

## Annual Report



# **The Horniman Public Museum and Public Park Trust**

## **Report and Consolidated Financial Statements**

### **For the year ended 31 March 2023**

*'The Horniman Museum and Gardens has now blossomed into a truly holistic museum bringing together art, nature and its myriad collections. Its values are woven through everything it now does, with a passionate team breathing life and meaning into every object, performance, plant and animal. In many ways it's the perfect museum, and I would encourage everyone to go and experience all it has to offer.'*

*Jenny Waldman, director, Art Fund and chair of Museum of the Year judges*

**Company Registration Number: 2456393**  
**Charity Registration Number: 802725**

## CONTENTS

	Page
Trustees' Annual Report	1-28
Remuneration Report	29
Statement of Trustees' and Chief Executive's Responsibilities	30-31
Governance Statement	32-34
Auditors' Report to the Members	35-39
Consolidated Statement of Financial Activities	40
Balance Sheets	41
Consolidated Cash Flow Statement	42
Notes to the Accounts	43-57
Additional Information	58
Appendix I: DCMS Performance Indicators	59

*'People have told me it's fantastic, they've told me for years. Last year we went there as a family. It was superb. Superb! Everybody, the four of us with really diverse tastes and... everybody found something to stimulate them...'*

*Eddie Nestor, BBC London 94.9FM presenter*

## **Horniman Museum and Gardens Trustees' Annual Report 2022/23**

### **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 care for 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.

In addition, Trustees have agreed a **Reset Agenda**, which will shape the direction and content of our plans for the coming period. These are:

- Engage wider audiences through programming and communications
- Diversify staff and volunteers
- Consult people and work in partnership
- Address the history of the Horniman business and institutional collecting
- Enhance our digital provision
- Make the Horniman greenhouse gas neutral and more biodiverse
- Maximise income generation to support this agenda

## 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 was utterly charmed by it (the Horniman)... for its ability to engage children... it really was a joy to see.'*

*Charlotte Metcalf, Break Out Culture podcast*

## Summary 2022/23

The year 2022/23 will be seen as one of the most significant years in the history of the Horniman. In July we were awarded the prestigious **Art Fund Museum of the Year 2022** award, the biggest arts prize in the UK, and the largest museum prize in the world. In November we **signed over ownership to Nigeria of 72 objects** looted by British forces from Benin City in 1897. The decision was taken by the Board of Trustees and endorsed by the Charity Commission following detailed research of the Benin collection alongside extensive consultation with community members, visitors, schoolchildren, academics, heritage professionals and artists based in Nigeria and the UK.

In turn this, together with a busy and successful annual programme, helped boost visitor numbers ahead of our predicted post-Covid recovery curve, with the result that by the end of the year we were at 94% of pre-Covid visitor levels in the Museum and at 95% for the whole site.

During 2022 the whole of Lewisham was alive with creative activity as we celebrated the year as London Borough of Culture. The year-long cultural programme, **We Are Lewisham**, celebrated our history, people and place, and the Horniman was a key delivery partner and venue for the programme. We presented a busy summer schedule working with an array of fantastic partners including large-scale outdoor events such as DLT Brunch, Jerk Cook Out and Daytimers.

Better than expected visitor numbers, along with exceptional hard work from our income generating teams, has also meant that 2022/23 has been a record-breaking year commercially, with the café recording its best year ever financially, and commercial net profit breaking the £300,000 threshold for the first time. Charitable activity and fundraising income targets were also exceeded as were formal learning participation targets.

For many colleagues, much of the year was taken up with developing the designs for the **Nature + Love** project to RIBA Stage 3 and preparing for a Stage 2 bid to the National Lottery Heritage Fund (NLHF) following a Stage 1 pass in December 2021. This has entailed a huge amount of work within a relatively short timescale. Inevitably project costs have risen due to inflation, and we are grateful to the NLHF for their understanding of this. We are hopeful of receiving a positive funding decision in June 2023.

In parallel, the Estates team with support from across the organisation delivered some hugely **complex capital projects** including the resurfacing of pathways across the site and the restoration of the Conservatory, using much-needed capital funding from the Department for Culture, Media and Sport (DCMS).

Despite the successes, this was a very challenging year, as the war in Ukraine led to unanticipated inflation, great increases in energy costs, and shortages of some commodities. This in turn resulted in pressures on pay and all other budgets, which still remain despite some mitigation due to the improved financial performance. In the light of this, we were hugely grateful for the support we received from the government over the course of the year to ensure our sustainability, including through the Energy Support Scheme.

We recognise that many staff have been working with heavy workloads, and we thank them for their perseverance and contribution.

### Highlights of the year:

- Won the prestigious **Art Fund Museum of the Year 2022**, the world's largest museum prize
- **Transferred the ownership of 72 items taken by force from Benin City** in 1897 to Nigeria's National Commission for Museums and Monuments (NCMM) as the 'moral and appropriate' response to their request
- Delivered a jam-packed public programme of events and exhibitions throughout the year and partnered on **We are Lewisham**, a year-long cultural programme celebrating our Borough's history, people and place
- Exceeded our targets and welcomed **862,015 visits** to the Museum and Gardens over the past year, and attracted **1,038,297** website visits
- Reached a **schools audience of over 40,000** through a mix of taught onsite and online sessions, and self-led visits
- Enjoyed a **record-breaking year for media coverage**, with an Advertising Value Equivalence (AVE) of well over £10 million and reaching a circulation of over 1 billion.
- Achieved a **positive visit experience of 100%** and a very high likelihood to recommend of 93%
- Surpassed all **income generating** targets across commercial, charitable activity and fundraising income streams
- Completed a number of complex capital projects to improve the estate including the resurfacing of **pathways** and the refurbishment of our grade II listed cast iron **Conservatory**
- **Toured Hair: Untold Stories**, the first exhibition from the Museums and Galleries Network for Exhibition Touring (MAGNET), to Tullie, Carlisle and Weston Park, Sheffield Museums Trust
- Submitted plans for our **Nature + Love** regeneration project along with a Stage 2 funding bid to the National Lottery Heritage Fund.

All of these achievements were made possible by our grant-in-aid funding from the DCMS who are our key sponsor body, along with our funding from Arts Council England (ACE) as one of their National Portfolio Organisations (NPO), which over the past decade have formed the essential bedrock on which we operate.

From 1 April 2023, the Horniman Museum and Gardens will no longer be eligible for ACE's NPO funding following their review of the funding stream and criteria. The DCMS has therefore made a commitment to increasing its support for the Horniman from 2023, to replace previous NPO funding. This means the Horniman will now receive all of its government funding from one streamlined source. The remainder of the Horniman's funding will continue to be self-generated through its range of ticketing, commercial and fundraising activities. We remain grateful to ACE for their support and look forward to working with them on specific cultural projects and initiatives in the future. We are also grateful to DCMS for their ongoing and future funding and support for the Horniman.

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 welcomed **862,015 visits** to the Museum and Gardens over the past year, and attracted **1,038,297** website visits, exceeding our targets of 675,000 and 750,000 respectively.
- b. General visitors to the Museum were 17% ethnically diverse (21% in the previous year), 6% from disadvantaged socio economic groups (NS-SEC 5-8) with a further 3% classified as students, and 4% were disabled. These were below our targets for attracting a more diverse general audience that better reflects the London population, and this will continue to be a focus for us over the coming year.
- c. Our **digital communities grew** driven by a strong social media presence, and exceeded our targets across the board – circa 49,000 followers on Twitter (47,000 target), 34,000 Facebook follows (33,000 target) and 58,500 on Instagram (50,000 target).
- d. We engaged **children and young people** in high-quality, object-based and outdoor hands-on activities that supported their learning, enjoyment and engagement with world cultures, music and the natural world, reaching **schools audiences of 25,589** taught onsite participants (18,000 target), 14,210 self-led visits (8,750 target) and an additional 1,439 through online sessions (1,000 target). In total, 56% of visiting classes had more than 25% of learners receiving a Pupil Premium Grant (PPG)\*.
- e. We have continued to promote our **Environment Champions Community**, designed to involve a target of 300 families more actively in mitigating the negative impacts of the climate and ecological emergency. We have reviewed our approach to digital engagement, and are trialling using our email newsletter to reach the broadest audience (1,741 subscribers), alongside using the Facebook group to continue to promote local as well as Horniman activities (198 families signed up).

*\*The target has been changed to % of learners on a PPG as this is a more inclusive measure.*

## 1.1 Audience

Total visits to the Museum and Gardens in 2022/23 reached **862,015** exceeding our target by some margin. Our Museum visitor numbers were 714,297. Compared to 2019/20 (pre-Covid) this is down by no more than 6% for the Museum, and minus 5% for the whole site demonstrating a better than anticipated post-pandemic recovery.

A record high of 43% of visitors were on their first visit to the Museum, perhaps due to the huge increase in publicity and awareness generated by being awarded Art Fund Museum of the Year 2022 and the decision to return looted objects back to Nigeria. A further 34% were on a return visit within the past year. 65% of visitors were in family groups, 77% were from London and 8% from overseas.

As noted above, we were disappointed to not show continued improvement in meeting our general audience diversity objectives despite the enhanced level of focus this has been given across the organisation and all areas of activity. General visitors to the Museum were 17% ethnically diverse (21% in the previous year), 6% from disadvantaged socio economic groups (NS-SEC 5-8) with a further 3% classified as students, and 4% were disabled. However it is worth noting that the volumes of these target audiences grew in actual numbers (rather than percentages). In addition, specific programming recorded more success with attracting ethnically diverse visitors, accounting for 73% of visitors to The Original Jerk Cookout; 24% to Hair: Untold Stories; 22% to Ode to the Ancestors; and 37% to Family Craft Saturdays.

In 2022/23 our **website** received 1,038,297 session starts (26% increase from 21/22) from 635,778 / 538,763 users (up by 18% from 21/22). Pages viewed on the site were up by 23% to 3.2 million (2.6 million in 2020/21). The number of records online stands at 119,098 at the end of the year (marginally less than 21/22 due to data cleaning), with the number of collections viewed online at 74,010 (up 32%).

Our **social media** presence continues to increase in terms of followers by 2% year to year, with a community of 627,000. The majority of our social audience came via Pinterest but our biggest growth has come from LinkedIn with 30% growth to 10,000 followers and Instagram to 58,500 followers (20% growth). YouTube has seen 15% growth from last year to 3,400, our Facebook followers stand at 34,000 (8% growth) and our Twitter followers increased by 5% to 49,000. The above mentioned award and the Benin news really helped our growth on Facebook and Twitter, yet this level of growth is expected to be reduced in 2023/24, particularly with the ever worsening environment of Twitter. We also launched on TikTok during this period.

