

Registered number: 03446298
Charity number: 1067884

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2020**

Trustees	The Hon. E A H Boscawen DL Mr J D W Cunliffe Mr P W Davies MBE DL, (Chairman to 20 June 2019) Mr R M Holmes Mr S Hunt Mrs T R Mann Mr A J Pawlyn Ms S V Pugh Mr P Searle Mr S P Sherrard DL, (Chairman from 20 June 2019) Mrs H Stembridge Mr B Steward Mr S Tregoning
Company registered number	03446298
Charity registered number	1067884
Registered office	Discovery Quay Falmouth Cornwall TR11 3QY
Company secretary	Mr R M Doughty
Director of the museum	Mr R M Doughty
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Chy Nyverow Newham Road Truro Cornwall TR1 2DP
Bankers	National Westminster plc 29/30 Market Street Falmouth Cornwall TR11 3AT
Solicitors	Wolferstans Solicitors Deptford Chambers 60-66 North Hill Plymouth Devon PL4 8EP

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

The Trustees present their annual report together with the audited financial statements of the National Maritime Museum Cornwall Trust for the year 1 April 2019 to 31 March 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

OBJECTIVES AND ACTIVITIES

Policies and objectives

To promote the education of the public in maritime history and current maritime developments for the benefit of the inhabitants of Cornwall and elsewhere and in particular (but without prejudice to the generality of the foregoing) the charity shall seek to:

- establish, operate and preserve a Museum in Falmouth ("the Museum") to display the national boat collection of the National Maritime Museum and the Cornish collection effectively in a waterside site;
- acquire, lease or borrow exhibits, static or floating, for the Museum and carry out restoration and research in relation to the same for the purpose of displaying them;
- improve the national boat collection to provide a systematic representation of the boat tradition of the United Kingdom
- carry out works for the establishment, improvement and development of the Museum
- extend the Museum's reputation as a national centre for boat expertise
- support research into maritime matters especially in relation to their history, interpret Cornwall's maritime role in a national context and provide a focal point for Cornish maritime research; and
- provide educational and lecturing facilities and tours at the Museum.

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

Strategies for achieving objectives

Key strategic projects included meeting the needs and motivations of visitors through:

- the development and implementation of an active exhibition and activities programme drawing on the Museum's collections, expertise and research; and
- fostering collaborative working and encourage volunteering.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

OBJECTIVES AND ACTIVITIES (continued)

Principal activities of the year

The principal activities of the charity in the year under review were those of the running of the National Maritime Museum Cornwall in Falmouth, together with trading operations carried on by its subsidiary companies, Discovery Quay Enterprises Limited (DQE), Discovery Quay Enterprises (Trading) Limited (DQET) and Discovery Quay Square Limited (DQS). These trading operations with the exception of DQS are to assist in fund raising and income generation through retail, catering and other services for National Maritime Museum Cornwall Trust.

During the year DQE provided management services at the Museum's satellite site at Ponsharden, DQET provided management, trading and fund raising services at the main site and DQS owned and operated a public amenity open square for events adjoining the museum. During the year the companies (excluding DQS) made gift aid payments of £398,407. Further details regarding these subsidiaries can be found in the notes to the Financial Statements.

The main visible public benefit of the charity's work is the opening of the Museum to the public for 363 days a year, providing an informative and educational experience for the general public, formal and informal learning groups and our diverse communities of interest. Through this work, the charity seeks to widen knowledge and appreciation of the maritime heritage in line with its stated aims.

Staff and volunteers

The Museum is run by a team of staff and volunteers led by a director. The staff are responsible for planning and all business aspects of the charity. The volunteers provide essential support in seven key areas: front of house, galleries, education, boat management, collections, library and office.

The number of volunteers remained at around 180 representing a joint contribution in excess of 30,000 hours of their time to the Museum. We are indebted to our volunteers who help us to build on our success as the most visited museum in Cornwall. Quite simply we would struggle to operate without their sterling contribution.

We are most grateful to our volunteers and staff for all their enthusiasm and hard work.

ACHIEVEMENTS AND PERFORMANCE

Fundraising activities

With support from Arts Council England (ACE), DCMS Wolfson, Garfield Weston Foundation and the Sir John Fisher Foundation, we successfully mounted a major temporary exhibition entitled, 'Monsters of the Deep: Science, Fact and Fiction'. The exhibition budget was £353,000, of which £163,000 was secured from Trusts and Foundations, including an ACE National Lottery Project Grant of £49,995 awarded under the open-access 'Grants for the Arts' programme. The ACE assessors concluded the application was: 'outstanding and very clearly demonstrates a highly relevant track record of developing, designing, installing and launching large and complex exhibitions including a range of challenging collections, including fragile and mixed materials, from multiple partners, providing confidence that the proposed activity is highly likely to be delivered successfully. The activity is realistic and well planned, with the detail within the project plan section providing confidence that the activity is highly likely to be effectively and successfully delivered.'

In addition the Museum supported an ACE application made on behalf of Yskynna Aerial Dance Company who secured a grant of £50,000 towards the cost of mounting complementary performances in the museum over Easter and Summer holidays during 2020 (now deferred to 2021) to augment 'Monsters of the Deep'.

'Monsters of the Deep' also benefitted from a £96,500 grant from DCMS Wolfson which paid for the replacement of the lighting rig in the temporary exhibition gallery and a new Panelock walling system.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

ACHIEVEMENTS AND PERFORMANCE (continued)

The Coastal Communities Fund Team, Cities and Local Growth Unit awarded the museum a Grant Funding Agreement to help us realise a long held ambition to get our visitors out onto the water. Heritage boat trips ran from mid-July until early September 2019, and comprised guided tours of Falmouth harbour in restored historic boats, including Jonik, a motor launch built in Fowey in 1934 and Sea Queen, a fishing boat built in Mevagissey in 1924. Over the course of the year considerable progress was made in restoring and refurbishing Emma, a 1912 steam launch, which we had planned to include in the boat tours offer from 2020.

'Wood to Water', a temporary exhibition of works by artist James Dodds opened to the public on 3rd October 2019 in a newly created temporary exhibition gallery on the second floor of the museum, funded by a grant of £37,000 from the Sir John Fisher Foundation (which has enabled the museum to purchase a moveable walling system and an LED lighting rig for use in its new art gallery).

