b. Our **public programme** was revised and we continued to deliver some exciting exhibitions across the site, alongside moving many of our activities online. Much of our event programme was cancelled or postponed.
- c. Whilst unable to meet our target of engaging a **school audience** of 42,000 due to all onsite work having to be cancelled, we made a rapid transition to online or outreach activity reaching reduced numbers.
- d. We continued our **engagement with community partners** supporting refugee, asylum-seeker and new arrival groups; disability audiences; isolated older people; and mental health service users although were unable to welcome partners to site.
- e. We continued to **collect, evaluate, use and share audience data** throughout the year, moving our rolling visitor survey online.

1.1 Audience

As our Gardens were able to remain open throughout the past year, the impact on our overall total site visits, which includes Museum and Gardens, was less dramatic than for just our museum visits total. So in 2020/21, total visits to the Museum and Gardens were 618,532 compared to 908,212 in 2019/20 - down 32%. However, due to the Museum being closed for many more days than it was open during the financial year, our Museum visitor numbers were only 82,025 compared to 758,599 in 2019/20 - down 89% on the previous year.

70% of visitors were in family groups, 18% were from an ethnic minority background, 8% from NS-SEC groups 5-8 and 13% were students. 23% were making their first visit to the Museum or Butterfly House, and 17% making a repeat visit since reopening in July 2020. 84% were from London and just 1% from overseas. We are treating these results with caution due to the change in some questions and survey methodology during this pandemic year.

Our website received 547,427 sessions from 366,813 users in 2020/21, above our revised target for the year of 500k by 9%, but 48% below 2019/20 (for both sessions and users), due to the pandemic closures. Despite this drop, the average time spent on the website increased by 45% from the previous year (from 1m50s to 2m38s), resulting from a greater push on editorial content. Pages on the website were viewed over 1.8 million times, down 67% on 2019/20. The number of records online stands just short of 119k at the end of the year, up by 18% due to the ongoing transfer of records as part of the website migration this time last year. Our social media presence continued to increase in terms of followers to a community of 601.5k, a 1.4% increase on 2019/20. The majority came via Pinterest but in terms of Instagram, our followers increased by 9% to circa 41.5k and our Facebook followers increased by 11% to circa 31k. Our Twitter followers increased by 4% to circa 45.6k. We have also seen growth in our YouTube (up 56% from last year to 2.3k subscribers) and LinkedIn audiences grew by 36% to 6k followers.

1.2 Public programme

With the Museum closed for much of the year, our public programme had to be drastically revised. Some events and activities were postponed or cancelled, while many others went online. We continued to roll out our exhibition and display programme in the majority however, so that a vibrant offer was in place for when visitors were allowed to enter the Museum spaces again.

1.21 Exhibitions

Permian Monsters: Life Before the Dinosaurs continued as our popular family exhibition in periods when we were open. Visitors came face-to-face with fossil skeletons as well as full-size models and animatronics of fearsome sabre-toothed predators, giant insects and bizarre-looking sharks, bringing the Permian period back to life. As much of the interactivity in the exhibition was removed due to Covid safety measures, additional digital content was created to enhance the experience, including blogs and videos.

Towards the end of the year our new exhibition **Monkey Business** was installed ready to welcome new visitors from 17 May 2021. Originating from the National Museum of Scotland, the exhibition explores the wide variety of primates and how each species has adapted to survive in a great diversity of habitats, as well as some of the environmental issues affecting them.

In the **Natural History Gallery** we continued to display Claire Morgan's stunning new pieces created for the Horniman in her **As I Live and Breathe** exhibition until September 2020. This was replaced by Helena Hunter's **Falling Birds** display, including artworks that blend larger-than-life X-ray images of extinct and endangered bird specimens with fragments of poetic text. Drawing upon extinct and endangered birds in our historical collection, including the Passenger Pigeon, Snowy Owl, Kakapo and Huia, the artist illuminates the global environmental crisis and the alarming decline in bird numbers.

On the World Gallery Balcony we delivered a new photographic art display **An Ode to Afrosurrealism** in which Hamed Maiye and Adama Jalloh explore new ways to imagine spiritual identity through photography.

1.22 Events and activities

Five successful applicants were identified for the **South London Music 696 project's** Resident Artists' programme. They had introductions to the Music Gallery including a demonstration of the playable historical keyboard instruments. In the latter part of the year they developed responses to the collections of their own music, the results of which will be presented in summer 2021.

Music programming included the **Museums Supporting Young People's Music Education** webinar hosted by the Horniman and sponsored by Art Fund. We also coordinated and acted as moderator of the Art Fund-supported online **Music in the Making seminar** on the theme of *'Musical Instrument Collections inspiring new work: compositions, instruments and performances'* that was held on 29 January 2021. There were circa 70 delegates and speakers from a wide range of organisations including the Royal College of Music, the Bate Collection University of Oxford, Trinity Laban Conservatoire of Music and Dance, Goldsmiths University of London and London Metropolitan University, as well as the Horniman.

The **Hear It Live!** series of performance demonstrations on historic keyboard instruments in the Music Gallery were reconfigured as video broadcasts, having consulted with its funding body, the National Lottery Heritage Fund. The weekly live performances in the Music Gallery were replaced by twice-monthly digital recordings posted online.

During Black History Month in October we signalled our increased commitment to telling broader and more inclusive stories as part of our decolonising agenda. Over October half term we held a programme of **outdoor storytelling** sessions every day, including

musician, poet and performer Helen McDonald presenting a performance of British-Jamaican nurse, healer and businesswoman Mary Seacole in the Gardens.

1 October 2020 was also the 60th anniversary of Nigerian independence, commemorated by our **Nigeria60** programme. We worked with Oluseyi Awolesi to develop a social media campaign with weekly conversations on the Horniman's InstagramLive throughout September and October, and blogs and social media posts on the collection from 1960s Nigeria.

We also moved to more **online output and delivery**, launching four *Make* activities linking to cultural dates and important community celebrations and four *Nature Explorer* resources linking to environmental awareness day:

- *Make* Hands Fan (Black History Month)
- *Make* Adire Style Cloth (Black History Month)
- *Make* Diwali Diva Decoration (Diwali)
- *Make* Give Spend Save jars (Buy Nothing Day)
- Squirrels (Red Squirrel Week and World Animal Day)
- Seeds (Seed gathering Season and World Food Day)
- Mammals (National Mammals Week)
- Trees (National Tree Week)

The Horniman Market continued in the Gardens on Sundays throughout much of the year with full Covid-safe measures in place and proved an incredibly popular essential food destination for the local community.

1.3 Visitor experience and evaluation

We implemented extensive Covid safety measures across the estate during the year including the introduction of online advance booking and restricted capacities when the Museum was able to open. We were fully accredited by Visit Britain's **We're Good To Go** scheme signalling to visitors that we had worked hard to follow Government and industry Covid-19 guidelines with thorough processes in place to maintain cleanliness and aid social distancing.

A shift to an **online visitor survey** was necessary throughout 2020/21. As all visitors were required to book tickets in advance online for the Museum and Butterfly House when we were open, we were therefore able to email them a survey link after their visit. The high number of responses (circa 1,200) helped mitigate some of the compromises made with no random sampling and a shortened survey. Our research provider, DJS, were able to set-up, test and integrate the online survey with a results portal in time for museums and galleries to reopen in July 2020.

We used the change of methodology to test some alternative wording for some questions. For example, 8% of visitors identified as a D/deaf or disabled, or have a long-term health condition, using the compulsory disability questions that we are required to report on. However, when asked about what would have made a visit more accessible, 34% of respondents selected options ranging from more seating to better lighting. These responses will help inform accessibility improvements in the future.

The visitor research resulted in very high ratings for **visitor satisfaction of 92%** and a likelihood to recommend of 88%. Both of these results are down on previous years but still very positive given the circumstances and changes to the visit experience. Regarding the safety measures that were introduced, 99% of visitors felt safe at the Museum, 97% were positive about our safety/hygiene, 86% positive about the management of distancing, 89%

positive about signage onsite, and 92% were positive about the assistance provided by staff.

Due to closures and programming changes we were only able to complete one evaluation using the Arts Council's Impact and Insight Toolkit.

1.4 Learning and engagement

The entire learning and engagement programme was significantly impacted by the pandemic, with almost all onsite work cancelled, and a rapid transition to a reduced online or outreach delivery implemented.

1.41 Learning

The **schools team** reworked some of our most popular sessions for virtual and outreach formats and created a new virtual session *Ancient Benin*. The reworked sessions have a greater focus on decolonisation and the climate emergency and offer more opportunities for reflection and discussion. We also created a year-round outdoor learning offer for schools, in the Gardens, and developed a strand of **outreach visits** to primary schools to deliver *Toys* and *Around Africa* learning sessions. A number of objects from the Handling Collection were made available to Resident Artists for the 696 project as well as some object loans to schools. We were delighted to be awarded funding for our **Museum Clubs project** by the Ironmongers Company.

1.42 Youth Engagement

The Horniman Youth Panel worked to complete **The Sustainable Way**, their World Gallery display case which raises awareness of the environmental and social impact of the cotton industry. The case includes a mix of museum artefacts, donated protest art and a specially commissioned T-shirt, all of which tell a story of learning and hope: that another way is possible and together we can take better care of our planet.

A new events production and employability training and mentoring programme was launched, **696 Promoters**, a music production course which responds to the 696 programme and developed *Headshots*, a photography project with local young musicians and photography students. We are grateful to our funding and delivery partners Youth Music, Spiral Skills, Lewisham Music, Alchemy and Fix Flash. Alongside these partnerships we were pleased to partner with Jobcentre Plus to help us reach our commitments to engaging young people who are not in education, employment or training (NEET).

1.43 Community and family engagement

In response to requests from vulnerable groups to help tackle rising levels of mental ill health and increased isolation, we delivered **virtual tours** to groups gathered in community settings or accessing them individually from home. We adapted tours to meet the needs and interests of two groups from St. Christopher's Hospice; mental health charity Arts Network and several older people's care homes (and the families who are unable to visit care home residents) via Connect Force. We re-launched *Stay in Tune Thursdays* as an online offer, in partnership with the multi-cultural Diamond Club in Catford.

We supported long-term partner Redstart Arts in the ACE-funded **Doorstep Project** to connect learning-disabled adults (a demographic who were most isolated as a result of Covid-19). Challenges and themes inspired by our Natural History Gallery were hand-delivered to each participant and artwork shared with each other.

We also developed **targeted outreach work**, including weekly gardening sessions at Ewart Road Community Hall, and were delighted that a bid to the Mayor's Grow Back Greener Fund for a project to enhance the children's play area at Ewart Road's Garden and a public programme of family activities was successful.

We maintained our relationship with Evelyn Children's Centre and from mid-January delivered **virtual storytelling sessions** every Tuesday morning to some of their families, as well as two sessions a week to the families of members. Over 93% of families surveyed also expressed an interest in outdoor learning opportunities, so the Family Learning Team developed a proposal for a Forest School-styled programme.

1.44 Volunteering

Volunteering

The three **Garden volunteer** teams continued to be active during lockdown and, when restrictions allowed, **SCC volunteers** continued their work on the collections and documentation. In preparation for reopening, 16 **Engage volunteers** were able to return to the Butterfly House and to support staff in managing the visitor flow through the Museum and sanitising interactives in Permian Monsters. In addition, they helped with the Ansuman Biswas event and the Storytelling family activity.

1.5 PR

This year (1 April 2020 to 31 March 2021) the Horniman secured 345 items of print and online coverage, and 47 broadcast items, with a total Advertising Value Equivalence (AVE) of £1,856,873 and circulation of 258,469,063. Coverage levels were significantly down on the previous year (19/20) – at 62% of that year's print and online level, and 38% of broadcast coverage. AVE was similarly reduced, at 55% of the 19/20 level. Circulation was slightly higher (111%), however, due to two stories on [bbc.co.uk/news](https://www.bbc.co.uk/news) with a circulation of over 18m each.