## 1.2 Visitor experience and evaluation

All Covid-19 safety measures across the estate were removed from the start of 2022/23. However, we continued to encourage the beneficial visitor behaviours that came out of the pandemic, in particular using the new Box Office and Customer Relationship Management (CRM) system to book tickets for our attractions in advance online. This has had a significantly positive impact on the visit experience, with greatly reduced queuing and a calmer atmosphere on site – a particularly noticeable improvement during the busy February half term.

The **visitor survey** was conducted by interviewers face-to-face throughout 2022/23. Results were available monthly via an online portal set-up by our research provider, DJS, with results benchmarked against the other organisations in our procurement consortium. We also began a new procurement process for our visitor research which will commence from April 2024.

The visitor research resulted in a perfect rating for positive visit experience of 100% and a very high likelihood to recommend of 93%. Our rating at the annual **Visit England assessment** reached an overall quality score of 92%.

In July 2022 we completed our first 'non-visitor panel' research. The external supplier presented to staff, and the report was also reviewed by the newly formed **Audience Champions Group**. Insights were used in the development phase of the Nature + Love project, and lessons learnt will help us prepare for similar research during the project delivery phase. We also ran an extensive **public consultation** for the Nature + Love



project involving two public meetings, two Nature Trail walks and an online display and questionnaire.

During 2022/23 we were able to complete the required four exhibition and event evaluations using the Arts Council's **Impact and Insight** Toolkit. With this no longer an obligation due to the removal of our ACE funding, we have signed-up to an alternative platform for all future surveys organised internally, starting with the Members' survey in April 2023.

### 1.3 Public programme

#### 1.31 Exhibitions

Throughout the year we provided a varied and stimulating range of high-quality temporary exhibitions to engage our regular, diverse visitors and attract new audiences.

Our family-friendly temporary exhibition for 2022, **Cats and Dogs**, which ran from February – October, attracted circa 50k visitors over its duration, a conversion rate of 11.3%. This immersive exhibition explored the scientific, social and cultural role that cats and dogs play in our world, and invited visitors to go on an exciting, sensory journey, exploring what it's like to be a cat or a dog.

**Brick Dinos**, our family-friendly show for 2023, opened during February half-term and enables visitors to meet dinosaurs and other prehistoric creatures from the Jurassic and Cretaceous Periods recreated in miniature form using LEGO® bricks. Incredible models include the raptor-like Masiakasaurus, a flying pterosaur, a Polacanthus and the crocodile-like Sarcosuchus. The exhibition also includes rarely seen specimens from the Horniman's collections and a range of hands-on activities.

In the Studio, **Hair: Untold Stories** remained on display until June as the first of a new style of exhibition showcasing the Horniman's collections, and foregrounding themes that resonate with wider, more adult audiences. Reaching 145,760 visitors, the exhibition drew on our objects incorporating hair, alongside key loans and artworks, highlighting the qualities of hair as a material, exploring our complex relationship with hair both on, and off, our heads. Linked to the Hair: Untold Stories exhibition, two photographic exhibitions **Cult Hair** and **Intimate Archives**, were installed in Gallery Square and the South Hall Balcony respectively. Co-curated by Horniman and Goldsmiths, University of London staff, Hair: Untold Stories is the first exhibition from the Museums and Galleries Network for Exhibition Touring (MAGNET), a network of 12 museums and galleries, led by the Horniman and focused on sharing resources and collections to reach diverse national audiences. The exhibition went on to tour to Tullie, Carlisle and Weston Park, Sheffield Museums Trust, during 2022/23.

In October we welcomed **ELMER and Friends: The Colourful World of David McKee**, to the Studio, aimed at under-fives the exhibition focused on the story of how Elmer the elephant was developed by the illustrator / author David McKee, with many original artworks on display and plenty of reading, drawing and dressing up opportunities for our younger visitors.

In the Natural History Gallery **Dolphin Head Mountain** by Harun Morrison invited visitors to consider the connections and conflicts between wildlife conservation and different forms of extraction. This year long shifting display makes visible the artist's immersion in the

'backstage' areas of the Horniman including the collection stores and curators' offices alongside a focus on the Jamaican Swallowtail butterfly.

On the Balcony from December we delivered **Ode to the Ancestors**, commemorating the many African Kenyan heritage professionals, researchers and archaeologists whose names are absent from the archives. The exhibition was curated by Sherry Davis, whose grandfather, Karisa Ndurya, played an important role excavating ancient monuments in Kenya, working as a foreman in the 1940s, 50s and 60s. However, like many African archaeologists and researchers working during the colonial period, his contribution to understanding African history was not recognised. The display also presents new works alongside by a group of young people with African and Caribbean heritage in the UK that express what reclaiming African history means to them.

We also displayed the **Sonic Minds** sculpture in the Music Gallery, an interactive exploration of the connection between wellbeing and music through a collaboration between Lewisham Music, young music makers and the artist Gawain Hewitt. In addition, **Internal Landscapes** was displayed in Gallery Square, an exhibition of art, stories and poetry developed by local people and curated by Dima Karout - a creative investigation into meaningful places in Lewisham and how they inspire and shape its people.

### 1.32 Events and activities

We had an extremely busy summer of events as part of our **London Borough of Culture festival programme**. First up was the **Big Fish Little Fish Flower Power Family Rave: butterflies, bees, beats & bubbles!** on Sunday 24 July. Tearing up the turntables playing a mix of Hip Hop, Electronic and Dancehall was Prime Cuts – three times World DJ Champion and member of the Scratch Perverts crew – alongside Lewisham born and bred founder of the Junglist Alliance Chris Inperspective and DJs Louise and Hughesse. Storytelling, face painting and craft activities also formed part of the fun for the 2,500 attendees, with the event returning a healthy profit after costs alongside strong secondary sales.

We delivered a number of sold-out events to large capacity crowds throughout August including the **DLT Brunch: We Are Lewisham** special on Saturday 13 August, where a 3,000+ crowd of predominantly 18-30 year olds enjoyed African contemporary music in the blazing sunshine. Then there was more family fun on the menu at **The Original Jerk Cookout** on Sunday 21 August, as we celebrated Jamaica's 60th anniversary of independence with family activities, live music, dance and, of course, food.

We then offered an afternoon of free South Asian music on the Bandstand at **Daytimers: Going South** on Saturday 27 August, celebrating contemporary South Asian music and on Sunday 28 August welcomed Baluji Shrivastav OBE and Nafees Irfan for a wonderful music performance to mark the 75th anniversary of Independence of India and creation of Pakistan.

In September, we hosted the **We Breathe, Together** event, a family-friendly day packed full of free creative workshops, installations and talks exploring our air, health and environment. Featuring content such as building (and racing) your own hydrogen car, learning the skills to create a 2D stop motion clean air animation, co-designing immersive climate adventures and ink breath painting, the event also offered visitors the chance to

meet incredible local campaigners in our Clean Air Village and listen to expert talks. We also installed five **Art in the Gardens: Ecology Boards** in the Gardens. These boards were created by Goldsmiths art students and Conisborough College pupils, inspired by the Horniman and its collections.

For the first time since 2019 due to the Covid-19 pandemic, we hosted some seasonal fairs. The **Spring Fair** and the **Halloween Fair** were both ticketed for the first time, to help us manage capacity and programme the right level of activities for the number of tickets sold, reduce queuing and improve the visitor experience.

During this period, we also launched our **Little Nature Champions** programme alongside **Outdoor Messy Play** – nature-based outdoor activities for little ones delivered by our Forest School-trained staff. Also new to our public programme was the introduction of volunteer-led, free **Family Craft Saturdays**. This activity saw many first time attendees and 29% of those taking part cited this activity as their reason for visiting the Horniman that day.

We held four **Bright and Early** relaxed openings particularly suitable for neurodivergent families and participated in Lewisham Council's **Warm Welcomes** scheme.

We also ran various smaller scale family activities across the year including drag queen bingo in the Conservatory for the **Queen's Jubilee**, featuring story and songs with everyone's favourite pantomime dame Mama G celebrating being who you want and loving who you are, and **Future Superhero** collaging sessions with artist Habiba Nabisubi as part of Black History Month.

## 1.4 Learning and engagement

### 1.41 Formal learning

During the year we engaged **children and young people** in high-quality, object-based and outdoor hands-on activities that supported their learning, enjoyment and engagement with world cultures, music and the natural world. We reached schools audiences of 25,589 taught onsite participants, 14,210 self-led visits and an additional 1,439 through online sessions (1,000 target). In total, 56% of visiting classes had more than 25% of learners receiving a Pupil Premium Grant.

We continued to review our sessions for schools in order to incorporate anti-colonial narratives and actions-focused discussion about the climate crisis. We also developed two new workshops and an updated **Benin Kingdom workshop**, and partnered with a community school in Cairo to co-create content for a revised **Ancient Egypt workshop**, supported by training for the team in facilitating discussion with students around colonial legacies. As part of the Nature + Love project, we developed a set of **Natural World Principles** for schools learning, which will form the basis of a review of our natural sciences offer. Extensive consultation and evaluation with teachers and students also helped shape the content, design and interpretation for Nature + Love.

We supported teachers' continuing professional development (CPD) and established new agreements with Goldsmith's PGCE and University of East London's Education Departments to develop resources and support for trainee teachers in school trip planning and learning outside the classroom. We launched our **Holiday Club**, supported by funding from the Art Fund award, for children in receipt of free school meals and their families and received fantastic feedback from participants. We delivered a home education day to

enhance our support for home educators and trialled an object loan to a local secondary school. We extended our careers offer for secondary schools with a careers day, trialled work placements and recruited a new Business Administrator Apprentice to the team in their first museum role.

### 1.42 Community, youth and family engagement

We are almost back to pre-pandemic levels of outreach and welcoming diverse groups to site. These groups have ranged from newly arrived asylum seekers, through to adult English for Speakers of Other Languages (ESOL) students, to local older people with African-Caribbean heritage and residents of local housing estates. We hosted the museum-wide **Celebrating Sanctuaries** event and two further events for newly arrived families in partnership with the Refugee Council. A co-produced programme of family workshops with community partners who have been trained to deliver object-based learning sessions is now running weekly, and we hosted a Curating for Change trainee, who researched and proposed object acquisitions to improve disability representation in the Handling collection. We ran a pilot **social prescription co-production project** with the South London and Maudsley Recovery College, co-producing an audio wellbeing resource and developed co-production partnerships for Nature + Love.