Review of achievements and performance during the year

'Monsters of the Deep' was developed in partnership with the National Oceanography Centre in Southampton. It is a visually stunning, ground-breaking exhibition exploring our fascination with the ocean depths. It is also an unashamedly entertaining and surprising visitor experience, mixing circus theatrics with cutting edge academic research to explore the historical, scientific and cultural impact of underwater discovery, set against the persistent belief in sea monsters. As such it is the most ambitious and logistically complex exhibition ever mounted by the Museum.

A considerable amount of effort has been invested in the production of this exhibition. It has been designed to attract and entertain a high number and diverse range of audiences at the same time as being challenging and socially relevant - inviting visitors to reflect on the objects we collect and the stories we tell and thereby helping to shape our visitors understanding of the world. Monsters of the Deep delivers national-quality design and production values, including the experimental use of digital and multi-media technology, to showcase iconic artefacts on loan from major regional and national collections. The loans, together with a wider planned programme of cross-arts events and specially commissioned performances, have been achieved through highly productive cross-sector partnerships – including national science and regional arts organisations (National Oceanography Centre, Miracle Theatre and Yskynna Aerial Dance Company).

In common with previous major temporary exhibitions this show places iconic artefacts from national and regional collections in new contexts and provides new narratives. For example, borrowing the world's first natural history encyclopaedia, the 1491 Hortus sanitatis, on loan from Cambridge University Library, and interpreting it next to a complete killer whale skeleton from the Booth Museum of Natural History, or displaying the Elerky Estate Atlas from Cornwall Record Office next to a rare celestial globe by Gerard Mercator, from the Royal Observatory Collection. Additional key exhibits were loaned by Royal Museums Greenwich; The British Museum, Science Museum; University of Cambridge Library; The Great Museum of the North, Leeds City Museums Service, and the Toulouse Museum of Natural History.

The exhibition builds on the popular and critical success of previous temporary exhibitions (Viking Voyagers, Tattoo: British Tattoo Art Revealed, Captain Bligh: Man Myth and Mutiny, and Titanic Stories: Contemporary Voices). These exhibitions were very effective in attracting and re-engaging our traditional audiences, but also in meeting the needs and interests of new and very diverse audiences, many of whom would not consider themselves traditional museum visitors. In the case of Monsters of the Deep, our aim is to continue to break down social and cultural barriers – not only by appealing to a wide, popular audience (i.e. local and tourist families, school groups and adults interested in underwater exploration, mermaids and sea monsters) but also by engaging people interested in marine biology, the mysterious and unexplained, the gothic and paranormal).

The master narrative for 'Monsters of the Deep' was created with the critical input of several leading academics, either on a freelance basis or via an informal partnership with relevant university departments. This approach enabled the Museum to draw upon the latest academic expertise and critical perspectives, often featuring them as distinct, counter-pointing 'voices' within the narrative. For 'Monsters of the Deep' we were worked with the following subject specialists:

- Dr Darren Naish: principal guest curator responsible for shaping the master narrative. Dr Naish is a

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

renowned palaeontologist and expert on cryptozoology. He has published several popular books on prehistoric animals, and contributed to highly acclaimed BBC Walking with Dinosaurs: the Evidence.

- Dr Tammy Horton, Curator of the National Oceanographic Centre's Discovery Collection. Dr Horton provided the scientific framework for the interpretation of the deep sea specimens.
- Dr Jon Copley, University of Southampton and one of the world's leading oceanographers, helped produce the historical timeline of scientific discovery.
- Isabel Stevens, film critic at Sight and Sound magazine, provided a critical perspective on the role and social impact of sea monster movies within popular culture..
- Dr Bryony Oncuil, Associate Professor in History and Museum Studies, Exeter University, produced a series of panels to challenge visitors to reflect on the role museums play in creating social meaning through collecting, displaying and labelling objects as well as linking the main exhibition and a specially commissioned artist installation entitled 'The Viktor Wynd UnNatural History Museum'.

'Monsters of the Deep' also continues our commitment to artistic and cultural risk-taking which began with 'Tattoo: British Tattoo Art Revealed'. In this case, the Museum worked with artist Viktor Wynd to create 'Viktor Wynd's UnNatural History Museum'. This installation, located at the end of the exhibition and much expanded from the initial concept, picks up and plays with many of the ideas, themes and displays in the main exhibition – presenting objects that question what is natural or unnatural, real or fake, beautiful or ugly, with labels and stories that play with our comfortable acceptance of 'truth' in museums. Transitioning to this space are a series of displays that challenge visitors to reflect the role museums play in creating meaning with our culture and society i.e. raising questions about the objects we collect, the meaning we ascribe, the stories we tell, who tells them and what audiences they are for.

The Museum's Museum Accreditation renewal fell due in late August 2019. This Arts Council England (ACE) scheme, which had recently undergone a major overhaul, is designed to encourage museums to review how they are run, how they manage their collections and engage with their users. It offers an opportunity not only to benchmark but to review performance and set new standards and milestones. In preparation for the application the Museum's Board adopted ten new and/or revised policies. Collectively this body of work represents a significant step change in the quality, scope and ambition of the Trust's policies, plans and procedures. They include: Access Policy; Bartlett Collections Policy; Boat Collection Policy; Collections Care and Conservation Policy; Collections Development Policy; Display and Interpretation Policy; Documentation Policy; Human Remains Policy, Volunteers Policy and Learning Policy. Together with updated plans underpinning these policies including: Access Plan; Audience Development Plan; Business Plan; Care and Conservation Plan; Documentation Plan; Emergency/Disaster Plan (for both the Museum and Ponsharden Boat Store and Workshop - including Salvage Plans); Volunteers Handbook and Marketing Plan.

The Museum was awarded full Museum Accreditation on 27th February 2020 and our new plans will be used to help shape our future work. For example, our Learning Policy commits us to delivering the largest and highest profile programme of museum learning and public/community engagement in Cornwall. We currently reach more than 60% of Cornwall's primary schools) and our family learning programme delivers free cross-arts events and activities to over 17,000 children in local and tourist families.

During the year notable progress was made in consolidating the museum's reputation as a unique and major cross-arts venue in Cornwall, commissioning and delivering high-quality, thrilling and artistically complex events and installations. Of particular note was the breath-taking 'Girl and her Shadow' show staged by Yskynna during the October half-term holiday.

In 2018 the Museum committed resources to begin working in new, genuinely collaborative ways to help coastal communities around Cornwall research and tell their own stories. We celebrated the first results of this co-production initiative in September 2019 with the launch of an exhibition entitled 'Porthleven'. The content of this travelling exhibition was produced by a group of 23 Porthleven residents. Following a series of skill-sharing workshops about exhibition production and heritage decision making led by the Director and Curator, the project group were given guidance and financial support in curating their own story about the development of the town following the construction of its harbour in 1811. The museum also paid for a duplicate set of information panels

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**TRUSTEES' REPORT (CONTINUED)
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ACHIEVEMENTS AND PERFORMANCE (continued)

which it gave to the participants as a heritage resource for the village itself.