The Press Office responded to 181 media enquiries in 20/21 (63% of previous year), along with 24 editorial filming and photography enquiries (42% of 19/20). Despite repeated closures, severe curtailment of Museum activities during the year, and press office staff on full or flexible furlough throughout Q4, 20/21 did see some notable spikes in coverage:

- in June 2020, in part due to the targeting of the Horniman by the Topple the racists campaign
- across July and August, when the Museum's reopening plans secured significant media exposure
- in September, driven by coverage in local and regional titles across the UK of the 'Where's Wally? Spooky Museum Search' family activity delivered in conjunction with charity Kids in Museums
- and in the final two weeks of the reporting period which saw both the publication of ALVA's annual visitor figures and an Observer exclusive about the discovery of the new species of shrimp in the Horniman Aquarium, which was picked up by numerous other national and international titles.

2.0 Collections

Aim: We will safeguard and develop the collections so that they can be made as accessible as possible now and into the future.

Performance against **Collections aim and objectives as outlined in the Corporate Plan:**

- a. Our new website was a great asset during the pandemic as a means of sharing our collections and providing greater context. Examples include the *Rethinking Relationships* and *Community Action Research* projects **enhancing African collections records**
- b. We delivered year three of the **Music in the Making** programme sessions, working with curators, artists, academics, performers, educationalists and makers, including *Hear It Live!* and the *696 South London Music* programme. Funding for the Kolkata collecting project was not able to be secured due to the pandemic.
- c. A bid for the **Nature and Love** project submitted to the National Lottery Heritage Fund (NLHF) was not considered by them following the suspension of the main grant programme due to Covid. Preparations were made to submit a new Expression of Interest in April 2021.
- d. We developed institutional policies on coral research, restitution and on human remains, and a start has been made on embedding **decolonisation** practices within the Horniman, with two all-staff discussions, and the formation of a Colonial Legacy Working Group. Action plans related to a new collections development policy, research strategy and international work were not taken forward due to the constraints caused by the pandemic.
- e. The timetable for the **696 South London Music** project was extended due to Covid, so evaluation will occur in 2021/22. The pandemic also delayed approaches to collaborative curatorial practice, which will be developed further next year.

2.1 Anthropology

We continued to develop the Horniman as a **centre for museum anthropology** including working with Goldsmiths, University of London in online teaching and research. The two linked projects funded by DCMS and ACE's Designation Development Fund (DDF) on collections research related to West African collections and the London diaspora continued online. For the **Community Action Research project**, there was recruitment of critical friends, trainers and a project intern as well as processing community member applications. Phases one and two of the **Rethinking Relationships project** saw us recruiting 38 researchers in Kenya and eight in Nigeria.

2.2 Natural World

The pandemic demonstrated the increasing need to respond to the climate crisis and build on the Horniman's declaration of a climate emergency. While progress on the **Nature and Love** project was suspended due to the interruption of NLHF grants, we continued to engage audiences online with natural world content, and planned a new artist intervention in the Natural History Gallery on a decolonising theme.

All Aquarium, Animal Walk and Butterfly House staff were onsite managing the collections daily throughout the lockdowns, operating a two-team-bubble in each area. In the Butterfly House we built a close working relationship with our new pupae supplier, Green Hills Butterfly Ranch in Belize, and we assisted their conservation project of helping preserve the local rainforest. Our zoo licence renewal inspection took place in September and we passed in full.

The Horniman managed a successful coral spawning event in early December 2020. The material from this will support a number of different experiments and new collaborations with UK and international researchers. Coral samples were collected as part of an international coral genomics project, working in partnership with University of Derby and Wellcome Sanger Institute, Cambridge.

The Horniman Aquarium-led international research project dedicated to coral reef conservation **Project Coral** continued focusing on three areas:

1. Coral ID project with ZSL London Zoo
2. Influence of heterotrophic feeding on individual climate resilience
3. Influence of temperature profiling in phase shifting coral spawning seasonality.

2.3 Music

As mentioned earlier, a major initiative for the year was the continuation of the NLHF-funded **Hear It Live!** project which saw regular performances on our newly acquired playable historic instruments in the Music Gallery, which switched successfully online during the pandemic. In addition, the final elements of the Dolmetsch family collection of musical instruments was acquired with the help of the Art Fund, and was transferred to our Study Collections Centre.

3.0 Shaping the future

Aim: We will effectively manage our resources and become more financially resilient so that we can continue to develop and share our collections, estate and expertise for the widest possible public benefit.

Performance against **Shaping the future objectives as outlined in the Corporate Plan:**

- a. The 10 year **Framework plan** was resolved into two projects at the beginning of April 2020. Nature and Love comprises work in two zones of the Gardens to enhance access and engagement with nature and sustainability, along with the refurbishment of the Natural History Gallery. The Entrance Project comprises a remodelling of key areas to provide improved visitor facilities and cope with rising numbers. Unfortunately both were paused during the pandemic and will be reviewed in 2021/22.
- b. Due to museum closures we were unable to meet our **self-generated income** target of £3 million across commercial, charitable activity and fundraising streams
- c. We **invested** over £600k in our buildings, estate and infrastructure, to protect and preserve them for future generations
- d. We began to deliver on our new **Climate and Ecology Manifesto** to become Greenhouse Gas neutral, more biodiverse and generate less waste and pollution by 2040, including the launch of our Environment Champions Club.
- e. We made some progress in becoming a more representative organisation by recruiting a more **inclusive and diverse workforce, Board and volunteer base** but due to a recruitment freeze and suspension of volunteering activities were unable to achieve significant change. This will remain a priority for 2021/22.

3.1 Income

As the Museum and our main income generating spaces were closed for so much of last year, and when they were open we were only able to allow entry to circa 30-40% of usual numbers because of social distancing requirements, our self-generated income was completely decimated during 2020/21. The Horniman was extremely grateful for the extra Covid-funding support received from DCMS and also for the government's Job Retention Scheme, both of which enabled us to cover our significant shortfall in self-generated income during such a challenging year.

Charitable activity income, related to our core purpose and generated through ticket sales, membership, the schools' programme, events and other activity fell by 63% to just

under £500k. This substantial drop was due in the main to limited ticket sales arising from Museum closures and restricted capacity, the cancellation of onsite schools activity and a large drop in membership renewals.

Commercial activity managed through Horniman Museum Enterprises (HME) and comprising retail, catering and venue hire was also deeply affected but still managed to generate a gross turnover of £183k and a net profit of to £14.6k (down 94%). Although the Museum was closed for much of the year, the Horniman Café took over £600k net sales mainly through operating takeaway only in the Gardens for much of the time. We were unable to have any venue hire or weddings for the entire year, however filming and photography, the Horniman Market and our crazy golf partnership with Plonk performed very well for the periods we were able to open.

Fundraised income generated during 2020/2021 reached £411k in close alignment with performance in the previous year and included gifts from both individuals and trusts. A particularly successful appeal was our London Road Tree Planting Appeal for the creation of a new micro forest in our Gardens, which raised over £18K in the financial year (with further gifts in the new year). Funding raised is supporting a range of new projects and activity as well as providing unrestricted income for our everyday work.

3.2 Climate and Ecology Action

Our Climate and Ecology Action Coordinator has been in post for a year now and has made significant progress on the delivery of our Climate and Ecology Action Plan. We delivered our pilot **Environment Champions Club** which was launched online and on Facebook in March this year and we currently have a membership of 69 families. This free, virtual club encourages six to ten year olds and their families to make small positive changes in their day to day lives to take care of the environment through sharing activities, making pledges, providing inspiration to tackle climate change and providing useful information and resources.

The Coordinator has helped develop a **Green Travel Plan** for our workforce and visitors and is in the process of implementing this. Improvements to our waste management have been made, with new bins for recyclable waste and for our compostable coffee cups installed in the Gardens and Café. A new waste contractor is also being appointed to allow us to collect accurate figures for the waste we generate every month. Other activity under development includes a climate change training programme that we can roll out to all staff next year, training the cleaning team on effective recycling across the site and more broadly developing and costing a roadmap to allow us to achieve greenhouse gas neutrality by 2040.

In addition the Horniman was delighted to be a founding partner of **Count Us In**, a global campaign to inspire one billion people to take practical steps in their everyday lives to reduce carbon pollution, and to challenge leaders to act more boldly on the climate emergency.

The CEO took part in a Creative Climate Chat with Julie's Bicycle, a charity supporting the creative community to act on climate change and environmental sustainability, to talk about our Climate and Ecology work so far and what we're doing next. He was also a keynote speaker at the **CoMuseum International Conference** and delivered a speech entitled *How can museums help mitigate the climate and ecological crisis?* As part of the **NMDC/ICOM UK Working Internationally Conference** the CEO facilitated a discussion between Mary Robinson, Adjunct Professor for Climate Justice in Trinity College Dublin,

Chair of The Elders, and ex-President of Ireland, and Baroness Natalie Bennett, Green Party Peer, on the role museums can play in reaching net zero emissions and increasing biodiversity.

Utilities consumption over the last 5 years					
	2020/21	2019/20	2018/19	2017/18	2016/17
Electricity Kwh	1,096,560	1,348,331	1,345,227	1,412,045	1,601,712
Gas Kwh	1,244,663*	1,411,692*	1,383,588*	1,345,171	1,135,327
Water	Figures not available for reporting this year				
*includes new Butterfly House					

The Horniman is exempt from producing a full Sustainability Report.

3.3 Sector support and collaboration – national and international

Our support for the sector has included loaning objects, providing advice and organising seminars and conferences.

We are now hosting the new Museums and Galleries Network for Exhibition Touring (MAGNET) which is supported by Art Fund and is aimed at helping a 12 member network to develop exhibition content to tour amongst themselves. The first toured exhibition will be our own **Hair: Untold Stories** which will open next October and then tour to Carlisle and Sheffield.

Throughout the year we managed and maintained **loans** to 13 organisations including the V&A London; Dulwich Picture Gallery; Historic Royal Palaces and the Science Museum. We also continued our successful programme of *Object in Focus* loans to smaller museums, libraries and academic institutions across the South East, although the take up was greatly reduced this year due to the Covid-19 pandemic. Our aim for this programme is to increase access to our stored collections, promoting the Museum Association's Smarter Loans principles and forging links with other organisations. We toured a variety of objects to a total of four venues, including Wimbledon and Camberwell Colleges of Art, Maidstone Museum and The Deep (Hull) – providing support, interpretation, talks and activities tailored as needed.

Horniman staff provided **advice** to a wide range of sector-based organisations across the UK, acting as chairs, trustees, members and leaders of Subject Specialist Networks (SSN) and providing our resources for these groups to hold workshops and best practice seminars. Our staff provided advice in areas such as youth and volunteering programmes, environmental education, aquarium and zoo management, marketing, digital and curatorial development. Our leadership role in the music sector continued with our support for the Musical Instrument Resources Network, a group co-founded by our staff in 2016 with more than 200 UK and international members.

Staff presented on the collections and community engagement in many conferences including the Museums Association annual conference (online) and national conferences of the Museum Ethnographer's Group and Musical Instruments Resource network.

3.4 Key supporters

The Horniman receives core funding from **DCMS** and from **ACE** as a National Portfolio Organisation.

In 2020/21 the Trust received £3.758 million revenue funding from DCMS. This included £75k in Covid support. We also received £601k capital funding from DCMS. The Horniman output against DCMS KPIs and PIs appears at Annex I. Trustees are most grateful to the Department for its continued support.

The Horniman became an ACE National Portfolio Organisation during 2018 and secured funding for 2018-22. Our funding allocation from ACE for 2020/21 was £964k and focussed towards delivering an ambitious programme including developing the Horniman as a creative hub and expanding upon our highly successful work with children and young people. The Trust is most grateful to ACE for its support over recent years and for providing us with the opportunity to build our resilience and provide excellent and creative opportunities for public engagement.