Highlights with young people included a sold-out event to support those at the start of their careers in the music industry delivered in partnership with Access All Areas; the 696 Promoters team producing a stage at The Original Jerk Cookout; partnering with Finding Rhythms and Jobcentre Plus to deliver a four-day music making project inspired by our Musical Instrument collection; completing the Spiral Sills-led **Into Games** programme whereby 10 young people received training in community engagement within the gaming industry and are now going on to work placements; and a photography course for local photography students using our collections and the young people's own objects.

### 1.5 PR

This was a **record-breaking year for media coverage**, with an AVE of well over £10 million and reaching a circulation of over 1 billion.

Over the course of the year, the Horniman secured 1,434 items of print and online coverage, and 617 broadcast items, with a total Advertising Value Equivalence (AVE) of £10,663,822 and circulation of 1,012,475,068. The Press Office responded to 295 media enquiries, plus seven proactive responses to open PR requests, and 80 editorial filming and photography enquiries. These figures are a substantial increase on 22/23 (560 items of print and online coverage; 124 broadcast items; AVE of £3,382,700; circulation of 231,338,537; 288 media enquiries; and 57 editorial filming and photography enquiries).

The high figures were primarily driven by extensive coverage in Q1 of Art Fund's announcement of the Museum of the Year 2022 shortlist; in Q2 of the **Horniman's Museum of the Year win and our announcement of the decision to return ownership of the looted Benin objects**; and in Q3 of the Benin transfer of ownership ceremony, for which the press office delivered a press conference attended by a range of media outlets including The Guardian, Press Association, New York Times, and TV crews from BBC, ITV News, The Economist, BBC London TV news, Al Jazeera English and Channel 4 News.

Other stories boosting media coverage levels included:

- Head of Horticulture Errol Fernandes co-presenting **Channel 4's Great Garden Revolution**, plus interest across multiple media outlets in his work, the Gardens and sustainable gardening practices
- our exhibitions, notably Hair: Untold Stories (at the Horniman and touring), Ode to the Ancestors, ELMER and Friends, and Brick Dinos.

#### Key coverage and activity:

- In April 2022 Channel 4 announced Head of Horticulture Errol Fernandes as one of their new presenters, resulting in widespread coverage. This coincided with two days of filming on site and subsequent broadcast of the series during May and June.
- May saw extensive coverage of the Horniman's shortlisting for Art Fund Museum of the Year across national, sector and regional titles.
- In July a live announcement on **BBC One's The One Show** of the Horniman's win as Art Fund Museum of the Year prompted numerous print and broadcast articles, positive comment and requests for interviews and filming.
- In August **The Sunday Times** broke the news of the 'watershed moment' of the Horniman's decision to return ownership of its Benin Bronzes in a placed exclusive. The news garnered a massive amount of interest and was widely reported on – in print, online and broadcast – across national and local news platforms. Additionally, more than 100 internationally-based websites covered the story.
- From August onwards post announcement, numerous publications went on to publish more in-depth comment and discussion pieces, with the Horniman's decision mentioned in articles discussing:
  - the wider legal, moral and practical issues of repatriation
  - the future of other objects including Benin Bronzes in other museums, the Parthenon sculptures, the Rosetta Stone, and the Koh-i-Noor diamond
  - potential changes to the Charities Act.
- In May the Horniman hosted two days of filming onsite by **BBC TWO's flagship series Gardener's World** (over 2 million viewers) which saw presenter Frances Tophill, a horticulturalist specialising in accessible botany, talking to Head of Horticulture Errol Fernandes about his approach to sustainability and plans for the Gardens. The programme was broadcast in August.
- Between May and July, Head of Horticulture Errol Fernandes was also interviewed by a variety of publications talking about sustainability, his work at the Horniman, and what inspired him to start out in horticulture including BBC Radio 4, Financial Times, Horticulture Week, Elle Decoration, Bloom magazine and the Evening Standard
- Prior to the Benin signing ceremony in November, **a press conference** was held attended by a wide range of media outlets including print journalists and film crews resulting in broadcast coverage including news bulletins across multiple BBC platforms, CNN, Channel 4, Sky News, Al Jazeera English TV, Times Radio and LBC plus print coverage including Press Association, Daily Telegraph, bbc.co.uk, The Guardian, The Times, The Voice, Museums Association, dailymail.co.uk and numerous local news websites.
- In December an exclusive feature in **The Observer** on the Ode to the Ancestors project and exhibition ran prior to the exhibition opening. BBC Africa reported on the opening of the exhibition, speaking with curator Sherry Davis for a news item broadcast across multiple BBC TV news outlets.

- In March 2023 BBC Radio Sheffield presenter Sile Sabanda took a tour of the Hair: Untold Stories exhibition, during which Weston Park Museum curator Lucy Cooper spoke about the partnership with the Horniman to create the exhibition.

## 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. We worked collaboratively to develop plans for the **Nature + Love** project including outdoor and gallery content, interpretation and designs to RIBA Stage 3, consultation, co-production, research and evaluation and submitted the NLHF Stage 2 funding application.
- b. With partners and communities and funded by a Digital Innovation and Engagement grant supported by the Museums Association, UK Research and Innovation (UKRI) and the Arts and Humanities Research Council (AHRC), we created the **Community Research & Knowledge Space** featuring a range of resources that help one navigate the collections online and get you started on your own research journeys. In addition the People of the Drum workshop extended community-led research to the Musical Instrument collection, exploring African drums in the collections with musicians and workshop participants.
- c. We delivered an **artist residency** and exhibition by Harun Morrison in the 'Inspired by Nature' area of the Natural History Gallery, in partnership with Delfina Foundation, focusing on the colonial context of the Horniman's Natural History collection, running from June 2022 to May 2023.
- d. We developed the new **茶, चाय, Tea (Cha, Chai, Tea) exhibition**, supported by funding from The Esmée Fairbairn Collections Fund and due to open in October 2023. The exhibition explores the colonial history and legacy of the 19th century tea trade and the Opium Wars in China, as well the legacies of tea across Chinese and South Asian communities today. Co-produced research, creative outputs and programmes showcase a multitude of perspectives and voices that are often underrepresented when exploring this history.

## 2.1 Anthropology

Detailed archival and provenance research into collections held at the Horniman that had been looted in 1897 from Benin City, culminated in the formal **transfer of ownership of 72 objects to Nigeria's National Commission for Museums and Monuments (NCMM)** in November 2022.

During the year new displays were under development including a new case for the World Gallery on contemporary Egypt, seen through the eyes of women and called All Eyes on Her, and a Balcony exhibition featuring the work of Indigenous Australian photographer, Naomi Hobson. We conducted a review into our Australian collection in close collaboration with the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) to better document the collections and put in appropriate cultural protocols around access. We completed an audit of all material containing human remains in the Horniman collections, and published lists of these holdings on our website.

We continued to develop the Horniman as a centre for museum anthropology, including continuing our partnership with Goldsmiths, University of London on the MA in Museum Anthropology, research partnerships with University College London (UCL), University of the Arts (UAL) and the University of Brighton and participating in the joint project on Rethinking Relationships and Building Trust around African Collections led by the Pitt Rivers and also involving the Museum of Archaeology and Anthropology, Cambridge and World Museum, Liverpool.

## 2.2 Natural World

The **Nature + Love** project has been a priority for many teams during 2022/23. This £10 million project is designed to connect wider audiences with the environment and nature, and will transform the **Natural History Gallery** and two neglected areas of the **Gardens**. Our project team made up of internal staff and a range of external architects, designers, consultants and suppliers worked hard to reach RIBA Stage 3 by the beginning of the year and we were able to submit a robust Stage 2 funding bid to the NLHF in February 2023. External advisory groups have been a core part of the project – our Access Advisory Group and members of our Youth Panel have been a key part of the design review process; we have formed a new Engagement Advisory Group for the Activity Plan development; and brought together consultation groups from key audiences – non-visitors, teachers, students, subject matter experts and critical friends. We also conducted an extensive consultation programme with the local community.

The Living Collections team continued to manage the **Aquarium, Animal Walk and Butterfly House** venues and behind-the-scenes coordinated multiple successful coral spawning events, embryo rearing and coral grow out in 2022 and early 2023. The material from this supported a number of different experiments and continued collaborations with UK and international researchers.

The Horniman Aquarium-led international research project dedicated to coral reef conservation **Project Coral** focused on a number of areas. Work was done on diversifying species of coral spawned to broaden the knowledge base of reproductive processes in reef building corals and documenting the embryological developmental stages of previously reproductively undescribed coral species. A collaboration project with the University of Newcastle and Derby University completed coral heterotrophic feeding experiments and follow on investigations to understand the underlying impact of feeding on thermal resilience. The team also worked with researchers at UCL and the Natural History Museum focusing on the sea urchin *Mespilia globulus* and worked with colleagues from ZSL London Zoo to identify corals in the Horniman coral collections. The team also supervised and facilitated Exeter University PhD research in UK native pink sea fan reproduction.

## 2.3 Musical Instruments

Our live performance strand inspired by the Musical Instrument collection included three Busk It Live! performances, an Art That Made Us performance, and a monthly **Hear It Live!** performance in the Music Gallery – from harpsichord music by the first published Black British composer to Bantu instruments, Turkish and Anatolian clarinet music, and jazz saxophone and guitar – to packed audiences.

A new section celebrating the legacy of the **696 project** was added to the Music Gallery permanent displays, as well as a temporary display, **Sonic Minds**, created by care experienced children and displaced young people working with professional musicians. The

Dolmetsch collection of keyboard instruments was photographed, and all keyboards moved from temporary external storage to the Study Collections Centre.

Principal Curator Margaret Birley retired in June 2022 after nearly 38 years at the Horniman, having latterly completed the documentation of South Asian material collected during fieldwork. The Board of Trustees and staff of the Horniman thank her for her wonderful contribution over so many years.

## 2.4 Handling Collection

Our collections are complemented by a separate Handling Collection containing over 3,700 objects. It is an excellent resource providing unique opportunities to touch and study closely a wide selection of objects and specimens, similar to those in the galleries. This year has seen considerable work on the revision of policies, reducing the disposals backlog, facilitating acquisitions to fill gaps in the collection and developing a **social practice model** for community object research.

## 2.5 Social Practice

We're working to embed social practice across the Horniman and over the past year this has included training for teams involved in Nature + Love and planning for a new Handling Collection session for the Arctic led by young people from indigenous Arctic communities.