The success of the Porthleven exhibition shows that the Museum is well placed to take a local leadership role in supporting, publicising and connecting the development of heritage activity across Cornwall's coastal communities and we will be seeking to roll this community participation and engagement work to other Cornish communities (subject to funding).

'Wood to Water', an exhibition of the work of James Dodds opened to the public on 3rd October 2019 in a newly created temporary exhibition gallery on the second floor of the Museum, funded by grants from DCMS Wolfson and the Sir John Fisher Foundation (which has enabled the museum to purchase a moveable walling system and an LED lighting rig). This is the Museum's second collaboration with the British artist James Dodds. His work, which follows the coastal variations of the simple workboat, formed the basis of the first temporary exhibition hosted by the Museum when it opened to the public in 2002. 'Wood to Water' is inspired by the vernacular boats of the different regions of the British Isles and focuses on Cornwall and the boats of Falmouth. The exhibition showcases paintings, linocuts and relief carving, and includes a painting of Curlew, a rare example of a Falmouth Quay Punt held in our collection, amongst his new body of work. James intends to take the exhibition on tour when it finishes its run at the Museum.

During the year our relationship with RNLI was reinvigorated through a collaboration culminating in the creation of a new semi-permanent exhibition entitled 'Respect the Water' which was designed, installed and launched as a partnership project in July 2019. Negotiations have since been initiated to explore the potential for the Museum to become a semi-permanent 'home' to part of RNLI heritage collections.

During 2017 the Museum brought together the latest academic research combined with the largest gathering of original tattoo artwork and artefacts ever assembled by a UK Museum for an exhibition entitled 'Tattoo: British Tattoo Art Revealed'. The show was designed to challenge cultural perceptions about Tattoos and Tattooing as an art and to bring a new and diverse audience into the Museum space. Following its successful run in the Museum the decision was made to take the exhibition on a three year national tour. During 2020 all participating museums had a similar profile: they were located in coastal towns and ranked in the top percentile of the most deprived areas in the country. Each host used the exhibition as a springboard to create extraordinary projects relevant to their capacity, collection and community. We aim to take this popular, accessible and socially relevant approach further with our next project which will explore Piracy through the lens of contemporary identity politics, reaching out to and co-curating key elements with LGBTQ+ representatives. For example, 'Tattoo on tour' attracted about 16,000 paying visitors to M Shed in Bristol and 22% of those attending the exhibition had not previously visited any of the local authority run museums in Bristol.

FINANCIAL REVIEW

Financial performance and position

The results for the year and financial position of the Trust at 31 March 2020 are presented in the annexed financial statements. Group reserves stood at £24,416,385 (2019: £24,982,906). The movement on restricted funds is dominated by the depreciation charge on the museum's building and as such we consider the unrestricted funds position to give a better indicator of our underlying financial position. In the year, our unrestricted funds decreased by £263,596 to £2,079,252.

We expected to see a deficit in the year due to the significant investment in our latest major temporary exhibition, Monsters of the Deep. However, the actual result for the year was worse than hoped for, principally due to visitor numbers for the year (110,490) being nearly 20,000 less than budgeted for. In hindsight, expecting this many visitors in the second year of our biennial major exhibition cycle was overly optimistic. We also fell just short of our grant funding target for our new exhibition.

Plans for future periods

Our key priority is to ensure the sustainability of the Museum through a programme of lively and appealing

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

FINANCIAL REVIEW (continued)

exhibitions, carefully targeted marketing and the maximisation of benefit from the trading activities and estate. We had a strong, successful business before the pandemic, based on successful efforts to secure and strengthen existing income streams and by engendering a culture of experimentation to maximise new income generating opportunities.

In response to COVID-19 we are refocussing on our core operations, the Museum and our education programmes, until such a time as we have greater certainty over the future. We are considering rescheduling the opening of our next major temporary exhibition 'Pirates' from Easter 2022 until Easter 2023 and are in discussion with potential stakeholders. If delayed the public will have a further year to experience 'Monsters of the Deep', following the disruption we have seen in 2020, and it will also give us more time to build the reserves and fundraise to ensure we can invest adequately in our next major temporary exhibition.

Our ambition for 'Pirates' is to use the show to pilot a radical exhibition development model for an on-going and post COVID-19 economy and to make a high profile critical cultural intervention in how we talk about one of the most foundational aspects of our national maritime story. As with Tattoo we are keen to tour the exhibition particularly targeting museums in areas of social, economic and cultural deprivation across England, by tapping into the enduring appeal of 'pirates' to attract and engage traditional audiences as new, non-traditional and under-represented visitors. We will therefore investigate the option of developing versions of the exhibition model, or preferably through a more innovative, mixed licencing and co-production partnership model.

Post year end events

The enforced closure of the museum on 17th March 2020 came two days before the launch of our new major temporary exhibition, 'Monsters of the Deep' and the premiere of a stunning aerial dance production, 'Into the Blue', which was scheduled to be performed over the Easter and summer school holidays by the Yskynna Vertical Dance Company. The extended closure of the museum had a devastating impact on our ability to recover the significant investment made in these and other projects and placed our resources under considerable strain.

At the outset of the pandemic the Museum undertook a rigorous process of financial risk assessment and modelling to help us plan for different eventualities. This included potentially closing the museum for an extended period of time. In early July 2020 we were elated to have been awarded £250,000 from the National Lottery Heritage Emergency Fund. This helped underwrite some of the losses that resulted from the prolonged period of closure, but also gave us the confidence to plan for reopening.

A skeletal operations team was brought back in mid-July to implement new safety measures and to reconfigure the visitor experience, enabling us to reopen the Museum to the public on 27 July 2020. Visitor feedback for both the exhibition and the overall visitor experience has been extremely encouraging. Media reviews have also been very positive. Following on from articles in the FT Magazine and the Daily Telegraph, The Times (31st July 2020) gave 'Monsters of the Deep' a lengthy four-star accolade.

As a result of the COVID-19 Secure measures we necessarily implemented, our trading since reopening was far weaker than a normal summer season. We were then faced with heading into winter, when we always operate at a deficit, with significantly reduced reserves. In October 2020 we received the fantastic news that we had been successful in our application for £485,000 from Arts Council England's Culture Recovery Fund. This funding was specifically aimed at supporting us through winter and allowing us to remain open, at least while permitted to do so.