Voluntary donations

Voluntary donations play a vital part in supporting the care of our collections and Gardens as well as providing services, activities and enabling future projects. The Chair and Trustees are especially grateful to the following individuals and organisations across the Horniman community for their support over the past 12 months:

Gifts, grants and sponsorship in 2020/21

Art Fund
 Arts Council England
 The Aspinwall Educational Trust
 William Brake Charitable Trust
 City and Guilds of London Institute and the Worshipful Company of Gardeners
 The Department of Digital, Culture, Media and Sport
 The Dulwich Society
 The Esmée Fairbairn Collections Fund – delivered by the Museums Association
 The Ironmongers' Company
 John Horniman's Children's Trust
 London Borough of Lewisham
 The London Community Foundation and Cockayne – Grants for the Arts
 Mayor of London Grow Back Greener Fund
 The Merriman Charitable Foundation
 National Lottery Heritage Fund
 PRS Foundation – The Open Fund
 The Radcliffe Trust
 Sainsbury's Forest Hill
 The Spear Charitable Trust
 Stowe Family Law LLP
 Youth Music

Individual giving in 2020/21

Victoria Appleby
 Philip Baynes
 Judy Beard
 Thomas and Rumana Bennett
 Richard Blurton
 Joanna Blythman
 Paul Bolger
 Philippa and Mai-Ling Bosman-Savage
 Paul Brand

Sally and Michael Bridgeland
Frances Carey
Margaret Carey
Catherine Clay
Fiona Clements
Richard Comaish
John Coulthard and Ruth Dobson
Robert Crawford
Scott Cruickshank and Sirilak Wichianpaisan
Laura Cutler
Stephen Dimon
Rina Dutta
Martin Eden
Simon and Joanna Edwards
Antje Ehrlich
Alyson and David Elliman
Elizabeth Emerson
Gavin and Amy English
John Firmin
Kerry Fitzgerald
Helen Fleming
Sophie Freeman
Friends of the Horniman
Timothy Fuller
Surojit Ghosh
Cosmo Gibson
Justin and Dawn Giles
Simon Granleese
Hanna Grindall
Ed and Catherine Hales
Tim Hanson
Adrian Hartley
Virginia and David Hearn
Rebecca Higgins
Janet Holmshaw
Michael Horniman
Timothy and Charmian Hornsby
Kate Isaak
Rosie Jackson
Pamela Jacobs
Penelope Jarrett
Professor R J Jarrett
Ailsa Kegler
Scott Keir and Robin Bray-Hurren
Mary Kempson
Donald and Kathleen Kirkham
Catherine Lake
Julia and Jonathan Layton
James Lyndsay
Sarah Mahomed Ross
Susan Marsh
Jason McCulloch and Emma Carter

Robert McIntosh
Nicholas and Lindsay Merriman
Gordon and Helen Middleton
Hannah Mummery
Mounzer Nazha
Leslie Newman
George Nicoll
Mayowa Ochere
Gerard O'Hare
Lesley Omara
Lynne Pacanowski
Hamish Parker
Jon Pokroy
Jane Portal
Claire Richards
Samantha Riches and Simon Christian
Charlotte Rooney
Keith Roper
Andrew Rutherford
Eve Salomon
Linda Sandino
Richard Shearman
Christienne Simon
Jonathan Smith
Roger and Linda Smither
Carole and David Souter
Fleur Steven
Kate and Adam Stevens
Rachael Stone
Rosamund Sykes
Hugo Tait
Ian Tollett and Jessica Matthews
Wing Kin Tsoi
Ann Wallace
David Whittle
Stephen Whittle
The Yordan Family

We are also grateful to the following for the support in-kind they have shown the Horniman:

Andrew Lawrence Print
Google Ad Grants
EcoTech Marine
Pedder Property
Triton Applied Reef Biosciences

We extend our thanks to our **Ambassadors** for their support: Sir David Attenborough; Baroness Floella Benjamin and Mr Keith Taylor; Jo Brand; Jeremy Deller; Dame Evelyn Glennie; Kanya King CBE; Adrian Lester CBE and Lolita Chakrabarti; Mr Timothy Spall OBE and Mrs Shane Spall; Mr Joe Swift and Mrs Cathy Swift. We would also like to say a special thank you to the individuals who gave to the Museum and Gardens over the past

year, including those who gave commemorative gifts and those donors who wish to remain anonymous.

3.5 Staff and volunteers

3.51 Furlough scheme

During the year 77 permanent staff and 10 casual staff were furloughed for various periods due to the closure of the Museum, the cessation of all face to face activity with the public and the decline in other activity as a result of the Covid restrictions. It was not possible to redeploy staff in other areas of the public sector due to the specialist nature of their roles. Grants claimed under the Coronavirus Job Retention Scheme (CJRS) were as set out below:

	Permanent Staff			Casuals			Total
	No	£'000		No	£'000		£'000
April	57	46		25	8		54
May	58	80		27	7		87
June	65	81		27	9		90
July	60	70		27	6		76
August	21	21					21
September	14	9					9
October	13	7					7
November	63	56		10	3		59
December	64	43		10	2		45
January	75	76		10	4		80
February	77	72		10	3		75
March	74	74		10	3		77
		635			45		680

Use of the CJRS enabled the Trust to remain financially stable and reduce the amount of further support required from DCMS to £75k from the £353k made available.

3.52 Human resources policies

We are committed to following good employer practice in relation to our staff. Our employment policies and practices are developed to enable us to deliver against our objectives, comply with relevant employment legislation and public sector standards as well as valuing and recognising the needs and contributions made by our employees.

The diversity of our workforce is central to our values and the delivery of our objectives. We believe that maintaining a diverse workforce plays an important part in ensuring the diversity of our audiences. We aim to ensure that the diversity of our workforce reflects the diversity of the job markets from which we recruit. Our overall target for staff from BAME backgrounds is 20% reflecting the fact that some posts are recruited from a national job market and some from a local (London) job market. In 2020/21 our workforce included 17.7% staff from ethnic minorities and 9.2% of the workforce disclosing a disability.

We give great importance to supporting our staff both to help them develop and to achieve improvement in our performance. We aim to treat all of our employees in a fair and consistent manner, promoting good working relationships and encouraging high standards of conduct and work performance. We aim to provide a healthy workplace where risks are

effectively managed, together with fair rewards and conditions of employment. The average number of days of sickness per employee during the year was 6.4 (7.9 in 2019/20). This compares with 3.6 days nationally in 2020.

3.53 Informing and consulting employees

The Horniman promotes a culture of openness and effective internal communication through formal and informal means. Managers are involved in the preparation of the Corporate Plan and in the dissemination of business plans. Directorate team meetings are held on a regular basis, along with a weekly communication update to all staff called Messenger and a number of cross-team groups work together to address specific issues or deliver projects. A monthly briefing meeting for all staff continued to be held throughout the year via Zoom.

The Horniman recognises the GMB for collective bargaining and there are regular meetings between management and trade union representatives.

The Health and Safety Committee meets quarterly and provides a forum for consultation, discussion, review, dissemination and escalation of health and safety issues and includes management and union representation as well as staff representatives nominated on behalf of their workgroups.

3.54 Volunteers, work placements, apprenticeships and trainees

The pandemic significantly reduced the involvement of volunteers mainly due to it not being possible to supervise them or to run key hands-on activities such as touch tables. Sixteen Engage volunteers returned to support the Visitor Host team and the Butterfly House and, together with Garden and SCC volunteers donated 634 hours.

3.55 Whistleblowing arrangements

The Trust is committed to conducting its business in a responsible way and to ensuring that the public interest is safeguarded. Arrangements for whistleblowing are set out in the staff handbook, which is available to all staff. The Trust encourages its employees to raise legitimate concerns in a responsible way where they believe that there has been some form of malpractice and recognises that employees are protected by law from detrimental treatment arising from their making such a disclosure. Concerns should normally be raised in the first instance with line management but if not appropriate or satisfactorily dealt with may be made to the Finance Director, the Chair of the Audit Committee or in extreme cases to the Head of Museums at DCMS.

3.56 Personal data

There was no known or reported loss of personal data during the year.

3.57 Fundraising regulation

During 2020/21 the Trust's fundraising staff undertook activities to raise money from trusts and foundations, businesses and individual supporters. These included writing bids and applications, cash and contactless collections on-site and the delivery of annual regular giving and In-Memoriam schemes. The Trust did not use volunteer or external professional fundraisers. We did not receive any complaints about fundraising activity this year.

The fundraising department has signed up to the Fundraising Regulator's Code of Fundraising Practice, regularly reviews its Fundraising Ethics Policy and all of our fundraising guidance and working practices have been updated so that they are compliant. All direct marketing is undertaken by the fundraising and communications teams to ensure

that it is not unreasonably intrusive or persistent. All Trust marketing material contains clear instructions on how a person can be removed from mailing lists.

4.0 Financial review

2020/21 was a very challenging year for the Trust due to closure of the Museum for almost seven months and Covid restrictions in place during the rest of the year which resulted in the loss of a significant part of our self-generated income. We were, however, able to achieve a balanced budget and maintain the level of General Reserves with the help of Covid support from DCMS and grants under the CJRS.

Despite the demands for support on Trusts and Foundations and the general public due to Covid we were successful in achieving a similar level of fundraising for projects and unrestricted income.

Trading activities were severely affected by the closure of the Museum for substantial periods of the year with net profit and overall revenues falling across combined trading streams. No venue hire was possible during the year due to Covid restrictions, with most of the bookings being deferred into 2021/22. The shop was relocated in the Museum and performed relatively well during periods when open but, with visitor numbers greatly reduced, revenues were significantly lower than in previous years. The Café benefited from the Gardens remaining open and being able to sell takeaway food and drink with revenues not hit quite so badly. Plonk Golf and the Farmers' Market both benefitted from the popularity of the Gardens and were able to generate revenues at a similar level to last year.

Income from charitable activities, which includes admission charges and membership income, fell significantly during the year due to the closure of the Museum for much of the year and the impact of social distancing and restricted numbers during the rest of the year. Membership income in particular fell as fewer members renewed their membership. Income from schools sessions fell substantially due to the unavailability of our on-site offer throughout the year and the time taken to fully establish our on-line offer.

The Trust has once again benefitted from the Museums and Galleries Exhibitions Tax Credit, which is available on expenditure on new exhibitions from 1 April 2017 and has led to additional income of £34k, from several small-scale temporary exhibitions. This is an increase from £5k on 2019/20.

In 2020/21 the Trust received capital funding from DCMS of £601k, including £400k additional funding allocated for critical estates maintenance and emergency works for a number of projects.

The revaluation of fixed assets at the end of the year resulted in a net increase of £29k (£2.589 million increase in 2019/20). This was split between a decrease of £158k on unrestricted assets and an increase of £187k on restricted assets, the former arising largely due to the method of valuation of the Café which takes into account the fall in revenue during the year. Increases on other assets are mainly due to increases in locations factors which exceeded the increase in cost figures between the two valuation dates.

Investment Policy

The Company's Memorandum of Association gives the Trustees the power to 'invest the monies of the company not immediately required for the furtherance of its objects in or upon such investments, securities or property as may be thought fit, but so that the company

shall have no power to grant loans by way of investment otherwise than a commercial rate of interest and upon security bearing at least the full value of the loan’.

Due to the dependence on external funding, which frequently cannot be claimed until after the expenditure has been incurred, the Trust needs to maintain a high level of liquidity. The investment policy is therefore to invest surplus funds, above the amount needed for monthly working capital purposes, in short-term deposits and instant access deposit accounts with at least two top-rated institutions in order to spread risk. The aim is to maximise the rate of return whilst maintaining an adequate level of liquidity.

Reserves Policy

The Trustees have considered the scale, complexity and risk profile of the Horniman, and taken account of the funding base which consists of grant-in-aid from DCMS and self-generated income. The former has historically been reasonably foreseeable and is currently subject to a funding agreement for 2016-20. Grant-in-aid funding for 2021/22 was confirmed early in 2021. We await the outcome of the Spending Review expected later this year, which will inform Grant-in-aid funding from 2022/23 onwards. Self-generated income is always liable to fluctuation depending on economic circumstances and visitor activity and is particularly uncertain post-Covid-19 as visitor levels and spending is unlikely to return to previous levels for some considerable period.