Our success in securing funding for the 茶, चाय, Tea [Cha, Chai, Tea] exhibition will support us to achieve the full extent of our planned **community co-production** for the exhibition, associated programme and legacy display – an approach described as 'sector-leading' by the Museums Association. During the past year we appointed the exhibition designer and worked with our co-development partners on content and text. A three-year residency partnership with UAL began, which will respond to the exhibition themes.

## 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. We made significant headway with rebuilding our self-generated income to pre-pandemic levels, surpassing our target of £1.8 million to generate £2.5 million across commercial, charitable activity and fundraising streams (excluding capital fundraising) and prioritised efficiencies wherever possible
- b. We implemented a new integrated **customer relationship management (CRM) system**, Tessitura, unifying box office and membership functions and made plans for schools and fundraising phases to follow in 2023/24
- c. We **invested** £1.476 million in our buildings, estate and infrastructure, to protect and preserve them for future generations
- d. We continued to deliver on our **Climate and Ecology Manifesto** to become Greenhouse Gas neutral, more biodiverse and generate less waste and pollution by 2040, and report on our progress below
- e. We made progress in becoming a **stronger, more representative organisation** that more closely reflects the population of Greater London by recruiting and supporting a more inclusive and diverse workforce, Board and volunteer base



comprising 21% (27% target), 30% (25% target) and 34% (33% target) ethnic minorities respectively.

### 3.1 Income generation

#### 3.11 Commercial

Activity managed through the **Horniman Museum and Enterprises (HME)** and comprising retail, catering and venue hire ended on a record high generating a gross turnover of c. £685,000 and a net profit of £311,468 (up 45% on the previous year and exceeding target). The retail offer had its best ever year surpassing £300,000 in net sales for the first time, the Horniman Café also had a record breaking year with £1.6 million net sales, and our venue hire and filming and photography business was back to pre-pandemic levels. The Horniman Market had its second best ever year for income and profit, and our new mini golf partnership with UrbanCrazy provided a small profit again.

#### 3.12 Charitable activity

Overall charitable activity generated circa £1.3 million income with strong performances exceeding targets across all streams. **Admissions and Gift Aid** income enjoyed a record year with sales of c. £800,000 compared to our previous best pre-pandemic. Our **membership** scheme began to show strong signs of recovery and at the end of March 2023 we had a total of 5,855 memberships, an increase of over 700 over the year with a retention rate of 80% and income generated of more than £300,000. Income generated from our **schools** programme was c. £60,000 and our **events** programme generated a record-breaking £100,000 in addition to encouraging significant secondary spend on event days.

#### 3.13 Fundraising

Fundraised income generated during 2022/23 was slightly lower than the previous year as several multi-year grants had drawn to a close in the previous year ending on £506k (excluding capital fundraising and donations to the collections). This included gifts from both **individuals, legacies and grant making trusts**. Funding raised is supporting a range of new projects and activity as well as providing unrestricted income for our everyday work.

A particularly significant legacy was received from the estate of the late Dame Margaret Weston. Dame Margaret was the first Chair of Trustees of the Horniman when it was initially constituted as a charity. She was a significant and much respected figure in the sector and the first woman Director of the Science Museum between 1973 and 1986. We were also delighted to receive a £60,500 grant from the Esmée Fairbairn Collections Fund towards the community co-creation and consultation on our forthcoming exhibition 茶, चाय, Tea (Cha, Chai, Tea), which explores the legacy of colonial tea production on global communities and the role played by our founder Frederick Horniman.

A **supporter celebration event** was held at the end of March with a guest list formed of Benefactors, Members and Donors. The aim was to thank supporters for their commitment over the previous years and to celebrate our win of Art Fund Museum of the Year. We also asked members present to consider upgrading their support and becoming a Benefactor. A number of Benefactors joined as a direct result of the event and we hope for more in the coming months. Benefactor income has grown steadily over recent years and we now have more giving at the higher silver and gold levels.

Income of c. £200,000 was raised (in a mixture of cash or firm pledges) towards our Nature + Love capital project including some generous donations from our Trustees. A Stage 2

application to the NLHF for £5.7m was submitted in February with a decision anticipated in June 2023 along with a six-figure application to the Foyle Foundation. Fundraising for Nature + Love will be our main focus for the coming years.

### 3.2 Climate and Ecology Action

We now have a comprehensive Climate and Ecology Strategy and Action Plan to support the delivery of our Climate and Ecology Manifesto. This has set a series of actions and targets for us to achieve both in the short-term (the next three years) and the longer-term (by 2040). We have identified 15 different action areas including Energy, Waste, Public Engagement and Biodiversity and the Action Plan is reviewed at our quarterly Climate and Ecology meetings.

We have continued to deliver our **Environment Champions Community** with a Facebook presence and a newsletter, with over 1,741 subscribers to the newsletter and 198 FB members. We organised some 'learn to cycle and Dr Bike' events on council estates, in partnership with the Young Lewisham Project charity, to promote cycling as well as natural craft activities. We delivered **carbon literacy training** internally to c. 100 staff and will continue the programme during 2023/24.

We have managed to track our **waste and recycling** more accurately since we have been receiving weight data from our contractors: from an average of 27.5% last year, we have been recycling on average 32.6% of our daily waste (reaching a high of 41% in March 2023). We have now working water meters in most places, and will be able to get data for both the Forest Hill and Study Collections Centre sites, monitoring the water meters on a monthly basis. The **micro forest** is doing well and is used by our Head of Horticulture as an example of tree planting mitigation, having planted trees and shrubs that will cope with increasing temperatures in the future.

Utilities consumption over the last 5 years						
	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Electricity Kwh	1,219,102	1,187,472	1,096,560	1,348,331	1,345,227	1,412,045
Gas Kwh	1,297,378	1,080,059	1,244,663	1,411,692	1,383,588	1,345,171*
Water** (cubic meters)	9,418	6,373	Figures not available for reporting this year			
Total waste Tonnes***	72.97	100.17	Figures not available for reporting this year			
Recycled waste Tonnes	23.33					
Average % recycled waste	32.6	27.49				
Green waste tonnes **** of which	12.55	12.55	Figures not available for reporting this year			
Food waste tonnes	3.87	2.1 (from July 21 to March 22)				
<i>*pre-Butterfly House    **figures based on extrapolation of usage since October 2021 ***figures based on extrapolation of data since Sept 2021    ****estimated</i>						

### 3.3 Digital Transformation

The scope of our digital transformation ambitions covers technology and infrastructure, systems and data, content, audience development, collections and culture change. We worked with consultants over this period to help us map the digital skills and capabilities required for each role in the organisation and developed an internal **digital training and literacy training programme**. We rolled out mandatory cybersecurity training, launched a new **intranet** as well as a new **digital guide** on Bloomberg Connects (the free arts and cultural app created by Bloomberg Philanthropies), and embedded the new **CRM and Box Office** system.

### 3.4 Sector support and collaboration – national and international

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

We continued to lead the 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 was our own **Hair: Untold Stories** which ran at the Horniman until June 2022 and then toured to Carlisle and Sheffield. Other MAGNET members developed ideas for three further touring exhibitions and the Horniman led a major bid to ACE's Touring fund to support these and consolidate the network. Just outside this reporting period in April 2023 we were pleased to hear we have been awarded £336,000 for three years from 2023/24.

Throughout the year we managed and maintained **loans out** to ten organisations including the Asia Society, New York; Wellcome Collection; Maidstone Museum; 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. We toured a variety of objects to a total of nine venues including Trinity Laban, Maldon Museum, Arts Network, Kingston Museum, Saffron Walden Museum and Corbett Community Centre – 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, commercial, 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.

*'Hair at Tullie was fantastic and it was largely down to the extremely hard work that the Horniman team had done. The lead up to and the install were extremely well planned and went exactly as expected. The exhibition looked so fresh and modern and we loved the colours.'*

*Exhibitions Manager, Tullie Carlisle*

### 3.4 Key supporters

The Horniman received core funding from **DCMS** and from **ACE** as an NPO.

In 2022/23 the Horniman received £4.295 million revenue funding from DCMS. We also received £1.463 million capital funding from DCMS. The Horniman output against DCMS KPIs and PIs appears at Annex I. Trustees are most grateful to DCMS for its continued support.

The Horniman's ACE NPO funding for 2022/23 was £964k. We are most grateful to ACE for its support over the past decade and for providing us with the opportunity to build our resilience and provide excellent and creative opportunities for public engagement. As mentioned earlier in this document, the Horniman will no longer be eligible for NPO funding after April 2023.

### Voluntary donations

Voluntary donations, grants and the support of our community 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

Art Fund

Arts Council England

City and Guilds of London Institute and the Worshipful Company of Gardeners

Department for Culture, Media and Sport

The Emily Hughes-Hallett Charitable Fund

The Esmée Fairbairn Collections Fund – delivered by the Museums Association

The Eversley Charitable Trust

The John Young Charitable Settlement

Mayor of London's Grow Back Greener Fund

National Lottery Heritage Fund

The Radcliffe Trust

Small Beer

Tesco Bags of Help

The UK Community Renewal Fund

#### We are particularly grateful to the following individuals who have supported our work over the past year:

Cam Andrever-Wright

Eva Appelbaum

Victoria Appleby

Sally Babi

Daniel and Anja Bailey

Virginia And David Hearn

Simon Hesketh

Lucy Hopkins

Michael Horniman

Sarah Horniman

Thomas And Rumana Bennett  
 Richard Blurton  
 Philippa Bosman Savage  
 Paul Brand  
 Sally and Michael Bridgeland  
 Frances Carey  
 Margret Carey  
 Fiona Clements  
 Rachel Coldicutt  
 Caroline Cole  
 John Coulthard  
 Thomas Miles Cox  
 Brian And Ruth Davies  
 Jonathan Davies  
 Rina Dutta  
 Erica Dudley  
 Antje Ehrlich  
 Alyson & David Elliman  
 Elizabeth Emerson  
 Gavin English  
 John Firmin  
 Tim & Amanda-Louise Francis  
 Sophie Freeman  
 Surojit Ghosh  
 Justin & Dawn Giles  
 Richard and Kyla Goody  
 Simon Granleese  
 Edward Hales  
 Sara & David Hanna-Grindall  
 Tim Hanson  
 Adrian Hartley  
 Peter Head

Nico Iacuzzi  
 Rosie Jackson  
 John Jenner  
 Scott Keir  
 Mary Kempson  
 Oliver Kerr  
 Donald Kirkham  
 Iro Konstantinou  
 George Loudon  
 Joseph McCaig  
 Jason McCulloch  
 Nicholas Merriman  
 Mayowa Ochere  
 Lesley O'Mara  
 Hamish Parker  
 Jane Portal  
 Claire Richards  
 Samantha Riches  
 Charlotte Rooney  
 Eric Roper  
 R Roper  
 Andrew Rutherford  
 Eve Salomon  
 Rob Salter-Church  
 Carole Souter  
 Kate Stevens  
 Ian Tollett  
 Ann Wallace  
 Dame Margaret Weston (bequest)  
 Stephen Whittle  
 Helen Williams

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

Google  
 Small Beer  
 Triton UK

**We would also like to thank the many other supporters who gave to the Museum and Gardens, including those who gave commemorative gifts and those donors who wish to remain anonymous.**

### **3.5 Staff and volunteers**

#### **3.51 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 ethnic minority backgrounds is 25% reflecting the fact that some posts are recruited from a national job market and some from a local (London) job market. In 2022/23 our workforce included 21% staff from ethnic minorities and 7 % of the workforce disclosing a disability.