Going Concern

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

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

FINANCIAL REVIEW (continued)

Reserves & investment policy

It is the intention of the Trustees to ensure that there are sufficient free reserves to:

- allow for the seasonal nature of income and expenditure;
- allow for annual fluctuations in visitor numbers;
- support the investment in future programming; and
- provide financial flexibility and security to face unexpected events.

At 31 March 2020 the charity's consolidated unrestricted reserves stood at £2,079,252 (2019: £2,342,848), whilst free reserves (calculated as unrestricted funds held in the form of current assets less creditors due within one year) stood at £583,532 (2019: £383,898). This represented four months' expenditure and is lower than the level Trustees are comfortable with but they acknowledge this marked the cash low point in the biennial exhibition investment cycle.

At the year end £548,717 (2019: £1,018,239) was held in the investment fund, which was established to provide an income stream for the Museum and in the future will form the keystone funding required for the Enterprise Project. Prior to the year end, the Museum divested the investment funds from the previous fund manager and was in the process of reinvesting them in two charity-specific investment funds at the year-end. However, the outbreak of COVID-19 and the resulting impact on the stock markets led the Museum to delay this process and as a result £380,000 had yet to be reinvested at the year end. This sum has since been reinvested, together with a further £300,000 to replenish the amount that was drawn down in February 2019 to cover the recoverable VAT on the purchase of the museum car park.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity is registered as a charity company limited by guarantee and was incorporated on 8 October 1997. It is governed by its memorandum and articles of association.

The charity and the group are constituted under a Memorandum of Association dated 8 October 1997, as amended by Special Resolution dated 20 September 2018, and the Museum's registered charity number is 1067884.

Methods of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

The members of the Board of Directors of the charitable company ("the charity") are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees. The Trustees are elected by the Board. A Trustee retiring by rotation is eligible for re-election. The Trustees during the year under review were those listed on page 1. New Trustees are given appropriate guidance about their obligations by the chairman and existing Trustees and by reference to the Charity Commission notes.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure and decision-making policies

The Board of Trustees, which must have a minimum of three members but has no maximum and normally meets four times a year, administer the charity. There are three sub-committees to the board:

Audit, Finance & Investments	Mr R Holmes (c), Mr P Davies MBE, Mr S Sherrard, Mrs E Winsor
Nominations	Mr S Sherrard (c), Mrs T Mann
Acquisitions	Dr H Doe (c), Mr A Pawlyn, Mr G English

Policies adopted for the induction and training of Trustees

The Charity provides a full induction programme for new Trustees. This includes providing Trustees access to a suite of files including a Trustee Handbook. From time to time each Trustee can attend training and trustees' networking events covering aspects of Governance and trustee responsibilities.

Pay policy for key management personnel

The Trustees are responsible for setting Museum policy and the Senior Management Team are responsible for implementing policy and directing, controlling, and running the operation of the Museum. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other comparable institutions of a similar size run on a voluntary basis. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to a reasonable percentage for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. The process of review is ongoing and risk management is considered as part of the decision making process.

Information on fundraising practices

The Museum Director leads the Trust's fundraising efforts supported by other members of the staff team. Our fundraising activities are primarily directed towards trusts and foundations, not individuals. Where we do receive donations from individuals, it will typically be of their own initiative.

FUNDS HELD AS CUSTODIAN

There are no funds held by the Charity on behalf of another charity, other than the funds collected by its subsidiary company Discovery Quay Square (DQS), from its local residents towards the maintenance of the sea wall surrounding Discovery Quay Square. The funds are held by DQS in a separate deposit account.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

Disclosure of information to auditors

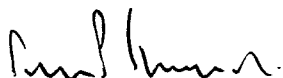
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

Auditors

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

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



.....
Mr S P Sherrard DL
(Chair of Trustees)

Date: 03/12/2020

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM
CORNWALL TRUST**

Opinion

We have audited the financial statements of National Maritime Museum Cornwall Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows, the Charity Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2020 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM
CORNWALL TRUST (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

Responsibilities of trustees

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

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

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL MARITIME MUSEUM
CORNWALL TRUST (CONTINUED)**

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

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

Use of our report

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



Alison Oliver FCA (Senior statutory auditor)

for and on behalf of
Bishop Fleming LLP

Chartered Accountants
Statutory Auditors

Chy Nyverow

Newham Road

Truro

Cornwall

TR1 2DP

Date: 23/12/2020

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	187,500	30,217	217,717	219,269
Charitable activities	4	250,491	859,463	1,109,954	1,107,371
Other trading activities	6	-	875,103	875,103	924,182
Investments	7	-	30,526	30,526	40,180
Total income		437,991	1,795,309	2,233,300	2,291,002
Expenditure on:					
Raising funds		-	224,718	224,718	259,988
Charitable activities		558,051	1,927,087	2,485,138	1,973,211
Total expenditure		558,051	2,151,805	2,709,856	2,233,199
Net (losses)/gains on investments		-	(89,965)	(89,965)	25,235
Net expenditure		(120,060)	(446,461)	(566,521)	83,038
Transfers between funds	21	(182,865)	182,865	-	-
Net movement in funds		(302,925)	(263,596)	(566,521)	83,038
Reconciliation of funds:					
Total funds brought forward		22,640,058	2,342,848	24,982,906	24,899,868
Net movement in funds		(302,925)	(263,596)	(566,521)	83,038
Total funds carried forward		22,337,133	2,079,252	24,416,385	24,982,906

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

The notes on pages 19 to 44 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	21,920,903	22,208,347
Investments	15	548,717	1,018,239
Investment property	14	3,123,193	3,120,211
		<u>25,592,813</u>	<u>26,346,797</u>
Current assets			
Stocks	16	70,793	72,805
Debtors	17	287,089	572,766
Cash at bank and in hand		1,279,182	632,863
		<u>1,637,064</u>	<u>1,278,434</u>
Creditors: amounts falling due within one year	18	(1,002,745)	(803,234)
Net current assets		<u>634,319</u>	<u>475,200</u>
Total assets less current liabilities		<u>26,227,132</u>	<u>26,821,997</u>
Creditors: amounts falling due after more than one year	19	(1,810,747)	(1,839,091)
Net assets excluding pension asset		<u>24,416,385</u>	<u>24,982,906</u>
Total net assets		<u><u>24,416,385</u></u>	<u><u>24,982,906</u></u>
Charity funds			
Restricted funds	21	22,337,133	22,640,058
Unrestricted funds	21	2,079,252	2,342,848
Total funds		<u><u>24,416,385</u></u>	<u><u>24,982,906</u></u>

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

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



Mr S P Sherrard DL
 (Chair of Trustees)

Date: 03/12/2020

The notes on pages 19 to 44 form part of these financial statements.