The Trustees have designated £1,025k for future Museum development and specifically to develop the 10-year Framework and underwrite fundraising for matching funding arising from this from 2020 to 2025. This leaves a balance of £1,104k Free Reserves (General Fund) (unchanged from 2019/20). The Trustees have reviewed the level of Free Reserves and consider £700k to be a minimum level to take into account the annual operational expenditure, to deal with fluctuations in income, to provide adequate working capital, to underpin budgetary risks arising from capital expenditure projects, and uncertainties over the level of future funding. The surplus of £404k over the minimum is available to meet expected deficits arising in 2021/22 as the business continues to suffer the effects of Covid-19 restrictions.

This policy is reviewed on an annual basis by the Trustees as part of the corporate planning and budget process.

There was a negative balance of £11,928k on the Pension Reserve at 31 March 2021 due to the current deficit on the pension scheme under FRS102 (note 26), which increased from £7,366k at 31 March 2020. This substantial decline from the previous year is largely due to changes in Financial Assumptions. The FRS102 valuation is based on the triennial valuation at 31 March 2019, which showed an improvement in the level of funding of the scheme. As a result, the future service rate increased to 15.7% (from 13.41%) but there was a reduction in the amount the Trust is required to make in additional lump sum payments towards eliminating the past deficit over a period of six years. The next valuation is due as at 31 March 2022.

The categories of Reserves can be summarised as follows:

	£'000
Capital projects fund: representing income invested in fixed assets, adjusted for depreciation	5,485
Revaluation reserve: cumulative revaluation surpluses and deficits	10,496

Donated assets reserve: representing fixed assets purchased from grants and donations restricted by virtue of specific conditions or legal restrictions, adjusted for revaluation and depreciation	28,811
Other restricted funds: unspent funds restricted by virtue of specific conditions or legal restrictions	412
Pensions reserve: representing the current FRS102 value of the pension fund deficit	(11,928)
Designated funds for Museum Development	1,025
Free Reserves	
Unrestricted reserves over which there are no restrictions or specific future spending intentions	1,104
	35,405

Full details of these funds and their purpose are given in note 25 of the accounts.

Prompt Payment Policy

The Trust has adopted the Better Payment Practice Code and accordingly all contracts have complied with the Act. No interest payments have been made under the terms of the Act.

The Trust undertakes to pay all bills, except for those under dispute, in accordance with the contract terms or otherwise within 30 days. During the year, 85% of invoices not in dispute were paid within 30 days or supplier terms (90.3% in 2019/20).

5.0 Principal risks and uncertainties

A risk management policy and framework is in place for managing business risks, which are identified and monitored for each area of operation as well as for major projects and significant new activities. The Senior Management Team review these risks regularly during the year, and at their regular meetings, Trustees review the major risks to which the Trust is exposed and the measures taken to mitigate them.

The principal risk is the uncertainty of the effects of Covid-19 on the level of visitor numbers once the Museum is open again and the amount of self-generated income that will be lost as a result. The Horniman expects to face a deficit in 2021/22 but is confident that this can be covered by current reserves. A strategy has been developed to mitigate the loss and move to a more sustainable operating model from 2022/23 onwards.

Another significant risk is the outcome of the Government's expected Comprehensive Spending Review in 2021/22, to cover the period from April 2022 onwards. Further pressure on revenue budgets particularly if combined with a downturn in visitor numbers caused by the long term impact of Covid, would be damaging especially as reserve levels will be low.

A further risk, also related to Covid-19, is the impact on our 10 year Framework Plan, which consists of two £10m capital projects, as well as changes to programming. A significant bid to NLHF for one of these projects, 'Nature and Love', was submitted just before the lockdown, but was not accepted as the funder was reassessing its priorities. It remains to be seen what capital funding sources will remain in place in 2021/22 and we will adjust our expectations accordingly.

The Pension Scheme continues to be an item of continued risk, given the size of the deficit on the Pension Reserve. This is considered to be low risk in the longer term as it is very unlikely that the liability would crystallise in the foreseeable future and as current contributions are affordable and have been built into current plans. Trustees are confident that the significant increase in the deficit during 2021/22 is principally due to the effects of Covid-19 and that these will be reversed in future years. The outcome of the latest triennial review received in January 2020 showed an improvement in the level of funding. The risk will continue to be monitored by the Board on an annual basis.

6.0 Plans for future periods

6.1 Priorities for 2021/2

Priorities for 2021/2 are outlined in our Corporate Plan 2021-2023 which can be found on our website at www.horniman.ac.uk. This plan incorporates our Reset Agenda, developed during the pandemic, which accelerates our work around audience diversity, colonial legacy and climate emergency as well as ensuring the Horniman's financial sustainability.

Structure, Governance and Management

Governing Document

The Trust was incorporated on 29 December 1989 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. On 1 April 1992, following the abolition of the Inner London Education Authority, the Trustees' functions relating to The Horniman Museum and Public Park Foundation ("the Foundation") were transferred to the new charity (The Horniman Public Museum and Public Park Trust) and the trust property of the Foundation was vested in the new charity, to be held on existing trusts, under the terms of Statutory Instrument No. 437. In addition, the Statutory Instrument transferred certain former local authority property to The Horniman Public Museum and Public Park Trust free of trusts. The Charity Commissioners have agreed that the Foundation may be treated as a subsidiary charity of the charitable company that administers the property of both charities.

Form of Accounts

The Foundation has no income or expenditure of its own, its only assets having been given on permanent endowment. The Company administers the property of both charities on a combined basis and the Trustees of the Company consider it impractical to segregate the results of the two. Consequently the Foundation has been treated as a subsidiary of the Company and the results have been consolidated to represent their combined activities (described as 'Museum' in the accounts and notes). The collection of exhibits given in the original indenture is considered inalienable. In addition, the original property given under the endowment has been so fundamentally altered since 1901 that only an immaterial part of its carrying value relates to the original indenture property. The Trustees consider that the costs of establishing a separate value for this property would be onerous compared with the additional benefit. This entire property is therefore included in the value of the Museum's freehold properties and is held as part of Designated Funds (Capital Projects Account).

Horniman Museum Enterprises Limited, a wholly owned subsidiary, began trading on 1 April 2005 and its results have been consolidated from that date.

Corporate Governance

The Board of Trustees, which meets at least quarterly, is responsible for the charity. There are up to 12 Trustees, four of whom, including the Chairman, are nominated by the Secretary of State for DCMS. They serve for a four-year term, after which they may be re-elected for a further four years at the Annual General Meeting (AGM) of the Trust.

No new Trustees were appointed during the year. The Board confirmed the re-appointment of Caroline Cole, Nico Iacuzzi, Bunt Ghosh and Carole Souter for a period of four years at the Annual General Meeting in October.

Induction programmes are arranged for all newly appointed Trustees covering the work and governance of the Horniman and their responsibilities as Trustees. In addition, regular briefings on the work of the Horniman and the challenges it faces are scheduled to coincide with quarterly Trustee meetings.

None of the Trustees has any material interest in the charity or any company directorships or other significant interests that may cause conflict with their duties as Trustees. A Register of Trustees' Interests can be viewed on the Trust's website at www.horniman.ac.uk. Trustees receive no payment but may claim travel and subsistence expenses for attending meetings.

The Board of Trustees has established an Audit Committee to support them in their responsibilities relating to risk control and governance; including the review of the comprehensiveness, reliability and integrity of assurances required by the Board and Accounting Officer. This includes the detailed perusal of the Annual Accounts and consideration of Internal Audit Reports. During the year the following internal audit reviews were accepted: Remote Working, Risk Management, Health and Safety and Payroll, as well as the regular annual report of assurance to the Accounting Officer on the systems of internal controls.

The Remuneration Committee considered matters relating to the remuneration of the Chief Executive and made recommendations to the Board thereon.

The Capital Projects Board considers matters relating to the execution and monitoring of capital projects and reports progress to the Board.

The Chief Executive is appointed by the Board and has delegated authority, within the terms of delegation approved by the Trustees, for operational matters. The Chief Executive is also the appointed Accounting Officer and as such is responsible for the proper use of the grant-in-aid given by DCMS.

The Corporate Governance Code sets out the way in which the Trust directs and controls the Horniman Museum and Gardens.

Horniman Museum Enterprises (HME) Limited is governed by its Board of Directors, which meets quarterly. There are currently three directors, two of whom, including the Chair are appointed by the Board of Trustees. The Chair, who is also the Chief Executive of HME, is the Chief Executive of the Trust and has the casting vote. The remaining directors serve a four-year term, after which they may be re-elected for a further four years. The company has taken advantage of the exemption available to small companies not to have an AGM. All profits of the trading subsidiary are gift aided annually to the Trust through a deed of covenant.

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Registered Office:

100 London Road
Forest Hill
London SE23 3PQ

Company Registration Number: 2456393
Charity Registration Number: 802725

Directors and Trustees

Eve Salomon, Chair *
Caroline Cole *
Geoffrey Crossick
Surojit Ghosh *
Simon Hesketh
Nico Iacuzzi *

Sarah Kemp
Clare Matterson
Mayowa Ochere
Carole Souter
Helen Williams

* nominated by the Secretary of State for DCMS and approved by the Board

Audit Committee

Sarah Kemp, Chair
Geoffrey Crossick
Helen Williams
Roma Dibua

Remuneration Committee

Eve Salomon, Chair
Clare Matterson
Mayowa Ochere

Capital Projects Board

Caroline Cole
Surojit Ghosh
Simon Hesketh

Chief Executive

Nick Merriman

Secretary

Paula Thomas

Bankers: Clydesdale Bank, 35 Regent Street, London, SW1Y 4ND

Solicitors: Bates Wells, 10 Queen Street Place, London, EC4R 1BE

Internal Auditors: BDO, 55 Baker Street, London, W1U 7EU

External Auditors: Moore Kingston Smith LLP, Devonshire House, 60 Goswell Road, London, EC1M 7AD

The Trustees' Report on pages 1-24 has been approved by the Trustees and signed on their behalf:



Eve Salomon
Chair
Date: 9 July 2021



Nick Merriman
Accounting Officer
Date: 9 July 2021

"We love the Horniman Museum and are proud to support its efforts to improve the environment for people and wildlife alike. Keep up the amazing work!"

Remuneration Report

The remuneration of all staff employed by the Horniman, except the Chief Executive, is reviewed on an annual basis within the terms of an annual pay remit agreed with DCMS which takes account of business needs, pressures and affordability.

The Remuneration Committee is a subcommittee of the Board and is responsible for considering matters relating to the remuneration of the Chief Executive and making recommendations to the Board thereon. Details of membership of the Remuneration Committee are included on page 24 of the Trustees' Report.

The Remuneration Committee may also consider matters relating to remuneration of other senior staff if requested to do so by the Board as well as considering and advising the Board on the general terms of any pay settlement proposed for staff as appropriate.

The Chief Executive was appointed with effect from 1 May 2018. This contract provides for a six-month notice period for termination of contract. The Chief Executive's performance is assessed on an annual basis against objectives agreed with the Chair of the Board of Trustees and a bonus is calculated on the basis of the performance achieved. A proportion of this may be consolidated as an increase to basic salary with the agreement of the Board of Trustees and within the terms of the contract. The Chief Executive is a member of the London Pensions Fund Authority Scheme on the same terms as other employees.

The salary and pension entitlements of the Chief Executive were as follows:

	31 March 2021	31 March 2020
Real increase in pension	£2,617	£2,783
Total accrued	£7,355	£4,705
Salary	£110,000-£120,000	£110,000-£120,000
Non-consolidated bonus	£10,000-£15,000	£5,000-£10,000
Total remuneration	£120,000-£130,000	£120,000-£130,000
Median total remuneration	£24,151	£25,018
Ratio to median remuneration	5	5

As shown in note 12 of the financial statements, one other member of the senior management team received emoluments in the range £70,000 – £80,000 and two others in the range £60,000-£70,000. Their remuneration is determined as part of the annual Pay Settlement to all staff which is negotiated with the GMB union. They are also members of the defined benefit pension scheme on the same terms as other staff.