We give great importance to supporting our staff both to help them develop and to achieve improvement in their 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 6.9 (8.6 in 2021/22). This compares with 5.8 days nationally in 2022.

The Horniman recognises the GMB union 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.

A new Wellbeing Group was set up towards the end of 2022 with the aim of operating as a constructive participative group, sharing responsibility for ensuring the health and wellbeing of our staff is fully discussed and actions taken. The three key general areas identified during initial meetings are as follows:

- Workload and working conditions and environment
- Mental Health First Aid
- Activities, events, social opportunities and training

Any staff member can attend the Wellbeing Group meeting, however it has been agreed that, as part of the core group, there should be at least two representatives for each of the three key areas agreed to facilitate the discussion, agree actions and take forward. Other new groups established during 2022/23 to support staff include a People of Colour network.

#### **3.52 Volunteering, work experience and apprenticeships**

Our volunteers continue to provide an invaluable contribution across the Horniman – overall, 188 volunteers (up from 122 in 2021/22) supported our activities during the

financial year donating 8,808 hours (up from 4,252 in 2021/22). We continue to recruit to build our volunteer team – most notably this year in the Gardens team, where 30 new volunteers are supporting gardens and tree maintenance. The team have been working with local partners CareTrade UK and Lewisham Local to develop volunteering and work placement opportunities for four individuals with autism or learning disabilities.

Volunteering is a key strand of the Nature + Love project, and the Development Phase this year created new opportunities from outdoor nature-based family activities to research, fundraising and learning. With the appointment of a new Volunteer Coordinator, we launched weekly, free family craft sessions on Saturdays as mentioned earlier in the report. We also engaged a Gardens apprentice and recruited four young people under the government's **Kickstart** scheme to work in the areas of digital, documentation, living collections and income generation.

### **3.53 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 Director of Finance and Corporate Services, the Chair of the Audit Committee or in extreme cases to the Head of Museums at DCMS. No such disclosures were made during the year.

### **3.54 Personal data**

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

### **3.55 Fundraising regulation**

During 2022/23 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 external professional fundraisers but did use a volunteer fundraiser. 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**

2022/23 was a successful year as visitor numbers and financial performance recovered strongly following the impact of Covid-19. Self-generated income reached near pre-pandemic levels and as a result we were able to add a surplus to General Reserves.

Trading activities recovered well, with net profit and overall revenues exceeding 2019/20 pre-pandemic levels. Venue hire and filming and photography both performed at a similar level to last year. The shop recovered strongly exceeding pre-pandemic turnover and a return to profit thanks largely to strong merchandising. The Café once again performed strongly and its contribution to the Horniman significantly exceeded that of 2019/20. Mini Golf and the Horniman Market both benefitted from the popularity of the Gardens, with the former generating revenues at a similar level to last year and the latter continuing to grow and increase revenues.

Income from charitable activities, which includes admission charges and membership income, recovered strongly during the year to almost 2019/20 levels. Membership income in particular began to recover with the introduction of an additional exhibition as a benefit. Income from schools sessions also picked up well to near normal levels and events income surpassed previous records.

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 £152k, from the development of the exhibitions under Nature + Love, Hair: Untold Stories and several small-scale temporary exhibitions. The increase of £52k on 2021/22 is also partly due to the increase in the rates of the tax credit on expenditure incurred from 27 October 2021.

In 2022/23 the Trust received capital funding from DCMS of £1.463 million, including £1.279 million additional funding allocated for critical estates maintenance and emergency works for a number of projects including refurbishment of the Conservatory and the upgrade of paths around the estate.

The revaluation of fixed assets at the end of the year resulted in a net increase of £2.181 million (£1.346 million increase in 2019/20). This was split between an increase of £361k on unrestricted assets and an increase of £1.820 million on restricted assets, mainly due to increases in price indices for both materials and labour costs 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 upon 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 Trust also wishes to invest ethically within the constraint of the requirement for liquidity. The investment policy is therefore to invest surplus funds, above the amount needed for monthly working capital purposes, in instant access deposit accounts, term deposits or other low risk investments with at least two responsible institutions.

The objectives of the investment policy are to balance:

- Meeting ethical standards
- High level of liquidity



- Maximum rate of return at acceptable level of risk.

### **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 a Framework Agreement for 2022-2025 is currently being finalised with DCMS. Grant-in-aid funding for 2023/24 was confirmed in March 2022 along with our baseline funding for 2024/25. Self-generated income is always liable to fluctuation depending on economic circumstances and visitor activity which is still slightly uncertain in the current economic climate.

The Trustees have designated a legacy of £168k to add to the previous £1,600k for future Museum development and specifically to develop the 10-year Framework and underwrite fundraising for matching funding arising from this from 2022 to 2027. £289k of this has been used during the year as matching funding for Stage 1 of Nature + Love, leaving a balance of £1,479k. The Trustees have also designated the £100k prize money received from the Art Fund for Museum of the Year to be used for specific projects. This leaves a balance of £1,513k Free Reserves (General Fund). 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 £813k over the minimum is available to meet expected deficits arising in 2023/24 due to inflationary increases in costs above our public funding.

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 £19k on the Pension Reserve at 31 March 2023 due to the current deficit on the pension scheme under FRS102 (note 26), which reduced from £9,567k at 31 March 2022. This improvement from the previous year is largely due to the significant increase in the discount rate and a decrease in the future inflation assumption. The FRS102 valuation is based on the triennial valuation at 31 March 2022, which showed an improvement in the level of funding of the scheme such that it is now fully funded. As a result, the Trust is no longer required to make any additional lump sum payments but the future service rate has increased to 16.9% (from 15.7%). The next valuation is due as at 31 March 2025.

The categories of Reserves can be summarised as follows:

	£'000
Capital projects fund: representing income invested in fixed assets, adjusted for depreciation	6,771
Revaluation reserve: cumulative revaluation surpluses and deficits	11,171
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	31,070
Other restricted funds: unspent funds restricted by virtue of specific conditions or legal restrictions	159
Pensions reserve: representing the current FRS102 value of the pension fund deficit	(277)
Designated funds for Museum Development	1,579
<b>Free Reserves</b>	
Unrestricted reserves over which there are no restrictions or specific future spending intentions	1,513
	<b>51,986</b>

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, 51% of invoices not in dispute were paid within 30 days or supplier terms (79% in 2021/22). This has fallen significantly due to difficulties in recruiting finance staff.

### 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.

With the legacy of Covid-19 now being managed, and visitor and income numbers rising to close to pre-pandemic levels, **the principal risk** is now the ongoing inflation of around 10% consequent on the war in Ukraine and its impact on prices and availability of supplies. The impact on staff's everyday lives has been significant, and on an organisational level, if inflation continues at a high rate this will have a major impact on pay negotiations when our settlement from DCMS is well below this rate, as well as on planned capital budgets due to the rising costs for materials and services.

**A further risk** is around the capacity of our workforce to deliver the scope of projects outlined, particularly in the area of capital works. The Nature + Love project will add a substantial workload to many teams across the organisation over the next few years.

This will need to be managed carefully to ensure other projects and day-to-day activities do not suffer as a consequence, and that the wellbeing of staff continues to be prioritised.

**A final significant risk** relates to cybersecurity, where threats have increased recently, particularly in relation to the war in Ukraine. We are adopting a short-, medium- and long-term series of actions to mitigate the risks as best as we can within the resources available.

The Pension Scheme continues to be an item of continued risk despite the significant improvement in the deficit in the Pension Reserve, as the annual position is susceptible to significant changes in several factors, in particular the discount rate, which is dependent on the wider economic position. This is considered to be low risk as it is very unlikely that any liability would crystallise in the foreseeable future and as current contributions are affordable and have been built into current plans. The outcome of the last triennial review received in January 2023 was also positive, showing an improvement in the level of funding which is now just over 100%. This risk will continue to be monitored by the Board on an annual basis.

## **6.0 Plans for future periods**

### **6.1 Priorities for 2022/23**

Priorities for 2023/24 are outlined in our Corporate Plan 2022/23 which can be found on our website at [www.horniman.ac.uk](http://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 being the original endowment by Frederick Horniman. 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 Chair, 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.

During the year Eve Salomon retired as Chair of Trustees and Clare Matterson retired as a Trustee. The Board appointed Michael Salter-Church as a new Trustee and Chair.

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 notice of where the Register of Trustees' Interests can be viewed can be found on the Trust's

website at [www.horniman.ac.uk](http://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: Collections Care, Wellbeing, Safeguarding and Client Relationship Management System 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 Restitution and Repatriation sub-committee considered requests made by third parties for the restitution or repatriation of any object(s) in the Horniman's collections.

The Chair has been appointed as the Board's lead in respect of Safeguarding.

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.

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.