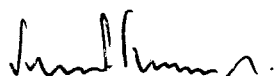
NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03446298

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	19,803,984	20,027,904
Investments	15	550,717	1,020,239
Investment property	14	3,123,193	3,120,211
		<u>23,477,894</u>	<u>24,168,354</u>
Current assets			
Debtors	17	378,383	660,670
Cash at bank and in hand		774,301	180,112
		<u>1,152,684</u>	<u>840,782</u>
Creditors: amounts falling due within one year	18	(568,230)	(417,835)
Net current assets		<u>584,454</u>	<u>422,947</u>
Total assets less current liabilities		<u>24,062,348</u>	<u>24,591,301</u>
Creditors: amounts falling due after more than one year	19	(1,810,747)	(1,839,091)
Net assets excluding pension asset		<u>22,251,601</u>	<u>22,752,210</u>
Total net assets		<u><u>22,251,601</u></u>	<u><u>22,752,210</u></u>
Charity funds			
Restricted funds	21	20,426,502	20,864,231
Unrestricted funds	21	1,825,099	1,887,979
Total funds		<u><u>22,251,601</u></u>	<u><u>22,752,210</u></u>

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

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



Mr S P Sherrard DL
 (Chair of Trustees)

Date: 03/12/2020

The notes on pages 19 to 44 form part of these financial statements.

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	(213,364)	(133,587)
Cash flows from investing activities		
Dividends, interests and rents from investments	124,558	137,987
Purchase of tangible fixed assets	(112,566)	(1,679,782)
Proceeds from sale of investments	1,376,959	308,529
Purchase of investments	(779,759)	(52,305)
Net cash provided by/(used in) investing activities	609,192	(1,285,571)
Cash flows from financing activities		
Cash inflows from new borrowing	-	1,098,455
Grants received	250,491	168,211
Net cash provided by financing activities	250,491	1,266,666
Change in cash and cash equivalents in the year	646,319	(152,492)
Cash and cash equivalents at the beginning of the year	632,863	785,355
Cash and cash equivalents at the end of the year	1,279,182	632,863

The notes on pages 19 to 44 form part of these financial statements

NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)
CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	(19,506)	(125,199)
Cash flows from investing activities		
Dividends, interests and rents from investments	124,558	137,987
Purchase of tangible fixed assets	(109,584)	-
Proceeds from sale of investments	1,249,281	308,529
Purchase of investments	(779,759)	(52,305)
Purchase of fixed assets investments	(2,982)	(1,679,782)
Losses on investments	(89,965)	-
Net cash provided by/(used in) investing activities	391,549	(1,285,571)
Cash flows from financing activities		
Cash inflows from new borrowing	-	1,098,455
Repayments of borrowing	(28,345)	-
Grants received	250,491	168,211
Net cash provided by financing activities	222,146	1,266,666
Change in cash and cash equivalents in the year	594,189	(144,104)
Cash and cash equivalents at the beginning of the year	180,112	324,216
Cash and cash equivalents at the end of the year	774,301	180,112

The notes on pages 19 to 44 form part of these financial statements

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. General information

The charity is a company limited by guarantee (Company no: 03446298). The registered office Discovery Quay, Falmouth, Cornwall, TR11 3QY. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2. Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements use British Pounds Sterling as the presentation currency and are rounded to the nearest £1 throughout.

2.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of National Maritime Museum Cornwall Trust and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

2.3 GOING CONCERN

Starting just prior to the balance sheet date, in March 2020, the UK has been significantly impacted by the Covid-19 pandemic. The impact on many entities across the UK, Europe and the globe have been unprecedented, and at the date of these financial statements, the outcome of the outbreak still remains uncertain.

The trustees anticipate that the charity will continue to operate within its available resources, and be able to tolerate a reasonable level of unforeseen circumstance for a period of at least 12 months from the date of these financial statements. The financial statements have therefore been prepared on a going concern basis.

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.4 INCOME

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

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

2.5 EXPENDITURE

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out by the Trust. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.5 EXPENDITURE (continued)

Charitable activities and governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 GOVERNMENT GRANTS

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

2.7 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 1% and 2% on cost
Fixtures and fittings	- rates between 10% and 25% on cost
Museum model exhibits	- rates between 10% and 25% on cost

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.9 HERITAGE ASSETS

It is the policy of the Board not to capitalise heritage assets in the Museum collection. The Museum's collection consists of a range of objects, boats, art, books and archives.

These items are held in support of the Museum's primary objective of increasing knowledge, understanding and appreciation of the maritime heritage.

The Board considers that financial valuations of heritage assets would be misleading to the value and significance of the material culture involved. In many cases reliable cost information is not available or there are significant costs involved in obtaining a valuation that would outweigh any benefits. Other than a few items that have been purchased, the Museum does not recognise these assets on its balance sheet.

However, it is very important for a Museum to account to the public for the management and care for the collections entrusted to it. High standards of Collections Management are applied to the collections held by the Museum in order to preserve and manage collections on behalf of, and to make it available to, the public. An Accession Register and records are kept on collections, its provenance, and its donors. These are made available for all enquiries and requests, subject to appropriate security and data protection guidelines.

Conservation expenditure incurred on heritage assets is recognised in the Statement of financial activities as incurred.

2.10 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

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

Investments held as fixed assets are shown at cost less provision for impairment.

2.11 INVESTMENT PROPERTY

Investment properties are carried at fair value determined annually by the trustees and derived from the current market rents and investment property yields for comparable real estates, adjusted if necessary for the difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.12 STOCKS

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

2.13 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.14 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.15 LIABILITIES AND PROVISIONS

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

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

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

2.16 FINANCIAL INSTRUMENTS

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

The Group's financial assets and liabilities consists of cash and cash equivalents, short term investments, trade and other debtors, trade and other creditors, and accrued expenses. The fair value of these items approximates to their carrying value due to their short term value. Unless otherwise stated, the Group is not exposed to significant interest, foreign or credit risks arising from these instruments.