Eve Salomon

Eve Salomon
Chair
Date: 9 July 2021

Nick Merriman

Nick Merriman
Accounting Officer
Date: 9 July 2021

Statement of Trustees' and Accounting Officer's Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and the Accounts Direction issued by the Secretary of State for DCMS, with the approval of the Treasury, and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the income and expenditure of the group for that period. In preparing these financial statements, the Trustees are required to:

- observe the Accounts Direction issued by the Secretary of State, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgments and estimates on a reasonable basis
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The DCMS Accounting Officer has designated the Chief Executive of the Horniman Public Museum and Public Park Trust as the Accounting Officer. The relevant duties, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, issued by the Treasury and published in Managing Public Money.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Audit information

In so far as the Trustees and Accounting Officer are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and

- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Eve Salomon

Eve Salomon
Chair
Date: 9 July 2021

Nick Merriman

Nick Merriman
Accounting Officer
Date: 9 July 2021

Governance Statement

Scope of responsibility

As Accounting Officer and Trustees of the Horniman Museum and Gardens, we have responsibility for putting in place and maintaining proper arrangements for the governance of the Horniman's affairs together with a sound system of internal control that supports the achievement of the Horniman's policies, aims and objectives, whilst safeguarding the public funds and assets for which the Accounting Officer is personally responsible, in accordance with the responsibilities assigned in Managing Public Money and ensuring compliance with the requirements of the Management Statement and Financial Memorandum.

The purpose of the governance framework

The governance framework comprises the systems and processes by which the Horniman is directed and controlled. It enables the Board to monitor achievement of its strategic objectives. The system of internal control is a significant part of that framework and 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 system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Horniman's 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.

The governance framework has been in place throughout the year ended 31 March 2021.

The governance framework

The Corporate Governance Code is approved by the Board and outlines the way in which the Trust directs and controls the Museum and Gardens. The Trustees' Code of Practice outlines Trustee responsibilities.

The key elements of the systems and processes that comprise the Horniman's governance arrangements are as follows:

- A Board of Trustees, which meets at least quarterly to focus on the strategy, policy and direction of the Trust. This includes agreeing a corporate plan which is updated annually, setting key performance indicators and reviewing the major risks
- An Audit Committee, which meets three times a year to support the Board in their responsibilities relating to risk control and governance, including detailed perusal of the Annual Accounts and consideration of Internal Audit Reports
- A Remuneration Committee, which makes recommendations to the Board on matters relating to the Chief Executive and other senior management remuneration and remuneration policy as required
- The Chief Executive, who has responsibility to the Board for the overall organisation, management and staffing of the Trust and for its procedures in financial and other matters. The Chief Executive is also designated "the Accounting Officer" by DCMS. The Accounting Officer is responsible for

managing risk and ensuring that an effective system of internal control is maintained and operated within the Horniman

- The Senior Management Team supports the Chief Executive and is also responsible for the management of respective areas of responsibility within the Trust and thus for the delivery of programmes and policies in those areas. The Senior Management Team maintains a key risk list which is considered and updated at least quarterly and key changes reported to the Board. The Senior Management Team normally meets weekly
- The line management structure flows through to the Heads of Department, who are responsible for budgets and staff in their areas of work as well as for delivering their agreed outputs
- A business risk management framework through which Heads of Department and project managers are also responsible for managing risks and maintaining key risk lists for their areas of responsibility, which are updated at least quarterly, reviewed by the Senior Management Team. Periodic risk awareness training is given to senior managers and departmental managers
- A system of delegation and accountability, which includes comprehensive systems for budgeting and control of expenditure and income which flow from the corporate plan which is agreed by the Senior Management Team, and reviewed and approved by Trustees
- A Health and Safety Committee which meets quarterly to consult with employees, review health and safety practices and procedures, and address health and safety concerns
- Policies and procedures for protecting the Horniman including an anti-fraud policy, anti-bribery policy and whistle blowing policy
- Monthly reviews by the Senior Management Team and quarterly reviews by Trustees of financial reports which indicate financial performance against budgets
- An Internal Audit function whose primary role is to give the Accounting Officer and Trustees an independent and objective opinion on the Horniman's risk management, internal control and governance. The Horniman uses an externally provided internal audit service, which operates to standards defined in the Public Sector Internal Audit Standards. The work of the internal auditors is informed by the analysis of risk to which the Horniman is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are drawn up in consultation with the Audit Committee and approved by the Board.

In addition risks, including information risks, have been assessed under the Government's security policy framework, and proportionate controls have been put in place given our view of the assessed risks.

Review of effectiveness

As Accounting Officer and Trustees we are responsible for reviewing the effectiveness of the Horniman's governance framework, including the Corporate Governance Code and system of internal control.

The Board periodically reviews its effectiveness and monitors Board attendance. The Board met nine times during the year ended 31 March 2021 via video conferencing with attendance of 90%.

The Audit Committee is responsible for reviewing the effectiveness of both internal and external audits. Both contracts are put out to tender every five years. The external audit contract was re-tendered during the year and Moore Kingston Smith were reappointed. As they have held the appointment for 10 years there was a change in the Senior Statutory Auditor in line with best practice. The internal audit contract was reviewed in December 2017 and BDO (formerly Moore Stephens) were reappointed to carry out the work. The Committee also carries out an annual review of its own effectiveness and reports annually to the Board.

Our review of the effectiveness of audits is also informed by the work of the internal auditors, the Senior Management Team and departmental managers, who have responsibility for the development and maintenance of internal control systems, as well as comments made by the external auditors in their management letter and other reports. During the year internal audit reviewed the following areas: Remote Working, Risk Management, Health and Safety and Payroll. Recommendations made by the auditors to strengthen internal controls in the 2020/21 year have been implemented or are in the process of being implemented by management.

Annual statements are provided by departmental managers, confirming their awareness of their responsibilities in the areas of risk management and internal controls and giving assurance that they are unaware of any weaknesses in control or irregularities, which have not been notified.

At least annually the Head of Internal Audit provides an independent opinion on the adequacy and effectiveness of the Horniman's system of internal control together with recommendations for improvement; this is reviewed by the Audit Committee and reported on to the Board of Trustees. The opinion given in the Annual Report of the Internal Audit Service for 2020/21 was as follows: **'There is an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved'**.

We have processes in place to address any weaknesses identified through the review of our effectiveness and to ensure continuous improvement of the governance framework.

All of the information indicates that the governance framework has operated satisfactorily during the financial year. No control issues have been identified as serious.

Eve Salomon

Eve Salomon
Chair
Date: 9 July 2021

Nick Merriman

Nick Merriman
Accounting Officer
Date: 9 July 2021

Independent Auditor's report to the members of the the Horniman Public Museum and Public Park Trust

Opinion

We have audited the financial statements of The Horniman Public Museum and Public Park Trust Limited for the year ended 31 March 2021 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 26-27, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such

internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, the Government's Financial Reporting Manual (FReM) and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

Use of our report

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

Moore Kingston Smith LLP

Date: 30 July 2021

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Neil Finlayson (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Incorporating an income and expenditure account**Year ended 31 March 2021**

	note	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
		2021	2021	2021	2020	2020	2020
		£'000	£'000	£'000	£'000	£'000	£'000
INCOME AND EXPENDITURE							
Income from							
Donations and legacies							
<i>Grant in Aid</i>	2	4,359	-	4,359	3,945	-	3,945
<i>NPO grant</i>	3	964	-	964	946	-	946
<i>Other grants and donations</i>	4	865	310	1,175	161	452	613
Total Donations and legacies		6,188	310	6,498	5,052	452	5,504
Other trading activities	5	194	-	194	644	-	644
Income from investments		10	2	12	17	1	18
Income from charitable activities	6	475	14	489	1,308	5	1,313
Total income		6,867	326	7,193	7,021	458	7,479
Expenditure on							
Raising funds	7	711	38	749	865	36	901
Charitable activities	8	6,373	503	6,876	6,151	715	6,866
Total expenditure		7,084	541	7,625	7,016	751	7,767
Net (expenditure)		(217)	(215)	(432)	5	(293)	(288)
Taxation credit	10	34	-	34	29	-	29
Net (expenditure)		(183)	(215)	(398)	34	(293)	(259)
Net (losses)/gains on revaluation of fixed assets	18	(188)	187	(1)	983	1,606	2,589
Actuarial (losses)/gains on defined benefit pension scheme		(4,053)	-	(4,053)	612	-	612
Net movement in funds		(4,424)	(28)	(4,452)	1,629	1,313	2,942
Fund balances brought forward		10,598	29,259	39,857	8,969	27,946	36,915
Fund transfers		8	(8)		-	-	-
Fund balances carried forward	25	6,182	29,223	35,405	10,598	29,259	39,857

All operations of the Museum continued throughout both periods and no operations were acquired or discontinued in either period. There are no further recognised gains or losses in the current year or preceding year other than as stated in the statement of financial activities.

The information presented within the Statement of Financial Activities is equivalent to that which would have to be disclosed in an Income and Expenditure Account and accordingly a separate Income and Expenditure Account is not presented, as permitted by section 394 Companies Act 2006. No separate Statement of Financial Activities has been presented for the parent charity as permitted by section 408 Companies Act 2006. The amount of the net expenditure dealt with in the financial statements of the parent charity is £398k (2020: net expenditure £259k).

The notes on pages 39 to 53 form part of these financial statements.

BALANCE SHEETS**At 31 March 2021****Company Registration Number: 2456393**

	note	Group 2021 £'000	Museum 2021 £'000	Group 2020 £'000	Museum 2020 £'000
FIXED ASSETS					
Heritage assets	16	522	522	421	421
Other tangible fixed assets	17	44,170	44,170	44,294	44,294
Intangible fixed assets	18	82	82	71	71
Investment in subsidiary	13	-	-	-	-
		44,774	44,774	44,786	44,786
CURRENT ASSETS					
Stocks		54	-	60	-
Debtors	19	554	573	426	517
Current asset investments (Notice deposits)		755	755	743	743
Cash	20	2,315	2,305	1,781	1,701
		3,678	3,633	3,010	2,961
CREDITORS: amounts falling due within one year	21	1,119	1,079	573	529
NET CURRENT ASSETS		2,559	2,554	2,437	2,432
NET ASSETS excluding pension liability		47,333	47,328	47,223	47,218
Pension liability	26	11,928	11,928	7,366	7,366
NET ASSETS including pension liability		35,405	35,400	39,857	39,852
REPRESENTED BY:					
Restricted income funds	24	29,223	29,223	29,259	29,259
Unrestricted funds	24	7,614	7,609	7,280	7,275
Revaluation reserve	24	10,496	10,496	10,684	10,684
Pension reserve	26	(11,928)	(11,928)	(7,366)	(7,366)
Total funds		35,405	35,400	39,857	39,852

These financial statements were approved and authorised for issue by the Trustees on 9 July 2021
Signed on behalf of the Trustees



Eve Salomon
Chair



Nick Merriman
Accounting Officer

The notes on pages 39 to 53 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT**Year ended 31 March 2021**

	Note	Group 2021 £'000	Museum 2021 £'000	Group 2020 £'000	Museum 2020 £'000
Cash flow from operating activities:					
Net cash provided by operating activities	25	1,295	1,365	177	182
Cash flow from investing activities:					
Interest from investments		12	12	18	18
Purchase of property, plant and equipment		(773)	(773)	(491)	(491)
Net cash used in investing activities		(761)	(761)	(473)	(473)
Increase in cash and cash equivalents in the year		534	604	(296)	(291)
Cash and cash equivalents at the beginning of the year	25	1,781	1,701	2,077	1,992
Cash and cash equivalents at the end of the year	25	2,315	2,305	1,781	1,701

The notes on pages 39 to 53 form part of these financial statements.