*'To be clear, the museum, which sits in 16 acres of rolling gardens in Forest Hill (kept open for the duration of the pandemic, providing much-needed respite and recreation for local residents), is unequivocally brilliant.'*

*Nancy Durrant, [standard.co.uk](http://standard.co.uk)*

## 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

Michael Salter-Church\* (from 14.08.22)

Eve Salomon, Chair \* (to 13.08.22)

Eva Appelbaum

Caroline Cole \*

Roma Dibua

Surojit Ghosh \*

Simon Hesketh

Nico Iacuzzi \*

Clare Matterson (to 07.07.22)

Mayowa Ochere

Carole Souter

Helen Williams

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

### Audit Committee

Roma Dibua, Chair

Mayowa Ochere

Helen Williams

Nigel Prout (from 07.06.22)

### Remuneration Committee

Eve Salomon, Chair (to 13.08.22)

Clare Matterson (to 07.07.22)

Mayowa Ochere

Michael Salter-Church (from 4.08.22)

Carole Souter (from 18.04.23)

Eva Appelbaum (from 28.04.23)

### Capital Projects Board

Caroline Cole

Surojit Ghosh

Simon Hesketh

### Restitution and Repatriation Committee

Carole Souter, Chair

Sarah Kemp (to 05.05.23)

Surojit Ghosh (from 05.05.23)

Roma Dibua

### Chief Executive

Nick Merriman

### Secretary

Paula Thomas

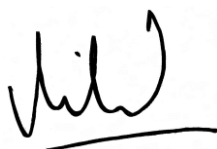
**Bankers:** Clydesdale Bank, 35 Regent Street, London, SW1Y 4ND

**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, 6<sup>th</sup> Floor, 9 Appold Street, London EC2A 2AP

The Trustees' Report on pages 1-28 has been approved by the Trustees and signed on their behalf:



Michael Salter-Church  
Chair

Date: 8 August 2023



Nick Merriman  
Accounting Officer

Date: 8 August 2023

## 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 28 of the Trustees' Report.

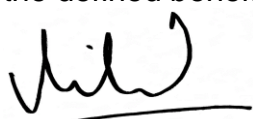
The Remuneration Committee may also consider matters relating to remuneration of other senior staff if requested to do so by the Board as well as considering and advising the Board on the general terms of any pay settlement proposed for staff as appropriate.

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:

	<b>31 March 2023</b>	<b>31 March 2022</b>
Real increase in pension	£1,165	£1,165
Total accrued	£8,976	£8,976
Salary	£110,000-£120,000	£110,000-£120,000
Non-consolidated bonus	£5,610	£0
Total remuneration	£120,000-£130,000	£110,000-£120,000
Median total remuneration	£28,553	£24,138
Ratio to median remuneration	4	5

As shown in note 11 of the financial statements, one other members of the Senior Management Team received emoluments in the range £60,000-£70,000 and two others in the range £70,000-£80,000. 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.



Michael Salter-Church  
Chair  
Date: 8 August 2023



Nick Merriman  
Accounting Officer  
Date: 8 August 2023

## 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.



Michael Salter-Church  
Chair  
Date: 8 August 2023



Nick Merriman  
Accounting Officer  
Date: 8 August 2023

## 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 2023.

### 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
- A Safeguarding Committee which meets quarterly to review safeguarding practices and procedures and address safeguarding concerns. The Chair is the Board lead for safeguarding
- Policies and procedures for protecting the Horniman including an anti-fraud policy, anti-bribery policy and whistleblowing policy
- Monthly reviews by the Senior Management Team and quarterly reviews by Trustees of financial reports which indicate financial performance against budgets and longer term forecasts
- 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.

The Horniman does not maintain any accounts or hold any funds, investments, donations or economic resources from the persons/organisations listed in the latest HM Treasury Notice on Financial Sanctions, Russia.

### **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 six times during the year ended 31 March 2023 via video conferencing or in person with attendance of 80%.

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 2020/21 and Moore Kingston Smith were reappointed. 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: Collections Care, Wellbeing, Safeguarding and Client Relationship Management System as well as carrying out a follow-up review of progress on the implementation of recommendations made during previous audits. Recommendations made by the auditors to strengthen internal controls in the 2022/23 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 2022/23 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.



Michael Salter-Church  
Chair  
Date: 8 August 2023



Nick Merriman  
Accounting Officer  
Date: 8 August 2023

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

### **Opinion**

We have audited the financial statements of the Horniman Public Museum and Public Park Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 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 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 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the 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 group's and parent charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

## Other information

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

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 their 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 30 and 31, 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.

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.

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

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.

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, 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.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.



## 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*

.....  
**Neil Finlayson (Senior Statutory Auditor)**

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

Date: 11 August 2023  
.....

6<sup>th</sup> Floor  
9 Appold Street  
London  
EC2A 2AP

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**      **Year ended 31 March 2023**  
**Incorporating an income and expenditure account**

	note	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
		2023	2023	2023	2022	2022	2022
		£'000	£'000	£'000	£'000	£'000	£'000
<b>INCOME AND EXPENDITURE</b>							
<b>Income from</b>							
Donations and legacies							
Grant in Aid	2	5,758	-	5,758	4,897	-	4,897
NPO grant	3	964	-	964	964	-	964
Other grants and donations	4	411	560	971	294	405	699
Total Donations and legacies		7,133	560	7,693	6,155	405	6,560
Other trading activities	5	709	-	709	503	-	503
Income from investments		17	-	17	7	-	7
Income from charitable activities	6	1,281	51	1,332	787	9	796
<b>Total income</b>		<b>9,140</b>	<b>611</b>	<b>9,751</b>	<b>7,452</b>	<b>414</b>	<b>7,866</b>
<b>Expenditure on</b>							
Raising funds	7	980	13	993	790	34	824
Charitable activities	8	7,622	969	8,591	6,948	844	7,792
<b>Total expenditure</b>		<b>8,602</b>	<b>982</b>	<b>9,584</b>	<b>7,738</b>	<b>878</b>	<b>8,616</b>
<b>Net income/(expenditure)</b>		<b>538</b>	<b>(371)</b>	<b>167</b>	<b>(286)</b>	<b>(464)</b>	<b>(750)</b>
Taxation credit	9	152	-	152	100	-	100
<b>Net income/(expenditure)</b>		<b>690</b>	<b>(371)</b>	<b>319</b>	<b>(186)</b>	<b>(464)</b>	<b>(650)</b>
Net gains on revaluation of fixed assets	17,18	361	1,820	2,181	314	1,032	1,346
Actuarial gains on defined benefit pension scheme		10,026	-	10,026	3,359	-	3,359
<b>Net movement in funds</b>		<b>11,077</b>	<b>1,449</b>	<b>12,526</b>	<b>3,487</b>	<b>568</b>	<b>4,055</b>
Fund balances brought forward		9,669	29,791	39,460	6,182	29,223	35,405
Fund transfers		11	(11)	-	-	-	-
<b>Fund balances carried forward</b>	<b>25</b>	<b>20,757</b>	<b>31,229</b>	<b>51,986</b>	<b>9,669</b>	<b>29,791</b>	<b>39,460</b>

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 income dealt with in the financial statements of the parent charity is £319k (2022: £319k).

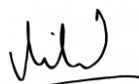
The notes on pages 43 to 57 form part of these financial statements.

**BALANCE SHEETS****At 31 March 2023****Company Registration Number: 2456393**

	note	<b>Group 2023 £'000</b>	<b>Museum 2023 £'000</b>	<b>Group 2022 £'000</b>	<b>Museum 2022 £'000</b>
<b>FIXED ASSETS</b>					
Heritage assets	16	566	566	539	539
Other tangible fixed assets	17	48,347	48,347	45,516	45,516
Intangible fixed assets	18	83	83	83	83
Investment in subsidiary	13	-	-	-	-
		<u>48,996</u>	<u>48,996</u>	<u>46,138</u>	<u>46,138</u>
<b>CURRENT ASSETS</b>					
Stocks		57	-	58	-
Debtors	19	856	983	532	671
Current asset investments (Notice deposits)		442	442	440	440
Cash	20	<u>5,713</u>	<u>5,596</u>	<u>2,961</u>	<u>2,829</u>
		7,068	7,021	3,991	3,940
<b>CREDITORS: amounts falling due within one year</b>	21	<u>2,837</u>	<u>2,795</u>	<u>1,102</u>	<u>1,056</u>
<b>NET CURRENT ASSETS</b>		<u>4,231</u>	<u>4,226</u>	<u>2,889</u>	<u>2,884</u>
<b>CREDITORS: amounts falling due in more than one year</b>	22	<u>964</u>	<u>964</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS excluding pension liability</b>		52,263	52,258	49,027	49,022
Pension liability	27	<u>277</u>	<u>277</u>	<u>9,567</u>	<u>9,567</u>
<b>NET ASSETS including pension liability</b>		<u>51,986</u>	<u>51,981</u>	<u>39,460</u>	<u>39,455</u>
<b>REPRESENTED BY:</b>					
Restricted income funds	25	31,229	31,229	29,791	29,791
Unrestricted funds	25	9,863	9,858	8,426	8,421
Revaluation reserve	25	11,171	11,171	10,810	10,810
Pension reserve	25	<u>(277)</u>	<u>(277)</u>	<u>(9,567)</u>	<u>(9,567)</u>
Total funds	25	<u>51,986</u>	<u>51,981</u>	<u>39,460</u>	<u>39,455</u>

These financial statements were approved and authorised for issue by the Trustees on 8 August 2023

Signed on behalf of the Trustees


Michael Salter-Church  
Chair

Nick Merriman  
Accounting Officer

The notes on pages 43 to 57 form part of these financial statements.

**CONSOLIDATED CASH FLOW STATEMENT****Year ended 31 March 2023**

	<b>Note</b>	<b>Group 2023 £'000</b>	<b>Museum 2023 £'000</b>	<b>Group 2022 £'000</b>	<b>Museum 2022 £'000</b>
<b>Cash flow from operating activities:</b>					
Net cash provided by operating activities	26	4,211	4,226	1,420	1,298
<b>Cash flow from investing activities:</b>					
Interest from investments		17	17	7	7
Purchase of property, plant and equipment		-1,476	-1,476	-781	-781
<b>Net cash used in investing activities</b>		<b>-1,459</b>	<b>-1,459</b>	<b>-774</b>	<b>-774</b>
<b>Increase in cash and cash equivalents in the year</b>		<b>2,752</b>	<b>2,767</b>	<b>646</b>	<b>524</b>
Cash and cash equivalents at the beginning of the year	26	2,961	2,829	2,315	2,305
<b>Cash and cash equivalents at the end of the year</b>	<b>26</b>	<b>5,713</b>	<b>5,596</b>	<b>2,961</b>	<b>2,829</b>

The notes on pages 43 to 57 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 it 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 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 objects.

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, estates 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 8.

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 FRS102.

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 2023 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 FRS102. The resulting gains and losses have been taken directly to the Revaluation Reserve, in accordance with FRS102.

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.

*i) 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 2022/23 are set out in Appendix I.

**3. National Portfolio Organisation Grant**

The Trust was allocated NPO status by ACE and secured funding for the period 2018-23. DCMS have committed to take over this funding from 1 April 2023.