2.17 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.18 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.19 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

3. Income from donations and legacies

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Donations			
Donations and sponsorship	-	17,808	17,808
Members subscriptions	-	7,076	7,076
Founder memberships	-	5,333	5,333
Subtotal detailed disclosure	-	30,217	30,217
Donations	187,500	-	187,500
Subtotal	187,500	-	187,500
Total 2020	187,500	30,217	217,717

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Donations			
Donations and sponsorship	-	18,941	18,941
Members subscriptions	-	5,605	5,605
Founder memberships	-	7,223	7,223
Subtotal detailed disclosure	-	31,769	31,769
Donations	187,500	-	187,500
Subtotal	187,500	-	187,500
Total 2019	187,500	31,769	219,269

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. Income from charitable activities

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Charity incoming resources	250,491	859,463	1,109,954

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Charity incoming resources	168,211	939,160	1,107,371

5. Grants Received

	2020 £	2019 £
DCMS - Walling & Lighting Project	96,500	-
Coastal Communities (DCLG)	46,986	12,000
Arts Council - Monsters of the Deep	44,955	-
Royal Museums Greenwich Foundation	30,000	-
Sir John Fisher Foundation	17,985	19,015
Eden Project	9,065	-
Tanner Trust	5,000	4,000
Garfield Weston Foundation	-	80,000
John Ellerman Foundation	-	47,586
Fairwind Trust - Education Internships	-	2,500
Arts Council - Titanic Art Project	-	1,480
Arts Council - Tattoo Exhibition	-	1,430
Other Grants	-	200
	250,491	168,211

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £
Trading income	875,103	875,103

	Unrestricted funds 2019 £	Total funds 2019 £
Trading income	924,183	924,183

7. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Investment income	30,526	30,526

	Unrestricted funds 2019 £	Total funds 2019 £
Investment income	40,180	40,180

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Charitable activities	1,900,715	584,423	2,485,138

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Charitable activities	1,771,873	201,338	1,973,211

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	761,713	754,273
Depreciation	394,033	389,263
Insurance	49,719	49,398
Maintenance & cleaning	121,444	111,448
Rent, rates and water	102,262	97,624
Light and heat	52,558	53,034
IT costs	40,646	38,243
Postage	3,233	3,455
Volunteer and Trustee expenses	11,862	12,945
Promotional and marketing expenses	132,201	128,620
Stationary	7,653	8,943
Telephone	13,481	19,108
Staff training and uniforms	7,663	9,435
Travel	6,596	6,947
Consultancy	13,696	6,026
Professional charges	4,499	2,300
Unrecoverable VAT	120,490	55,147
Bank charges	52,913	24,081
General expenses	1,058	1,583
Loss on disposal	2,995	-
Total 2020	1,900,715	1,771,873

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Museum 2020 £	Total funds 2020 £
Staff costs	12,547	12,547
Curatorial	511,863	511,863
Auditors remuneration	16,520	16,520
Accountancy fees	43,493	43,493
Total 2020	584,423	584,423

	Museum 2019 £	Total funds 2019 £
Curatorial	145,832	145,832
Auditors remuneration	13,831	13,831
Accountancy fees	41,675	41,675
Total 2019	201,338	201,338

9. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	15,620	13,831
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	900	-

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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FOR THE YEAR ENDED 31 MARCH 2020

10. Staff costs

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Wages and salaries	698,507	683,917	575,918	545,691
Social security costs	46,243	42,705	46,243	42,705
Contribution to defined contribution pension schemes	29,510	27,651	29,510	27,651
	774,260	754,273	651,671	616,047

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

	Group 2020 No.	Group 2019 No.	Charity 2020 No.	Charity 2019 No.
Management, administration and operational staff	52	54	32	30

The average headcount expressed as full-time equivalents was:

	Group 2020 No.	Group 2019 No.	Charity 2020 No.	Charity 2019 No.
Management, administration and operational staff	29	30	29	30

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

	Group 2020 No.	Group 2019 No.
In the band £70,001 - £80,000	1	1

During the year employee benefits totalling £78,654 (2019: £77,112) were paid to key management personnel.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 March 2020, no Trustee expenses have been incurred (2019 - £40).

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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12. Corporation taxation

The Charity is exempt from tax on income and gains falling within section 478, 486 and 488 CTA 2010 and s256 TCGA 1992 to the extent that these are applied to its charitable objects. There was no UK Corporation Tax payable by National Maritime Museum Cornwall Trust in 2020 or 2019.

13. Tangible fixed assets

Group

	Freehold property £	Fixtures, fittings and equipment £	Museum model exhibitions £	Total £
Cost or valuation				
At 1 April 2019	26,624,958	962,418	1,762,063	29,349,439
Additions	-	101,721	7,863	109,584
Disposals	-	(9,995)	-	(9,995)
At 31 March 2020	26,624,958	1,054,144	1,769,926	29,449,028
Depreciation				
At 1 April 2019	4,811,268	859,094	1,470,730	7,141,092
Charge for the year	297,861	27,487	68,685	394,033
On disposals	-	(7,000)	-	(7,000)
At 31 March 2020	5,109,129	879,581	1,539,415	7,528,125
Net book value				
At 31 March 2020	21,515,829	174,563	230,511	21,920,903
At 31 March 2019	21,813,690	103,324	291,333	22,208,347

Included in land and buildings is freehold land at cost of £5,000 (2019: £5,000), which is not depreciated.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

13. Tangible fixed assets (continued)

Charity

	Freehold property £	Fixtures, fittings and equipment £	Museum model exhibits £	Total £
Cost or valuation				
At 1 April 2019	23,438,765	879,463	1,762,063	26,080,291
Additions	-	101,721	7,863	109,584
Disposals	-	(9,995)	-	(9,995)
At 31 March 2020	<u>23,438,765</u>	<u>971,189</u>	<u>1,769,926</u>	<u>26,179,880</u>
Depreciation				
At 1 April 2019	3,805,518	776,139	1,470,730	6,052,387
Charge for the year	234,337	27,487	68,685	330,509
On disposals	-	(7,000)	-	(7,000)
At 31 March 2020	<u>4,039,855</u>	<u>796,626</u>	<u>1,539,415</u>	<u>6,375,896</u>
Net book value				
At 31 March 2020	<u>19,398,910</u>	<u>174,563</u>	<u>230,511</u>	<u>19,803,984</u>
At 31 March 2019	<u>19,633,247</u>	<u>103,324</u>	<u>291,333</u>	<u>20,027,904</u>

A debenture has been given to the Heritage Lottery Fund to secure the repayment of grants if they should become repayable.