1. Accounting policies

a) *Basis of Accounting*

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable group is a public benefit group for the purposes of FRS 102 and therefore the Charity group has also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the group to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the group's forecasts and projections and have taken account of pressures on fundraising income. After making enquiries the Trustees have concluded that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

b) *Basis of consolidation*

As explained in the Trustees' report the company administers the property of both the Foundation and the company on a combined basis and the Trustees consider it impractical to segregate the results of the two. Consequently consolidated accounts have been prepared for the Museum which includes the Foundation as well as the Grant-in-aid account and restricted funds administered by the Museum. The accounts also consolidate the results of the wholly-owned subsidiary, Horniman Museum Enterprises Limited (HME). The results of HME are consolidated on a line by line basis.

c) *Income*

All income is accounted for on a receivable basis. Grant-in-aid from the Department for Digital, Culture, Media & Sport allocated to general purposes is taken to the income and expenditure account in the year it is received. Other grant income is recognised as income when the conditions for its receipt have been met. Legacies are credited to income when the Museum becomes entitled to the income and there is certainty of receipt.

d) *Expenditure*

Expenditure is classified under the principal categories of cost of generating funds, charitable activities and governance costs on the basis set out below.

Expenditure on raising funds includes the direct costs and support costs of all activities included in generating income.

Charitable activities comprises direct expenditure and support costs including staff costs attributable to all activities in furtherance of the charity's objectives.

Direct costs have been allocated to an activity cost category where appropriate. Items of expenditure which contribute to more than one cost category have been apportioned on a reasonable, justifiable and consistent basis.

Support costs represent governance costs and the staffing and associated costs of human resources, finance, premises management, IT and general administration in supporting the operational programmes for which the charity is responsible. These have been allocated to the relevant cost area on the basis considered most appropriate to the cost involved, as shown in note 9.

Depreciation, impairment losses and losses on the disposal of fixed assets have been attributed in accordance with the same principles.

e) *Fund accounting*

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Museum. Designated funds are funds which have been set aside at the discretion of the Trustees for specific purposes. Restricted funds are funds subject to restriction imposed by donors or by the purpose of the appeal.

f) *Critical accounting estimates and areas of judgement*

In the view of the Trustees in applying the accounting policies adopted, no judgements were required

that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

g) Heritage assets

Heritage assets acquired since April 2001 are reported in the balance sheet at cost or, in the case of donated assets, an internally generated valuation.

For the Collections that existed at March 2001 the Trust has demonstrated that reliable cost or valuation information cannot be obtained at a cost commensurate with the benefits to users of the financial statements and so the Trust has adopted a non-recognition approach as permitted by Financial Reporting Standard 102. Although insurance valuations are available for some items which have been loaned, these are not reliable for the purposes of recognition in the accounts as the valuations have been specifically obtained for the loan purposes, taking into account of specific circumstances.

An overview of the scope of the Horniman's Collections is set out at Note 16.

Heritage assets which are stated at cost are not subject to depreciation. Heritage assets stated at valuation are adjusted each year for the change in RPI. Impairments in the carrying value of heritage assets are recognised if they have suffered physical deterioration or if new doubts arise as to their identity, authenticity or provenance.

Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the Statement of Financial Activities when it is incurred.

h) Tangible fixed assets

Assets comprising the freehold land and main museum buildings at 100 London Road, Forest Hill, London SE23 3PQ are used to provide museum and garden services and together with certain museum artifacts and fixed assets form the permanent endowment of the Foundation.

In accordance with "Executive NDPB Annual Reports and Accounts Guidance" the value of land surrounding the Museum's freehold properties (principally the Gardens) is now capitalised. A revaluation of all the Museum's freehold land and buildings was carried out at 31 March 2018 and updated at 31 March 2021, by external valuers from Wilks, Head and Eve, Chartered Surveyors, in accordance with the Statement of Assets Valuation Practice and Guidance Notes of the Royal Institution of Chartered Surveyors.

The combined gain on the revaluation of all the land and buildings has been taken directly to the Revaluation Reserve. The valuations and the treatment of the resulting surpluses are in accordance with FRS102. Improvements to all buildings are capitalised where it is considered that future economic benefits in excess of the originally assessed standard of performance will flow as a result of that expenditure. The capitalisation threshold is £10,000 for heritage assets and £5,000 for all other assets (£2,000 before 1 April 2010).

Other tangible fixed assets are stated at modified historical cost as permitted under FRS 102. The resulting gains and losses have been taken directly to the Revaluation Reserve, in accordance with FRS 102. Donated assets, qualifying as fixed assets, are revalued, depreciated and subject to impairment reviews in the same way as other fixed assets.

i) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset evenly over its expected life, as follows:

Equipment and fixtures	3 – 20 years
Exhibitions	5 - 20 years
Freehold buildings	20 - 50 years

The main museum building and Study Collection Centre are considered to have an existing life greater than 50 years and are subject to an annual impairment review and hence no depreciation is provided as permitted by FRS102.

j) Intangible fixed assets

Intangible assets with an economic life of more than one year and value greater than £5,000 are capitalised. All intangible assets are measured at cost. Amortisation is provided on all intangible assets, at rates calculated to write off the value of each asset evenly over its expected useful life with no residual value assumed. A full year of amortisation is charged in the year when the asset is ready for use and no amortisation is charged in the year of disposal.

Impairment reviews are carried out at the end of each reporting period in accordance with FRS102 to ensure that the carrying values of the assets do not exceed their recoverable amounts.

k) Other financial instruments

i) Cash and cash equivalents: Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

j) Debtors and creditors: Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

l) Pension costs and any pension asset or liability

The Horniman is a member of the London Pension Funds Authority superannuation scheme which provides benefits based on final pensionable pay. The net pension liability and resulting reserve have been recognised in the Balance Sheet and movements in the liability are charged to the Statement of Financial Activities in accordance with FRS102.

m) Stock

Stock is stated at the lower of cost and net realisable value and comprises for resale and shop stock.

n) Taxation

As a charity the Horniman is exempt from corporation tax under Sections 466-493 Corporation Taxes Act 2010.

o) Leases

The Horniman has no finance leases. Costs in relation to operating leases are charged to the Statement of Financial Activities over the life of the lease. Forward liabilities are disclosed in note 14.

2. Grant-in-aid

The Trust is a Non-Departmental Public Body (NDPB) sponsored by the DCMS. Grant-in-aid is available for running costs, capital improvements and collection purchases.

The results against the key performance indicators for 2020/21 are set out in Appendix I.

3. National Portfolio Organisation Grant

The Trust has been allocated NPO status by ACE and secured funding for the period 2018-22.

4. Other grants and donations

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2021	2021	2021	2020	2020	2020
	£'000	£'000	£'000	£'000	£'000	£'000
HLF Project grants	-	19	19	-	177	177
Donations in kind	98	-	98	66	-	66
Coronavirus support grants	705	-	705	-	-	-
Other grants and donations	62	291	353	95	275	370
	<u>865</u>	<u>310</u>	<u>1,175</u>	<u>161</u>	<u>452</u>	<u>613</u>

The Trust received Covid support through a £25k Small Business Fund grant from Lewisham Council and £680k grants under the Coronavirus Job Retention Scheme.

5. Other trading activities

	2021	2020
	£'000	£'000
<i>Unrestricted income</i>		
Contribution from Trading subsidiary		
Venue hire	32	133
Shop revenue	62	297
Café revenue	78	166
Other trading activities	11	37
Miscellaneous income	11	11
	<u>194</u>	<u>644</u>

6. Income from charitable activities	2021	2020
<i>Unrestricted income</i>	£'000	£'000
Admissions and membership income	469	1,147
Schools sessions income	1	68
Events and family activities	-	78
Miscellaneous income	5	15
<i>Restricted income</i>	475	1,308
Specific grants, donations and income	14	5
	489	1,313

7. Expenditure on Raising funds 2021

Costs of generating voluntary income	276	52	328
Costs of other activities for generating funds	114	153	267
Charity total	390	205	595
Trading subsidiary costs	154	-	154
Group total	544	205	749

Direct Costs	Support Costs	Total
£'000	£'000	£'000
276	52	328
114	153	267
390	205	595
154	-	154
544	205	749

Expenditure on Raising funds 2020

Costs of generating voluntary income	240	42	282
Costs of other activities for generating funds	93	151	244
Charity total	333	193	526
Trading subsidiary costs	375	-	375
Group total	708	193	901

Direct Costs	Support Costs	Total
£'000	£'000	£'000
240	42	282
93	151	244
333	193	526
375	-	375
708	193	901

The cost of generating voluntary income also includes the cost of generating core funding.

8. Charitable Activities 2021

	Direct Costs	Support Costs	Total
	£'000	£'000	£'000
<i>Access</i>			
Providing public access	2,516	1,076	3,592
Learning, public programmes and activities	790	332	1,122
	3,306	1,408	4,714
<i>Collections</i>			
Object purchase and donation	17	-	17
Collections development, care and management	1,066	764	1,830
	1,083	764	1,847
<i>Shaping the future</i>			
Business development	171	24	195
Development project revenue costs	31	9	40
Volunteering and sector support	63	17	80
	265	50	315
	4,654	2,222	6,876

Charitable Activities 2020

	Direct Costs £'000	Support Costs £'000	Total 2020 £'000
<i>Access</i>			
Providing public access	2,463	998	3,461
Learning, public programmes and activities	965	300	1,265
	3,428	1,298	4,726
<i>Collections</i>			
Object purchase and donation	9	-	9
Collections development, care and management	1,012	691	1,703
	1,021	691	1,712
<i>Shaping the future</i>			
Business development	75	15	90
Development project revenue costs	241	20	261
Volunteering and sector support	63	14	77
	379	49	428
	4,828	2,038	6,866

Support cost allocation 2021

Support cost	Income generation £'000	Shaping the future £'000	Access £'000	Collections £'000	Total £'000	Basis of allocation
Finance & admin.	24	11	142	47	224	% spend
Human Resources	28	9	105	29	171	head count
IT	36	25	165	103	329	work stations
Facilities mgt	110	-	950	570	1,630	floor area
Governance	7	4	46	15	72	% spend
Total	205	49	1,408	764	2,426	

Support cost allocation 2020

Support cost	Income generation £'000	Shaping the future £'000	Access £'000	Collections £'000	Total £'000	Basis of allocation
Finance & admin.	32	18	154	46	250	% spend
Human Resources	26	8	102	29	165	head count
IT	25	18	119	73	235	work stations
Facilities mgt	102	1	886	532	1,521	floor area
Governance	8	4	37	11	60	% spend
Total	193	49	1,298	691	2,231	

Remuneration paid to the auditors in 2021 amounted to £18k (2020 £17k).

9. Taxation

The Horniman Public Museum and Public Park Trust is a registered charity and is therefore exempt from tax on income and gains falling within part 11 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992, the extent that these applied to its charitable objectives. No tax charges have arisen in the charity in either 2021 or 2020.

The subsidiary Horniman Museum Enterprises Limited has no taxable profits in 2021 or 2020 as its taxable profit has been donated to the Horniman Museum under gift aid.

The Horniman Public Museum and Public Park Trust was eligible to claim Museum Exhibition Tax relief in respect of 2021. The financial statements include £34k in income and other debtors.

10. Staff costs

	2021	2020
	£'000	£'000
Wages and salaries	3,893	3,905
Social security costs	349	348
Other pension costs	419	447
	<u>4,661</u>	<u>4,700</u>
Contingent labour costs	93	136
	<u>4,754</u>	<u>4,836</u>

Exit packages totalling £16k were paid to 3 employees during the year (2020 - £nil). No employees received any taxable benefits in kind.

Employment contracts of all staff may be terminated by either party giving the appropriate length of notice as specified in the contract and there are no termination payments allowed.

No consultancy staff were used during the year and therefore no tax assurances were required.

