



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

For the year ended 31 March 2020

Company Registration Number: 2456393

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CONTENTS

	Page
Trustees' Annual Report	1-21
Remuneration Report	22
Statement of Trustees' and Chief Executive's Responsibilities	23
Governance Statement	24-26
Auditors' Report to the Members	27-29
Consolidated Statement of Financial Activities	30
Balance Sheets	31
Consolidated Cash Flow Statement	32
Notes to the Accounts	33-47
Additional Information	48
Appendix I: DCMS Performance Indicators	49

Horniman Museum and Gardens Trustees' Annual Report 2019/20

Introduction

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

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

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

Mission, values and aims

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

Mission

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

Values

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

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

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

Corporate aims

The ongoing corporate aims which give structure to this are:

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

Trustees have agreed four **change objectives**, which will shape the direction and content of our 10-year Framework Plan. These are:

- Diversify audiences and grow the offer for adults
- Deliver greater social and environmental impacts
- Improve the use of the collections and site
- Build a more sustainable business to support this.

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.

Strategic report

Summary 2019/20

As we write this report the UK remains under lockdown due to Covid-19, and it is rather difficult to cast our minds back over the preceding year before the current extraordinary circumstances came into being. It is nevertheless good to remind ourselves of the many successes of 2019/20 before we prepare for the undoubtedly challenging times ahead.

Much of the year was spent preparing to realise the different elements of the 10-year Framework Plan agreed by Trustees the previous year. The Plan is aimed at providing solutions to some of the challenges facing the institution, most of which derive from its unprecedented recent success. Over the course of the year, it resolved into two principal projects, each costed at around £10 million and developed by our staff, visitors, stakeholders and architectural design agency, Studio Egret West.

The first is entitled 'Nature and Love' and consists of the refurbishment of the Natural History Gallery and Nature Base, the reinterpretation of the Aquarium, a 'Horticultural Hub' which will open up our plant nursery to the public and lead them into a replanted South Downs, and a new focus of activity around the old model boating pond, including a Kindercafé and nature-themed play area, and bridges across to a more accessible Nature Trail. A bid to the National Lottery Heritage Fund (NLHF) for £4.9m to support this project was submitted in February but at the current time of writing NLHF have paused their capital grants scheme due to the pandemic.

The second project involves improving the congested and inadequate facilities for the large visitor numbers around the main entrance to the Museum. The plan is to build in the open area known as the Conservatory Terrace to provide a larger kitchen and improved toilets, enabling an expanded café, relocated entrance desk, buggy park, and an expanded entrance involving demolition of the CUE building and larger shop.

During the course of the year a great deal of consultation was undertaken to arrive at the above options, involving multi-channel communications, surveys, an exhibition in Gallery Square, and liaison with particular stakeholder groups including discussions with Lewisham Council.

Our headline achievements are set out in this report under the headings of Access, Collections and Shaping the Future. Despite the closure of the Museum to the public on 18 March, a few weeks before the financial year-end and only the second closure ever in our history (the first following the outbreak of the Second World War), we still managed to surpass our visitor number target for the year and had a record-breaking year in terms of self-generated income. A beautiful and modern new website was launched on time and to budget by the end of the financial year and an extensive segmentation research project was undertaken to support our widening audiences agenda. During this financial year, we also demonstrated our commitment to the environment through some thought-provoking and inspiring displays and activities across the public programme. This was augmented by a comprehensive environmental external communications plan, including the publication of our Climate and Ecology Manifesto.

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

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

1.0 Access

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

Achievements against our **Access aim and objectives**:

- a. We exceeded our **visitor numbers** target of 900,000 for both on-site and online attracting **908,212 visits** to the Museum and Gardens over the past year, and welcoming 1,048,911 website visits. The ethnic diversity of our visitors remained consistent at 18% BAME
- b. We delivered an exciting public programme of exhibitions and events whilst undertaking a thorough review of this area of work, continuing to attract a majority family audience whilst continuing to appeal to adult visitors through specific exhibitions, music performances and evening events
- c. We engaged **41,770** children, young people and their teachers with a high-quality learning programme focused on world cultures, music and the natural world. This was just below our target of 42,000
- d. We deepened our engagement with community partners working with **vulnerable and marginalised people** through targeted engagement activity with refugee, asylum-seeker and new arrival groups; disability audiences; isolated older people; and mental health service users
- e. We continued to **collect, evaluate, use and share audience data** throughout the year, integrated ACE's new Impact and Insight research system and undertook a comprehensive segmentation project in order to better understand our existing and potential audiences.