**4. Other grants and donations**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2023	2023	2023	2022	2022	2022
	£'000	£'000	£'000	£'000	£'000	£'000
NLHF Project grants	-	463	463	-	99	99
Donations in kind	36	-	36	53	-	53
Coronavirus support grants	-	-	-	149	50	199
Legacies	173	-	173	30	-	30
Art Fund MOTY Prize money	100	-	100	-	-	-
Other grants and donations	102	97	199	62	256	318
	<u>411</u>	<u>560</u>	<u>971</u>	<u>294</u>	<u>405</u>	<u>699</u>

**5. Other trading activities**

	2023	2022
	£'000	£'000
<i>Unrestricted income</i>		
Contribution from Trading subsidiary		
Venue hire	126	127
Shop revenue	304	177
Café revenue	248	165
Other trading activities	7	15
Miscellaneous income	24	19
	<u>709</u>	<u>503</u>

**6. Income from charitable activities**

	2023	2022
<i>Unrestricted income</i>	£'000	£'000
Admissions and membership income	1,096	707
Schools sessions income	60	30
Events and family activities	101	22
Miscellaneous income	24	28
	<u>1,281</u>	<u>787</u>
<i>Restricted income</i>	51	9
Specific grants, donations and income	<u>1,332</u>	<u>796</u>

**7. Expenditure on Raising funds 2023**

Costs of generating voluntary income	330	60	390
Costs of other activities for generating funds	52	193	245
<b>Charity total</b>	<u>382</u>	<u>253</u>	<u>635</u>
Trading subsidiary costs	358	-	358
<b>Group total</b>	<u>740</u>	<u>253</u>	<u>993</u>

Direct Costs	Support Costs	Total
£'000	£'000	£'000
330	60	390
52	193	245
<u>382</u>	<u>253</u>	<u>635</u>
358	-	358
<u>740</u>	<u>253</u>	<u>993</u>

**Expenditure on Raising funds 2022**

Costs of generating voluntary income	250	49	299
Costs of other activities for generating funds	105	167	272
<b>Charity total</b>	<u>355</u>	<u>216</u>	<u>571</u>
Trading subsidiary costs	253	-	253
<b>Group total</b>	<u>608</u>	<u>216</u>	<u>824</u>

Direct Costs	Support Costs	Total
£'000	£'000	£'000
250	49	299
105	167	272
<u>355</u>	<u>216</u>	<u>571</u>
253	-	253
<u>608</u>	<u>216</u>	<u>824</u>

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

**8. Charitable Activities 2023**

<i>Access</i>			
Providing public access	2,795	1,337	4,132
Learning, public programmes and activities	905	378	1,283
	<u>3,700</u>	<u>1,715</u>	<u>5,415</u>
<i>Collections</i>			
Object purchase and donation	6	-	6
Collections development, care and management	1,121	922	2,043
	<u>1,127</u>	<u>922</u>	<u>2,049</u>
<i>Shaping the future</i>			
Business development	159	22	181
Development project revenue costs	806	54	860
Volunteering and sector support	69	17	86
	<u>1,034</u>	<u>93</u>	<u>1,127</u>
	<u>5,861</u>	<u>2,730</u>	<u>8,591</u>

Direct Costs	Support Costs	Total
£'000	£'000	£'000
2,795	1,337	4,132
905	378	1,283
<u>3,700</u>	<u>1,715</u>	<u>5,415</u>
6	-	6
1,121	922	2,043
<u>1,127</u>	<u>922</u>	<u>2,049</u>
159	22	181
806	54	860
69	17	86
<u>1,034</u>	<u>93</u>	<u>1,127</u>
<u>5,861</u>	<u>2,730</u>	<u>8,591</u>



**Charitable Activities 2022**

	Direct Costs £'000	Support Costs £'000	Total 2022 £'000
<i>Access</i>			
Providing public access	2,920	1,169	4,089
Learning, public programmes and activities	823	336	1,159
	3,743	1,505	5,248
<i>Collections</i>			
Object purchase and donation	18	-	18
Collections development, care and management	1,100	809	1,909
	1,118	809	1,927
<i>Shaping the future</i>			
Business development	463	37	500
Development project revenue costs	31	9	40
Volunteering and sector support	62	15	77
	556	61	617
	5,417	2,375	7,792

**Support cost allocation 2023**

Support cost	Income generation £'000	Shaping the future £'000	Access £'000	Collections £'000	Total £'000	Basis of allocation
Finance & admin.	27	38	135	41	241	% spend
Human Resources	42	17	146	34	239	head count
IT	31	22	142	88	283	work stations
Facilities mgt	142	1	1,236	741	2,120	floor area
Governance	11	16	56	17	100	% spend
Total	253	94	1,715	921	2,983	

**Support cost allocation 2022**

Support cost	Income generation £'000	Shaping the future £'000	Access £'000	Collections £'000	Total £'000	Basis of allocation
Finance & admin.	23	21	141	43	228	% spend
Human Resources	35	11	129	36	211	head count
IT	31	22	140	87	280	work stations
Facilities mgt	120	1	1,046	628	1,795	floor area
Governance	7	6	49	15	77	% spend
Total	216	61	1,505	809	2,591	

Remuneration paid to the auditors in 2023 amounted to £26k (2022 £19k).

**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 2023 or 2022.

The subsidiary Horniman Museum Enterprises Limited has no taxable profits in 2023 or 2022 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 2023.

The financial statements include £152k in income and other debtors.

**10. Staff costs**

	2023	2022
	£'000	£'000
Wages and salaries	4,166	3,826
Social security costs	394	338
Other pension costs	359	388
	4,919	4,552
Contingent labour costs	177	135
	5,096	4,687

Exit packages totalling £nil were paid to 0 employees during the year (2022 - £112k). 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, Communications and Income Generation  
 Director, Finance and Corporate Services

Total remuneration paid to these individuals amounted to £434k (2022: £404k)

The salary and pension entitlements of the Chief Executive are set out in the report of the Remuneration Committee on page 29. This falls into the bracket £120-130k. In addition 1 member of key management personnel listed received emoluments in the range £60- £70k (2022 - 3) and two others in the range £70-80k (2022 - 0). No other members of staff received emoluments above £60k. These employees are members of the defined benefit pension scheme on the same terms as other staff.

The Trustees neither received nor waived any emoluments during the year (2022 - 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 3 temporary contracts, was 153 (2022- 140). The number of full time equivalent employees at 31 March 2023 was 122.8 (2022-116.7) analysed into the following categories:

	2023	2022
Exhibitions	4.9	5.7
Collection Management and Care	9.1	8.9
Aquarium and Animal Walk	6.0	9.7
Learning and Volunteering	12.9	11.2
Curatorial	6.0	6.5
Visitor services	12.2	11.7
Gardens	9.0	8.0
Estates	21.0	19.2
Finance, IT, HR and Administration	9.7	8.2
Communications and Income Generation	24.5	23.6
Management	4.0	4.0
Nature + Love project	3.5	-
	122.8	116.7
Less: temporary contracts	4.6	2.7
	118.2	114.0

### 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 2023 were £5k (2022 - £5k).

#### b) Results of trading subsidiary

	2023 £'000	2022 £'000
Turnover	685	484
Cost of sales	-157	-94
Gross profit	528	390
Operating and administrative expenses	-217	-175
Operating profit	311	215
Gift aid to the Trust	-311	-215
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	8	7
Later than one year but not later than five years	28	27
	36	34

### 15. Capital Commitments

Capital commitments at 31 March 2023 amounted to £nil (2022 - nil).

### 16 Heritage Assets

#### 16.1 On-Balance-Sheet Heritage Assets

	Acquisitions at historic cost	Assets at valuation	Total
	£000	£000	£ 000
At 01.04.2022	336	203	539
Additions	-	-	-
Revaluation	-	27	27
At 31.03.2023	336	230	566

No capitalised collection objects were disposed of during the year.

#### 16.2 Three year financial summary of heritage asset transactions

	2022-2023		2021-2022		2020-2021	
	£'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 Horniman 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](http://www.horniman.ac.uk/about/museum-policies).

### **16.4 Collections management**

Two of the Horniman's three 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 31/03/23	Number capitalised at cost as at 31/03/23	Number capitalised at valuation as at 31/03/23
Musical Instruments	8,000	19	103
Anthropology	80,000	18	95
Natural History	250,000	0	0
Education Handling Collection	3,000	0	0
<b>TOTAL</b>	<b>341,000</b>	<b>37</b>	<b>198</b>

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 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 Horniman 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 Horniman 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 Horniman'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 sufficiently 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 Horniman management, curatorial staff, the public, or users of the financial statements. For this reason the Collections assembled up to the end of the twentieth century, large proportions of which were gifted to the Horniman at nil cost, and are incomparable in nature, are not recognised as assets in the Horniman'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 2022	539	6,039	8,595	40,887	-	56,060
Additions	-	387	-	1,087	2	1,476
Disposals/transfers	-	(61)	-	-	-	(61)
Revaluation	27	811	1,161	1,334	-	3,333
At 31 March 2023	566	7,176	9,756	43,308	2	60,808
<i>Depreciation</i>						
At 1 April 2022	-	4,329	5,676	-	-	10,005
Provided in year	-	223	313	253	-	789
Disposals	-	(61)	-	-	-	(61)
Revaluation	-	606	809	(253)	-	1,162
At 31 March 2023	-	5,097	6,798	-	-	11,895
<i>Net book value</i>						
At 31 March 2023	566	2,079	2,958	43,308	2	48,913
At 31 March 2022	539	1,710	2,919	40,887	-	46,055

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

Cost	422	4,568	5,866	21,942	2	32,800
Accumulated depreciation	-	(2,959)	(3,645)	(1,729)	-	(8,333)
NBV at 31 March 2023	422	1,609	2,221	20,213	-	24,467
NBV at 31 March 2022	422	1,392	2,455	18,674	-	22,943

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 2023 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. . 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 2022	100
Additions	-
Disposals/transfers	-
Revaluation	14
At 31 March 2023	114
<i>Depreciation</i>	
At 1 April 2022	17
Provided in year	10
Disposals	-
Revaluation	4
At 31 March 2023	31
<i>Net book value</i>	
At 31 March 2023	83
At 31 March 2022	83

	Group 2023 £'000	Museum 2023 £'000	Group 2022 £'000	Museum 2022 £'000
<b>19. Debtors</b>				
Trade and sundry debtors	350	300	95	53
Intercompany debtor	-	178	-	181
Current tax recoverable	183	183	94	94
VAT debtor	155	155	127	127
Prepayments	168	167	216	216
	<u>856</u>	<u>983</u>	<u>532</u>	<u>671</u>

With the exception of Prepayments all Debtors are financial instruments measured at present value.

As at 31 March 2023 the Group had no intra-Government balances above £1 million.