11. Remuneration of key management personnel

Key management personnel includes the Trustees, the CEO and those reporting to the CEO as follows:

Director, Collections Care and Estates
 Director, Curatorial and Public Engagement (to 12.06.20)
 Director, Communications and Income Generation
 Finance Director

Total remuneration paid to these individuals amounted to £459k (2020: £492k)

The salary and pension entitlements of the Chief Executive are set out in the report of the Remuneration Committee on page 22. This falls into the bracket of £120-130k. In addition 1 member of key management personnel listed received emoluments in the range £70- £80k (2020 - 1) and 2 received emoluments in the range £60-£70k (2020 - 3). The remaining 1 left during the year and received emoluments less than £60k. No other members of staff received emoluments above £60k. These employees are members of the defined benefit

The Trustees neither received nor waived any emoluments during the year (2020 - nil). No expenses were reimbursed to Trustees during the current or preceding year.

12. Staff Numbers

The average actual number of employees during the year, including 4 temporary project contracts, was 150 (2020-148). The number of full time equivalent employees at 31 March 2021 was 122.8 (2020-128) analysed into the following categories:

	2021	2020
Exhibitions	5.9	6.3
Collection Management and Care	9.0	10.4
Aquarium and Animal Walk	8.0	9.6
Learning	13.7	14.0
Curatorial	9.4	10.6
Visitor services	11.3	13.3
Gardens	6.8	8.8
Estates	20.7	16.5
Finance, IT, HR and Administration	11.0	11.2
Communications and Income Generation	23.0	22.3
Management	<u>4.0</u>	<u>5.0</u>
	122.8	128.0
Less: project contracts	<u>2.6</u>	<u>1.7</u>
	<u>120.2</u>	<u>126.3</u>

13. Trading Subsidiary*a) Investment in trading subsidiary*

The Trust owns 100% of the issued share capital of Horniman Museum Enterprises Limited (company registration number: 5210248). The aggregate of assets, liabilities and funds of Horniman Museum Enterprises Limited at 31 March 2021 were £5k (2020 - £5k).

	2021 £'000	2020 £'000
<i>b) Results of trading subsidiary</i>		
Turnover	183	632
Cost of sales	(34)	(188)
Gross profit	149	444
Operating and administrative expenses	(134)	(200)
Operating profit	15	244
Gift aid to the Trust	(15)	(244)
Surplus retained in company	-	-

14. Operating leases

The group has entered into an operating lease for the use of equipment in its operation. The minimum payments due under these contracts within each of the following periods are:

Not later than one year	6	6
Later than one year but not later than five years	4	10
	10	16

15. Capital Commitments

Capital commitments at 31 March 2021 amounted to £nil (2020 - nil).

16 Heritage Assets**16.1 On-Balance-Sheet Heritage Assets**

	Acquisitions at historic cost	Assets at valuation	Total
	£000	£000	£ 000
At 01.04.2020	310	112	422
Additions	26	73	99
Revaluation	-	1	1
At 31.03.2021	336	186	522

No capitalised collection objects were disposed of during the year.

16.2 Three year financial summary of heritage asset transactions

	2020-2021		2019-2020		2018-19	
	£'000	Number of items	£'000	Number of items	£'000	Number of items
<u>Additions:</u>						
Purchases	26	4	-	-	-	-
Donations	73	100	-	-	-	-
Total additions	99	104	-	-	-	-

Only purchases which cost £10,000 or more are capitalised (£2,000 prior to 1 April 2010). Only those donations where the attributed value was £10,000 or more are capitalised (£2,000 prior to 1 April 2010). All valuations are carried out by Museum curatorial staff. In the Trustees' view obtaining a current valuation would involve disproportionate cost.

16.3 Acquisitions and disposals policy

Acquisitions are made in accordance with the Collecting Policies agreed for each Museum by the Board of Trustees and may be by purchase or donation.

The Museum occasionally disposes of objects from the collection where the Trustees determine this does not detract from the integrity of the collection. There is a strong presumption against the disposal of any accessioned items in the Museum's collection except for sound curatorial and/or collections management reasons.

Further details of policies can be found on our website at www.horniman.ac.uk/about/museum-policies.

16.4 Collections management

Two of the Horniman's 3 long term objectives relates to the collections:

"We will use the collections and Gardens to stimulate curiosity and wonder, promoting opportunities for people of all ages, abilities and backgrounds to participate in and enjoy exhibitions, educational programmes, activities and events – both face to face and on-line"

"We will safeguard and develop the collections so that they can be made as accessible as possible now and in the future."

These objectives are delivered through programmes of displays, events, publications websites, fieldwork, research, acquisition, documentation and collections care. Objects from the collection are either displayed in the Museum and on our website, or made available via loans to third parties, or else they are held at our Study Collections Centre for research and future use.

Storage and Care

The collection is displayed and stored according to Horniman standards for the prevention of material deterioration; these are based on international standards and current research.

Library and archive storage facilities and exhibitions are based upon and informed by the requirements of BS 5454 and The National Archives Standard for Record Repositories.

Collections management and care are regularly reviewed by the Horniman to ensure adherence to these standards.

The Horniman will:

- keep all objects in conditions in which they do not deteriorate;
- undertake conservation so that objects may be made accessible to audiences;
- manage hazards in the collection with clear and effective systems to ensure public, staff and object safety.

Documentation

Objects in the collection are documented in accordance with Arts Council England requirements and SPECTRUM.

The Horniman will:

- have secure title to all objects in the collection;
- hold basic data on every object so that it can be uniquely identified and the collection audited regularly;
- ensure records relating to objects in the collection are enhanced and made available to audiences where appropriate.

16.5 An overview of the Collections

The definition of numbers in a collection is fairly arbitrary as single items accessioned may comprise a wide range of artefacts, components or supporting papers. However, this list reflects how they are accessioned in museum records.

Category	Estimated number of items as at 31/03/21	Number capitalised at cost as at 31/03/21	Number capitalised at valuation as at 31/03/21
Musical Instruments	8,000	19	103
Anthropology	80,000	18	95
Natural History	250,000	0	0
Education Handling Collection	3,000	0	0
TOTAL	341,000	37	198

The Horniman Museum was founded by Frederick John Horniman, son of the wealthy tea merchant, John Horniman. Born in 1835, Frederick was an avid collector from childhood. He is thought to have started collecting seriously in about 1860. The Museum's collections are organised within three disciplines, Anthropology, Natural History and Musical Instruments) each of which is derived from a key element of Frederick Horniman's original collection. These collections, well-curated and developed over the past 100 years, have enabled the Horniman to become one of the few museums in the country capable of illustrating the breadth of the World's natural and cultural diversity.

The Horniman Museum possesses one of the most significant ethnographic collections in the United Kingdom, after the British Museum, the Pitt-Rivers Museum, Oxford and the Museum of Archaeology and Anthropology, Cambridge. The collection provides a path into the understanding of the everyday and ceremonial life of people from all over the world, including ourselves. The quality, diversity and beauty of the objects in the collection are a testament to the technical, aesthetic and practical skills of people throughout the world.

Music making around the world is represented by the Horniman's collection of musical instruments, one of the most comprehensive in the UK. The oldest instrument is a pair of bone clappers in the form of human hands made in Egypt around 1,500 BC. Electric guitars and synthesizers dating from the 1990s are among the most recent acquisitions. The Museum aims to acquire sound and video recordings with the documentation for each new instrument. Recent collections include instruments commissioned from makers associated with traditional music in India and instruments and archives from the Boosey & Hawkes factory. The Museum also holds other significant archives associated with the Carse collection of wind instruments and the Wayne collection of concertinas.

The Natural History collection is varied and contains a range of biological and geological material and its associated data. This includes taxidermy mounts, study skins, articulated skeletons and bones, dried pressed plants, mollusc shells, birds' eggs, pinned insects, freeze dried specimens, histological slides, models, fluid preserved material, fossils, minerals and rocks. Some parts of the collection contain related field notebooks, photographs and other archival information.

16.6 Non inclusion of Heritage Assets in the Balance Sheet

In the opinion of the Trustees, reliable information on cost or value is not available for the Museum's collections acquired prior to April 2001. This is owing to the lack of reliable information on purchase cost; the lack of comparable market values; the diverse nature of the objects; and the volume of items held.

In the Trustees' opinion, conventional valuation approaches lack sufficient reliability and any valuation is likely to incur significant cost and a time commitment that is likely to be onerous. Even if valuations could be obtained the cost would not be commensurate with any benefits to the Museum management, curatorial staff, the public, or users of the financial statements

For this reason the Collections assembled up to the end of the 20th century, large proportions of which were gifted to the Museum at nil cost, and are incomparable in nature, are not recognised as assets in the Museum's Balance Sheet except where cost or valuation is already available.

17. Tangible fixed assets

	Heritage Assets £'000	Computers Equipment & Fixtures £'000	Exhibitions £'000	Freehold Land & Buildings £'000	Assets in the course of construction £'000	Total £'000
<i>Cost or valuation</i>						
At 1 April 2020	422	4,974	7,810	39,738		52,944
Additions	99	497	-	96	64	756
Disposals/transfers	-	(115)	(36)	-		(151)
Revaluation	1	76	114	(321)	-	(130)
At 31 March 2021	522	5,432	7,888	39,513	64	53,419
<i>Depreciation</i>						
At 1 April 2020	-	3,635	4,594	-	-	8,229
Provided in year	-	234	289	254	-	777
Disposals	-	(115)	(36)	-	-	(151)
Revaluation	-	56	70	(254)	-	(128)
At 31 March 2021	-	3,810	4,917	-	-	8,727
<i>Net book value</i>						
At 31 March 2021	522	1,622	2,971	39,513	64	44,692
At 31 March 2020	422	1,339	3,216	39,738	-	44,715

The comparable amounts of tangible fixed assets determined according to the historical cost convention are:

Cost	422	4,089	5,866	20,192	64	30,633
Accumulated depreciation	-	(2,692)	(3,171)	(2,035)	-	(7,898)
NBV at 31 March 2021	396	1,397	2,695	18,157	64	22,735
NBV at 31 March 2020	396	1,150	2,935	18,201	-	22,682

Note: All the fixed assets are used for charitable purposes. A revaluation of all the Horniman's freehold land and buildings was carried out at 31 March 2018 by external valuers from Wilks, Head and Eve, Chartered Surveyors, in accordance with the Statements of Assets Valuation Practice and Guidance Notes of the Royal Institution of Chartered Surveyor. This valuation was updated at 31 March 2021. Other tangible fixed assets are stated at modified historical cost using appropriate indices.

18. Intangible fixed assets

Intangible fixed assets represents the cost of development of the Horniman website which was launched on 16 March 2020.

	Website £'000
<i>Cost or valuation</i>	
At 1 April 2020	71
Additions	17
Disposals/transfers	-
Revaluation	1
At 31 March 2021	89
<i>Depreciation</i>	
At 1 April 2020	-
Provided in year	7
Disposals	-
Revaluation	-
At 31 March 2021	7
<i>Net book value</i>	
At 31 March 2021	82
At 31 March 2020	71

	Group	Museum	Group	Museum
	2021	2021	2020	2020
	£'000	£'000	£'000	£'000
19. Debtors				
Trade and sundry debtors	249	219	245	231
Intercompany debtor	-	49	-	106
Current tax recoverable	38	38	31	31
VAT debtor	101	101	9	9
Prepayments	165	165	141	140
	<u>553</u>	<u>572</u>	<u>426</u>	<u>517</u>

With the exception of Prepayments all Debtors are financial instruments measured at present value.
As at 31 March 2021 the Group had no intra-Government balances above £1 million.

20. Cash

Short term deposits

COIF Deposit Fund - Dolmetsch Fund	28	28	28	28
COIF Deposit Fund - Development Fund	104	104	104	104
Bank of Scotland Corporate Bonus Account	-	-	99	99
	<u>132</u>	<u>132</u>	<u>231</u>	<u>231</u>
Cash at bank and in hand	2,183	2,173	1,550	1,470
	<u>2,315</u>	<u>2,305</u>	<u>1,781</u>	<u>1,701</u>

	Group	Museum	Group	Museum
	2021	2021	2020	2020
	£'000	£'000	£'000	£'000
21. Creditors: amounts falling due within one year				
Trade & sundry creditors	784	747	343	304
Taxation and social security	101	101	83	83
Accruals	234	231	147	142
	<u>1,119</u>	<u>1,079</u>	<u>573</u>	<u>529</u>

Within trade and sundry creditors there is an amount owing for pension scheme liabilities of £55k (2019 - £49k).