HSBC UK Bank plc hold a fixed charge over some of the land included within Freehold property.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

14. Investment property

Group

	Freehold investment property £
Valuation	
At 1 April 2019	3,120,211
Additions	2,982
At 31 March 2020	<u>3,123,193</u>

Charity

	Freehold investment property £
Valuation	
At 1 April 2019	3,120,211
Additions	2,982
At 31 March 2020	<u>3,123,193</u>

The 2020 valuations were made by the trustees, on an open market value for existing use basis.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

15. Fixed asset investments

Group	Listed investments £	Cash held at investments £	Total £
Cost or valuation			
At 1 April 2019	999,678	18,561	1,018,239
Additions	629,759	150,000	779,759
Disposals	(976,838)	(18,561)	(995,399)
Revaluations	(253,882)	-	(253,882)
At 31 March 2020	398,717	150,000	548,717
Net book value			
At 31 March 2020	398,717	150,000	548,717
<i>At 31 March 2019</i>	<i>999,678</i>	<i>18,561</i>	<i>1,018,239</i>

Charity	Investments in subsidiary companies £	Listed investments £	Cash held at investments £	Total £
Cost or valuation				
At 1 April 2019	2,000	999,678	18,561	1,020,239
Additions	-	629,759	150,000	779,759
Disposals	-	(976,838)	(18,561)	(995,399)
Revaluations	-	(253,882)	-	(253,882)
At 31 March 2020	2,000	398,717	150,000	550,717
Net book value				
At 31 March 2020	2,000	398,717	150,000	550,717
<i>At 31 March 2019</i>	<i>2,000</i>	<i>999,678</i>	<i>18,561</i>	<i>1,020,239</i>

**NATIONAL MARITIME MUSEUM CORNWALL
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**NOTES TO THE FINANCIAL STATEMENTS
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15. Fixed asset investments (continued)

Principal subsidiaries

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Discovery Quay Enterprises (Trading) Limited	03714613	Discovery Quay, Falmouth, Cornwall, TR11 3QY	Running commercial trading operations at the Museum	Ordinary	100%	Yes
Discovery Quay Enterprises Limited	04519567	As above	To provide boat storage and other facilities for the Museum	Ordinary	100%	Yes
Discovery Quay Square Limited	05856283	As above	Ownership and operation of a public amenity open square for events adjoining the Museum	Limited by guarantee	-%	Yes

The financial results of the subsidiaries for the period were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the period £	Net assets £
Discovery Quay Enterprises (Trading) Limited	712,207	(712,207)	-	11,775
Discovery Quay Enterprises Limited	128,632	(134,867)	(6,235)	239,018
Discovery Quay Square Limited	21,420	(21,420)	-	7,259

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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16. Stocks

	Group 2020 £	Group 2019 £
Goods for resale	70,793	72,805

17. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Due within one year				
Trade debtors	74,060	97,039	31,007	31,767
Amounts owed by group undertakings	-	-	169,982	162,717
Other debtors	24,106	348,483	17,908	339,610
Prepayments and accrued income	188,923	127,244	159,486	126,576
	287,089	572,766	378,383	660,670

18. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loans	66,057	66,058	66,057	66,058
Payments received on account	3,649	-	-	-
Trade creditors	258,027	58,882	189,080	36,924
Other taxation and social security	27,873	30,736	12,155	12,874
Other creditors	532,147	504,513	223,735	223,524
Accruals and deferred income	114,992	143,045	77,203	78,455
	1,002,745	803,234	568,230	417,835

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19. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loans	1,010,747	1,039,091	1,010,747	1,039,091
Other creditors	800,000	800,000	800,000	800,000
	<u>1,810,747</u>	<u>1,839,091</u>	<u>1,810,747</u>	<u>1,839,091</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Repayable by instalments	746,516	774,860	746,516	774,860
Payable or repayable other than by instalments	800,000	800,000	800,000	800,000
	<u>1,546,516</u>	<u>1,574,860</u>	<u>1,546,516</u>	<u>1,574,860</u>

Included within the above bank loans balance, is one loan repayable over 25 years. For the initial 10 year period interest will be charged on the outstanding balance at a rate of 3.46%. The applicable interest rate after this initial fixed period will be 2.07% per annum above base rate, subject to a review.

The bank loan is secured against the freehold land for which the loan was used to purchase.

20. Financial instruments

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Financial assets				
Financial assets measured at fair value through income and expenditure	<u>1,279,182</u>	<u>632,863</u>	<u>774,301</u>	<u>180,112</u>

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

21. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds						
Net Book Value of unrestricted funded assets	155,769	-	(25,172)	7,503	-	138,100
Net Book Value of Car Park	1,610,380	-	-	2,982	-	1,613,362
General Funds	307,177	920,206	(1,251,530)	172,380	(89,965)	58,268
Trading Subsidiaries' reserves	269,522	875,103	(875,103)	-	-	269,522
	<u>2,342,848</u>	<u>1,795,309</u>	<u>(2,151,805)</u>	<u>182,865</u>	<u>(89,965)</u>	<u>2,079,252</u>
Restricted funds						
Project Development Fund	1,967,305	-	(56,674)	-	-	1,910,631
Museum Development Fund - Fixed assets	19,872,135	284,946	(308,332)	(182,865)	-	19,665,884
Museum Development Fund - revenue expenditure	713,353	148,045	(148,045)	-	-	713,353
Tanner Trust	4,000	5,000	(5,000)	-	-	4,000
Garfield Weston Foundation	80,000	-	(40,000)	-	-	40,000
Sir Thomas Oats Fund	3,265	-	-	-	-	3,265
	<u>22,640,058</u>	<u>437,991</u>	<u>(558,051)</u>	<u>(182,865)</u>	<u>-</u>	<u>22,337,133</u>
Total of funds	<u>24,982,906</u>	<u>2,233,300</u>	<u>(2,709,856)</u>	<u>-</u>	<u>(89,965)</u>	<u>24,416,385</u>

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21. Statement of funds (continued)

Unrestricted funds

Included in the unrestricted funds are two separate funds to recognise the net book value of fixed assets held by the charity funded by unrestricted funds or from funds whose restriction end upon the acquisition of the asset, and that consequently cannot be easily converted into cash.

Also included in unrestricted funds is the Charity's trading subsidiaries' reserves.

Restricted funds

The Project development fund represents grants received in relation to the Charity's trading subsidiaries and have been included in those companies' accounts as deferred income. This has been treated as restricted fund grants received for consolidation purposes.

The Museum development fund represents grants received from various sources, including grants received in connection with the construction of the museum and is released to the Statement of Financial Activities on an annual basis in line with depreciation; as well as grants received in the year as detailed in note 6.

Sir Thomas Oates fund represents legacy funding received to fund the purchase of local items for the Cornish Galleries.