## 20. Cash

### *Short term deposits*

COIF Deposit Fund - Dolmetsch Fund	29	29	28	28
COIF Deposit Fund - Development Fund	106	106	104	104
Clydesdale term deposits	321	321	319	319
	<u>456</u>	<u>456</u>	<u>451</u>	<u>451</u>
Cash at bank and in hand	5,257	5,140	2,510	2,378
	<u>5,713</u>	<u>5,596</u>	<u>2,961</u>	<u>2,829</u>

## 21. Creditors: amounts falling due within one year

Trade & sundry creditors	2,016	1,983	745	702
Taxation and social security	95	95	89	89
Accruals	726	717	268	265
	<u>2,837</u>	<u>2,795</u>	<u>1,102</u>	<u>1,056</u>

Within trade and sundry creditors there is an amount owing for pension scheme liabilities of £47k (2022 - £43k).

Trade and sundry creditors also includes deferred income as follows:

Deferred income brought forward	192	154	153	118
Released to income in year	-192	-154	-144	-118
Deferred income in year	1205	1176	183	154
Deferred income carried forward	<u>1205</u>	<u>1176</u>	<u>192</u>	<u>154</u>

Deferred income carried forward is principally in respect of advanced grant in aid funding, 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 2023 the Group had no intra-Government balances above £1 million.

## 22. Creditors: amounts falling due in more than one year

Deferred income	<u>964</u>	<u>964</u>	<u>-</u>	<u>-</u>
-----------------	------------	------------	----------	----------

Deferred income carried forward for more than one year is in respect of advanced grant-in-aid funding.

## 23. Contingent Liabilities

There were no contingent liabilities at 31 March 2023.

**24. Analysis of group net assets between funds**

	Unrestricted funds	Restricted funds	Total 2023
<b>Fund balances at 31 March 2023 are represented by:</b>	£'000	£'000	£'000
Fixed assets	17,928	31,068	48,996
Current assets	6,909	159	7,068
Current liabilities	(2,837)	-	(2,837)
Creditors: more than one year	(964)	-	(964)
Pension liability	(277)	-	(277)
<b>Total net assets</b>	<b>20,759</b>	<b>31,227</b>	<b>51,986</b>

**25. Statement of Funds 2023**

	1 April 2022	Income & transfers	Revaluation surplus/ (deficit)	Expenditure	31 March 2023
	£'000	£'000	£'000	£'000	£'000
<b>Restricted income funds</b>					
Dolmetsch fund	13	-	-	-	13
Apostle Clock	18	-	-	(2)	16
Gardens Development	9	-	-	(1)	8
Nautre + Love project	-	462	-	(453)	9
Other grants and donations	127	136	-	(150)	113
Total donated assets reserve	29,624	2	1,820	(376)	31,070
<b>Total restricted funds</b>	<b>29,791</b>	<b>600</b>	<b>1,820</b>	<b>(982)</b>	<b>31,229</b>
<b>Unrestricted funds</b>					
<i>Designated funds:</i>					
Capital projects fund	5,720	1,474	-	(423)	6,771
Development fund	1,600	168	-	(289)	1,479
Museum of the Year projects	-	100	-	-	100
	7,320	1,742	-	(712)	8,350
<i>General funds:</i>					
Income and expenditure	1,106	7,561	-	(7,154)	1,513
<i>Unrestricted funds excluding pension reserve</i>	<i>8,426</i>	<i>9,303</i>	<i>-</i>	<i>(7,866)</i>	<i>9,863</i>
<b>Revaluation reserve</b>	10,810	-	361	-	11,171
<b>Pension reserve</b>	(9,567)	-	10,026	(736)	(277)
<b>Total funds</b>	<b>39,460</b>	<b>9,903</b>	<b>12,207</b>	<b>(9,584)</b>	<b>51,986</b>

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.

The Trustees have confirmed the designation of an additional £168k to the Development fund and confirmed the use of that fund for future development of the Horniman. This will be used to develop and underwrite our fundraising for matching funding for the Nature + Love project and other development projects over the next five years.

During the year the Trustees also designated the £100k prize money received from the Art Fund for Museum of the Year to be used for specific projects.

The Dolmetsch Fund represents money donated for the maintenance of the Dolmetsch collection of musical instruments.

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 2023 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 2022**

	1 April 2021	Income & transfers	Revaluation surplus/ (deficit)	Expenditure	31 March 2022
	£'000	£'000	£'000	£'000	£'000
<b>Restricted income funds</b>					
Dolmetsch fund	13	-	-	-	13
Apostle Clock	19	-	-	(1)	18
Gardens Development	13	-	-	(4)	9
CPS project	79	(75)	-	(4)	-
Other grants and donations	288	333	-	(494)	127
Total donated assets reserve	28,811	156	1,032	(375)	29,624
<b>Total restricted funds</b>	29,223	414	1,032	(878)	29,791
<b>Unrestricted funds</b>					
<i>Designated funds:</i>					
Capital projects fund	5,485	625	-	(390)	5,720
Development fund	1,025	575	-	-	1,600
	6,510	1,200	-	(390)	7,320
<i>General funds:</i>					
Income and expenditure	1,104	6,352	-	(6,350)	1,106
Unrestricted funds excluding pension reserve	7,614	7,552	-	(6,740)	8,426
<b>Revaluation reserve</b>	10,496	-	314		10,810
<b>Pension reserve</b>	(11,928)	-	3,360	(999)	(9,567)
<b>Total funds</b>	<b>35,405</b>	<b>7,966</b>	<b>4,706</b>	<b>(8,617)</b>	<b>39,460</b>

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

	Group 2023	Museum 2023	Group 2022	Museum 2022
	£'000	£'000	£'000	£'000
<b>a) Net income/(expenditure)/income for the reporting period (as per the statement of financial activities)</b>	319	319	(650)	(650)
<b>Adjustment for :</b>				
Depreciation/amortisation charges	799	799	763	763
Dividends, interest and rents from investments	(17)	(17)	(7)	(7)
Pension finance cost	243	243	237	237
Excess pension service cost over contributions	493	493	761	761
(Increase)/decrease in stock	1		(4)	-
(Increase)/decrease in debtors	(324)	(312)	22	(98)
(Increase)/decrease in current asset investments	(2)	(2)	315	315
Increase/(decrease) in creditors	2,699	2,703	(17)	(23)
<b>Net cash provided by operating activities</b>	<b>4,211</b>	<b>4,226</b>	<b>1,420</b>	<b>1,298</b>
<b>b) Analysis of cash and cash equivalents and changes in net debt</b>				
Cash in hand	5,713	5,596	2,961	2,829
Notice deposits( less than 3 months)				
Overdraft facility repayable on demand	-	-	-	-
<b>Total cash and cash equivalents</b>	<b>5,713</b>	<b>5,596</b>	<b>2,961</b>	<b>2,829</b>

## 27. Pension Scheme

Pension contributions made during the year were £359k (2022 - £382k).

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 FRS102 disclosures has been based on the most recent actuarial valuation as at 31 March 2022 and updated to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at 31 March 2023. Scheme assets are stated at their market value at 31 March 2023. 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:

	2023	2022
<i>Financial</i>	% p.a.	% p.a.
Salary increases rate	3.90%	4.25%
Pension increases	2.90%	3.25%
Discount rate	4.80%	2.60%
<i>Mortality (based on retirement at age 65)</i>	years	years
Current Pensioners Males	19.4	21.0
Females	24.0	24.1
Future Pensioners Males	22.5	23.1
Females	25.2	25.7

	2023	2022
<b>The amounts recognised in the balance sheet are as follows:</b>	£'000	£'000
Fair value of Employer Assets	17,372	17,026
Present value of Funded Liabilities	-17,391	-26,593
<b>Net (Liability)</b>	<b>-19</b>	<b>-9,567</b>

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

Service cost	898	1,223
Interest cost	243	238
Administration cost	5	19
<b>Total Loss</b>	<b>1,146</b>	<b>1,480</b>
Actuarial Gains	10,284	3,359
Cumulative (Losses)	-	-2,726

**Reconciliation of defined benefit obligation**

Opening Defined Benefit Obligation	26,593	26,532
Current Service Cost	898	960
Past service cost	-	263
Interest Cost	683	530
Changes in Financial Assumption	-10,773	-1,293
Changes in demographic assumptions	-756	-
Experience loss/(gains)	1,392	52
Contributions by Members	143	137
Estimated Benefits Paid net of transfers in	-789	-588
Closing Defined Benefit Obligation	<u>17,391</u>	<u>26,593</u>

**Reconciliation of fair value of employer assets**

Opening Fair Value of Employer Assets	17,026	14,604
Interest on Assets	440	292
Return on assets less interest	-218	2,118
Other actuarial (losses)	107	-
Contributions by Members	143	137
Contributions by the Employer	410	482
Administration expenses	-5	-19
Benefits Paid	-789	-588
Closing Fair Value of Employer Assets	<u>17,114</u>	<u>17,026</u>

**Amounts for the current and previous accounting periods:**

	31.03.23	31.03.22	31.03.21	31.03.20	31.03.19
	£'000	£'000	£'000	£'000	£'000
Value of assets	17,114	17,026	14,604	12,539	12,658
Present value of liabilities	-17,391	-26,593	-26,532	-19,905	-20,537
(Deficit)	-277	-9,567	-11,928	-7,366	-7,879

Employer's contributions for the year to 31 March 2024 are estimated to be approximately £331k.

**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 Heritage Lottery 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 £19k were made to the Trust by 10 Trustees (2022 £7k - 5 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 information on page 59 has been prepared from the accounting and other records of the group. While it does not form part of the statutory financials statements, it should be read in conjunction with them and the auditors' report thereon.

<b><u>DCMS Performance indicators Annual Outturn</u></b>	<b>2022-23 actual</b>	<b>2021-22 actual</b>
<b>Key performance indicators</b>		
No. of visits to the museum excluding virtual visits	714k	331k
Charitable giving (fundraising)	£849k	£946k
<b>Other Performance Indicators</b>		
<b>Access</b>		
No. of unique website visits	636k	539k
<b>Audience profile</b>		
No. of visits by children under 16	211k	117k
No. of overseas visits	54k	3k
<b>Learning</b>		
No. of facilitated & self-directed visits to the museum/gallery by children under 18 in formal education	31	12
No. of instances of visitors under 18 participating in on-site organised activities	8500	1,893
<b>Visitor satisfaction</b>		
% of visitors who would recommend a visit	94%	94%
<b>Self-generated income</b>		
Admissions income (gross)	£778k	£460k
Trading income (net profit)	£311k	£216k
<b>Regional engagement</b>		
No. of UK loan venues	20	16