Trade and sundry creditors also includes deferred income as follows:

Deferred income brought forward	233	200	218	191
Released to income in year	-200	-200	-218	-191
Deferred income in year	120	118	233	200
Deferred income carried forward	<u>153</u>	<u>118</u>	<u>233</u>	<u>200</u>

Deferred income carried forward is principally in respect of annual membership income which has been apportioned across the year to match benefits and deposits received for venue hire.

With the exception of Accruals all Creditors are financial instruments measured at present value.

No balances fall due after more than one year.

As at 31 March 2021 the Group had no intra-Government balances above £1 million.

22. Contingent Liabilities

There were no contingent liabilities at 31 March 2021.

23. Analysis of group net assets between funds

	Unrestricted funds	Restricted funds	Total 2021
	£'000	£'000	£'000
Fund balances at 31 March 2021 are represented by:			
Fixed assets	15,963	28,811	44,774
Current assets	3,265	412	3,677
Current liabilities	(1,119)	-	(1,119)
Pension liability	(11,928)	-	(11,928)
Total net assets	6,181	29,223	35,404

24. Statement of Funds 2021

	1 April 2020	Income & transfers	Revaluation surplus/ (deficit)	Expenditure	31 March 2021
	£'000	£'000	£'000	£'000	£'000
Restricted income funds					
Dolmetsch fund	24	(11)	-	-	13
Apostle Clock	19	-	-	-	19
Gardens Development	13	-	-	-	13
CPS project	84	2	-	(7)	79
Other grants and donations	93	311	-	(116)	288
Total donated assets reserve	29,026	17	187	(419)	28,811
Total restricted funds	29,259	319	187	(542)	29,223
Unrestricted funds					
<i>Designated funds:</i>					
Capital projects fund	5,076	774	-	(365)	5,485
Development fund	1,100	(75)	-	-	1,025
	6,176	699	-	(365)	6,510
<i>General funds:</i>					
Income and expenditure	1,104	6,205	-	(6,205)	1,104
<i>Unrestricted funds excluding pension reserve</i>	7,280	6,904	-	(6,570)	7,614
Revaluation reserve	10,684	-	(188)		10,496
Pension reserve	(7,366)	-	(4,053)	(509)	(11,928)
Total funds	39,857	7,223	(4,054)	(7,621)	35,405

The capital projects fund represents income which the Trustees have designated for and have invested in fixed assets. The donated assets reserve represents fixed assets donated by third parties, either by gift of the asset or by way of funds for the asset. All funds donated for this purpose were fully utilised during the year. Neither of these funds are available for spending.

£75k of the Development Fund was utilised during the year to support projects. The Trustees have confirmed the continued designation of the remaining £1,025k for future development of the Museum. This will be used to develop and underwrite our fundraising for matching funding for Framework projects over the next five years.

On 31 March 2016 the Trust was awarded a grant of £3.3m by the National Lottery Heritage Fund for the CPS project, which includes both capital development and activity costs. This project is expected to be completed during the coming year.

The Dolmetsch Fund represents money donated for the maintenance of the Dolmetsch collection of musical instruments. £11k of this was utilised during the year to support the acquisition of a further collection of Dolmetsch instruments the purchase cost of £15k which was met from a grant from the Art Fund.

The Apostle Clock fund represents donations made by the public for the ongoing maintenance of the clock.

Other restricted grants and donations are monies or gifts-in-kind donated by third parties for the specific purposes described. Balances are outstanding at 31 March 2021 where those purposes were not fully completed at that date. It is expected that most of these funds will be utilised during the coming year. The rest will be spent at the earliest appropriate opportunity in accordance with the donors' wishes.

Statement of Funds 2020

	1 April 2019	Income & transfers	Revaluation surplus/ (deficit)	Expenditure	31 March 2020
	£'000	£'000	£'000	£'000	£'000
Restricted income funds					
Dolmetsch fund	24	-	-	-	24
Apostle Clock	19	-	-	-	19
Gardens Development	16	-	-	(3)	13
CPS project	88	120	-	(124)	84
Other grants and donations	92	213	-	(212)	93
Total donated assets reserve	27,707	125	1,606	(412)	29,026
Total restricted funds	27,946	458	1,606	(751)	29,259
Unrestricted funds					
<i>Designated funds:</i>					
Capital projects fund	5,055	365	-	(344)	5,076
Development fund	1,100	-	-	-	1,100
	6,155	365	-	(344)	6,176
<i>General funds:</i>					
Income and expenditure	991	6,259	-	(6,146)	1,104
<i>Unrestricted funds excluding pension reserve</i>	<i>7,146</i>	<i>6,624</i>	<i>-</i>	<i>(6,490)</i>	<i>7,280</i>
Revaluation reserve	9,702	-	982		10,684
Pension reserve	(7,879)	-	612	(99)	(7,366)
Total funds	36,915	7,082	3,200	(7,340)	39,857

25. Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	Group	Museum	Group	Museum
	2021	2021	2020	2020
	£'000	£'000	£'000	£'000
a) Net (expenditure)/income for the reporting period				
<i>(as per the statement of financial activities)</i>	(398)	(398)	(259)	(259)
Adjustment for :				
Depreciation charges	784	784	756	756
Dividends, interest and rents from investments	(12)	(12)	(18)	(18)
Pension finance cost	169	169	170	170
Excess pension service cost over contributions	340	340	(70)	(70)
Decrease/(increase) in stock	6	-	(10)	-
(Increase)/decrease in debtors	(128)	(56)	(11)	52
(Increase)/decrease in current asset investments	(12)	(12)	(222)	(222)
Increase/(decrease) in creditors	546	550	(159)	(227)
Net cash provided by operating activities	1,295	1,365	177	182
b) Analysis of cash and cash equivalents and changes in net debt				
Cash in hand	2,315	2,313	1,550	1,470
Notice deposits (less than 3 months)			231	231
Overdraft facility repayable on demand	-	-	-	-
Total cash and cash equivalents	2,315	2,313	1,781	1,701

26. Pension Scheme

Pension contributions made during the year were £390k (2020 - £419k).

The Company is a participant in the London Pensions Fund Authority Scheme. This is a statutory multi-employer, defined benefit pension scheme whose assets and liabilities are held separately from the Trust. It is available to all qualifying employees. Employees not wishing to join the scheme are auto-enrolled in the National Employers Savings Trust scheme (NEST).

A new Local Government Pension Scheme was introduced from 1 April 2014. A key feature of the scheme is that pensions are now based on career average revalued earnings at a rate of 1/49th of salary for each year of pensionable service, and there is a flexible option to commute pension to a lump sum up to a maximum. For active members on 31 March 2014 benefits based on membership before 1 April 2014 will continue to be calculated, based on final salary at 31 March 2014. Under the new scheme members can choose to retire from the age of 55 (with reduced benefits) with full benefits available from the normal retirement date which is now linked to the State Retirement Age.

The valuation used for FRS 102 disclosures has been based on the most recent actuarial valuation as at 31 March 2019 and updated to take account of the requirements of FRS 102 in order to assess the liabilities of the scheme at 31 March 2021. Scheme assets are stated at their market value at 31 March 2021. Scheme liabilities were calculated using the 'projected unit' method.

The expected rate of return on assets shown in the FRS102 report is based on the long-term future expected investment return for each asset class at the beginning of the year and the actuaries' return assumptions. The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The return on equities and property is assumed to be a margin above the gilt yields.

Assumptions

The assumptions used in the FRS102 valuation are those of the scheme actuary, which have been used for the scheme as a whole. The Trustees have accepted these assumptions. The principal actuarial assumptions at the balance sheet date were as follows:

	2021	2020
	% p.a.	% p.a.
<i>Financial</i>		
Salary increases rate	3.85%	2.9%
Pension increases	2.85%	1.9%
Discount rate	2.00%	2.35%
<i>Mortality (based on retirement at age 65)</i>	years	years
Current Pensioners Males	20.9	21.1
Females	24.0	24.0
Future Pensioners Males	23.0	22.5
Females	25.6	25.4

	2021	2020
	£'000	£'000
The amounts recognised in the balance sheet are as follows:		
Fair value of Employer Assets	14,604	12,539
Present value of Funded Liabilities	(26,532)	(19,905)
Net (Liability)	(11,928)	(7,366)

The amounts recognised in the Statement of Financial Activities are as follows:

	2021	2020
Service cost	714	939
Interest cost	169	169
Administration cost	16	16
Total Loss	899	1,124
Actuarial (Losses)/Gains	(4,053)	612
Cumulative (Losses)	(6,085)	(2,032)

Reconciliation of defined benefit obligation

Opening Defined Benefit Obligation	19,905	20,537
Current Service Cost	714	774
Past service cost	-	165
Exceptional past service cost (see note 9)	-	(606)
Interest Cost	465	475
Changes in Financial Assumption	6,192	(2,157)
Changes in demographic assumptions	(215)	77
Experience (gain)/loss	(254)	913
Contributions by Members	152	162
Estimated Benefits Paid net of transfers in	(427)	(435)
Closing Defined Benefit Obligation	<u>26,532</u>	<u>19,905</u>

Reconciliation of fair value of employer assets

Opening Fair Value of Employer Assets	12,539	12,658
Interest on Assets	296	306
Return on assets less interest	1,670	(353)
Other actuarial (losses)	-	(202)
Contributions by Members	152	162
Contributions by the Employer	390	419
Administration expenses	(16)	(16)
Benefits Paid	(427)	(435)
Closing Fair Value of Employer Assets	<u>14,604</u>	<u>12,539</u>

Amounts for the current and previous accounting periods:

	31.03.21	31.03.20	31.03.19	31.03.18	31.03.17
	£'000	£'000	£'000	£'000	£'000
Value of assets	14604	12539	12,658	11,419	10,655
Present value of liabilities	(26,532)	(19,905)	(20,537)	(18,932)	(18,821)
(Deficit)	(11,928)	(7,366)	(7,879)	(7,513)	(8,166)

Employer's contributions for the year to 31 March 2022 are estimated to be approximately £388k.

28. Related Party Transactions

The DCMS is regarded as a related party. During the year, the Trust has had various transactions with other entities for which the DCMS is regarded as the parent Department. The only material transactions were with Arts Council England (which administers the National Portfolio Organisation grants) and the National Lottery Heritage Fund. Details of these transactions and outstanding balances are given in notes 3 and 4 respectively. In addition, the Trust has had a number of transactions with other Government sponsored bodies. However in many cases it is not practicable to quantify these as in many cases they involve the loan of objects, for which no values have been attributed.

During the year donations totalling £8k were made to the Trust by 7 Trustees (2020 £1,500 - 2 Trustees). None of the trustees, key managerial staff or other related parties has undertaken any other material transaction with the Trust or its subsidiary during the year.

Additional Information

The additional information on page 55 has been prepared from the accounting and other records of the group. While it does not form part of the statutory financial statements, it should be read in conjunction with them and the auditors' report thereon.

<u>DCMS Performance indicators Annual Outturn</u>	2020-21 actual	2019-20 actual
Key performance indicators		
No. of visits to the museum excluding virtual visits	82k	759k
Charitable giving (fundraising)	£672k	£799k
Other Performance Indicators		
Access		
No. of unique website visits	367k	708k
Audience profile		
No. of visits by children under 16	32k	272k
No. of overseas visits	1k	79k
Learning		
No. of facilitated & self-directed visits to the museum/gallery by children under 18 in formal education	25	33k
No. of instances of visitors under 18 participating in on-site organised activities	508	23k
Visitor satisfaction		
% of visitors who would recommend a visit	87%	92%
Self-generated income		
Admissions income (gross)	£110k	£766k
Trading income (net profit)	£15k	£244k
Regional engagement		
No. of UK loan venues	13	21