Garfield Weston Foundation fund represent grants received in 2019 to contribute towards the funding of specific exhibitions. A transfer has been shown in the accounts to reflect the amount spent during the year to 31 March 2020.

The total of restricted funds balance of £22,337,133 as at the year end reflects the high capital cost of constructing and fitting out of the museum building, as noted above under the headings of the Project development fund and the Museum development fund. Note 20 provides a further analysis of the funds.

A transfer of £187,500 was made from the Museum development fund to unrestricted funds at the year end. This amount relates to a donation received specifically towards the purchase on the car park. As the restriction ceased once the purchase was made the amount was transferred to unrestricted funds which is where the car park (the asset funded) also sits.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Unrestricted funds						
General Funds	2,007,276	1,935,291	(1,812,454)	187,500	25,235	2,342,848
Restricted funds						
Project Development Fund	2,023,979	-	(56,674)	-	-	1,967,305
Project Development Fund	20,151,480	206,515	(298,360)	(187,500)	-	19,872,135
Museum Development Fund - Fixed assets	713,868	65,196	(65,711)	-	-	713,353
Tanner Trust	-	4,000	-	-	-	4,000
Garfield Weston Foundation	-	80,000	-	-	-	80,000
Sir Thomas Oats Fund	3,265	-	-	-	-	3,265
	<u>22,892,592</u>	<u>355,711</u>	<u>(420,745)</u>	<u>(187,500)</u>	<u>-</u>	<u>22,640,058</u>
Total of funds	<u>24,899,868</u>	<u>2,291,002</u>	<u>(2,233,199)</u>	<u>-</u>	<u>25,235</u>	<u>24,982,906</u>

NATIONAL MARITIME MUSEUM CORNWALL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

22. Summary of funds

Summary of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
General funds	2,342,848	1,795,309	(2,151,805)	182,865	(89,965)	2,079,252
Restricted funds	22,640,058	437,991	(558,051)	(182,865)	-	22,337,133
	<u>24,982,906</u>	<u>2,233,300</u>	<u>(2,709,856)</u>	<u>-</u>	<u>(89,965)</u>	<u>24,416,385</u>

Summary of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
General funds	2,007,276	1,935,291	(1,812,454)	187,500	25,235	2,342,848
Restricted funds	22,892,592	355,711	(420,745)	(187,500)	-	22,640,058
	<u>24,899,868</u>	<u>2,291,002</u>	<u>(2,233,199)</u>	<u>-</u>	<u>25,235</u>	<u>24,982,906</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	21,576,515	344,388	21,920,903
Fixed asset investments	-	548,717	548,717
Investment property	1,509,831	1,613,362	3,123,193
Current assets	50,787	1,586,277	1,637,064
Creditors due within one year	-	(1,002,745)	(1,002,745)
Creditors due in more than one year	(800,000)	(1,010,747)	(1,810,747)
Total	22,337,133	2,079,252	24,416,385

Analysis of net assets between funds - prior period

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	21,838,925	369,422	22,208,347
Fixed asset investments	-	1,018,239	1,018,239
Investment property	1,509,831	1,610,380	3,120,211
Current assets	94,896	1,183,538	1,278,434
Creditors due within one year	(3,594)	(799,640)	(803,234)
Creditors due in more than one year	(800,000)	(1,039,091)	(1,839,091)
Total	22,640,058	2,342,848	24,982,906

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

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(566,521)	83,038	(500,609)	146,562
Adjustments for:				
Depreciation charges	387,033	389,263	330,509	325,739
Gains/(losses) on investments	(89,965)	25,235	89,965	25,235
Dividends, interests and rents from investments	(124,558)	(137,987)	(124,558)	(137,987)
Loss on the sale of fixed assets	2,995	-	2,995	-
Decrease in stocks	2,012	906	-	-
Decrease/(increase) in debtors	319,300	(314,752)	282,287	(264,825)
Increase/(decrease) in creditors	133,454	(11,079)	150,396	(45,477)
Grants received	(250,491)	(168,211)	(250,491)	(168,211)
Net cash used in operating activities	(186,741)	(133,587)	(19,506)	(118,964)

25. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Cash in hand	1,279,182	632,863	774,301	180,112
Total cash and cash equivalents	1,279,182	632,863	774,301	180,112

26. Analysis of changes in net debt

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	632,863	646,319	1,279,182
Debt due within 1 year	(66,058)	1	(66,057)
Debt due after 1 year	(1,039,091)	28,344	(1,010,747)
	(472,286)	674,664	202,378

**NATIONAL MARITIME MUSEUM CORNWALL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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27. Contingent liabilities

SEA WALL

Discovery Quay Square, a trading subsidiary of The Trust, is legally responsible for the ongoing maintenance of the sea wall at Discovery Quay. An accurate estimate of the cost of meeting this obligation cannot be ascertained at present though a draft estimate has been set in the region of £3,000,000 for maintenance works to be carried out in the next 5 to 10 years, though further surveys will be required in order to obtain a more accurate estimate. A fund has been created to cover these costs. At the year end, a total of £291,370 (2019: £251,867) had been accrued, from entities and residents in the area who benefit from the sea wall.

28. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £29,510 (2019 - £27,651). Contributions totalling £3,849 (2019: £3,610) were payable to the fund at the balance sheet date and are included in creditors.

29. Related party transactions

National Maritime Museum Cornwall Trust (the Trust) charged Discovery Quay Enterprises (Trading) Limited (DQET) (subsidiary company) a management charge of £15,000 (2019: £15,000) and a licence fee of £30,000 (2019: £30,000). DQET made a gift aid donation to the Trust of £364,495 (2019: £361,800). The Trust was re-charged staff and other costs of £30,548 (2019: £31,715) by DQET.

At the year end, the Trust was owed a net amount of £143,870 (2019: £141,29) by DQET.

The Trust charged Discovery Quay Enterprises Limited (DQE) (subsidiary company) a management charge of £3,500 (2019: £3,500). DQE made a gift aid donation to the Trust of £33,912 (2019: £33,410). The Trust was charged rent of £8,400 (2019: £8,400) during the year.

At the year end, DQE owed the Trust £21,808 (2019: £21,306).

The Trust was charged a service charge of £6,784 (2019: £6,784) by Discovery Quay Square Limited (DQS) (subsidiary company). The Trust charged DQS a management charge of £4,478 (2019: £4,390) and recharged other costs totalling £2,865 (2019: £2,950) to DQS.

At the year end the Trust was owed £4,303 (2019: £120) by DQS.