1.1 Audience

As highlighted, we welcomed circa 908k total visits to the Museum and Gardens during 2019/20, a decrease on the previous year but still above target despite the Museum's closure in mid-March due to Covid-19. The Museum itself welcomed circa 759k visits throughout the year. Results had been boosted earlier in the financial year by the extremely popular Brick Wonders exhibition. Circa 763k of our total visits also included time spent in our Gardens, highlighting the appeal of our combined Museum and Gardens offer. 71% of our general visitors were in family groups, 18% were from a BAME background, 77% were from London and 11% from overseas, and 30% were visiting for the first time. Close to 42k children, young people and their teachers were engaged through our formal learning programme and circa 52k individuals actively participated in our community engagement activities and events spanning targeted work with vulnerable and marginalised groups to large-scale community events for all the family.

Our website received 1,048,911 visits in 2019/20, 14% above target and an increase from 2018/19 (1.6%). Following a major development project throughout 2019/20, the new site went live in the final week of March 2020, and is now in a beta phase while snagging takes place. Pages on the website were viewed over 5.5 million times, up 15% on 2018/19. The number of objects online stands at 101.5k at the end of the year, a decrease of 17% over the previous year (the transfer of objects to the collections online section of the new website is still ongoing). Our social media presence continued to increase in terms of followers to a community of 593k, a 2% increase on 2018/19. Our Instagram followers increased by 16% to circa 38k and our Facebook fans increased by 8% to circa 28k. Our Twitter followers increased by 2% to circa 44k.

1.2 Public programme

The public programme is an integrated set of events, exhibitions and displays that we develop in partnership with other cultural organisations and our communities. The programme is the way we develop our audience, share and animate our collections, buildings and Gardens and generate income. Our new Framework Plan is driven by our desire to widen audiences, and one of the main ways in which change will be delivered is through programming. During this period we therefore began to develop our concepts for a series of new collections-based exhibitions focused on social or environmental themes. At the time of writing we had agreed to continue to deliver this programme with some changes to the timetable. 696, the South London Music exhibition, will be delivered in May 2021 and Hair, the next scheduled collections-inspired exhibition will launch in autumn 2021. Following a comprehensive review of our events programme, we have created a process that focuses our work on widening audiences and raising income, whilst being more closely associated with the exhibition programme.

1.21 Exhibitions

Throughout 2019/20 we provided a varied and stimulating range of high-quality temporary exhibitions to engage our regular, diverse visitors and attract new audiences.

Our temporary exhibition space **The Studio** hosted two new exhibitions during 2019/20. **My Model City** focused on a new vision of urban life in Peckham, explored through an installation created by young people from Peckham Platform and the Horniman, in collaboration with muf architecture/art. The exhibition was on display in The Studio from July to September.

Stages of Making which opened in October is our second Studio project to be developed with an artist (Katie Schwab) and a Collective of community partners. Stages of Making is the outcome of a year-long investigation into social, tactile and sustainable forms of making. Inspired by the Horniman collections, the history and design of the Horniman site and its stores, the installation includes painted walls, table tops made from yogurt pots and a giant rag rug made by members of the public woven from t-shirts. Visitors were also able to take part in making something to add to the growing 'archive' of samples in the exhibition by joining daily Making Time drop-in sessions.

Our family-friendly temporary exhibition for 2019, **Brick Wonders**, which ran from February-October, proved really popular with our audiences, attracting more than 124k visitors over its duration – a museum conversion rate of circa 21%. Highlighting some of the amazing man-made and natural wonders of the world through the medium of LEGO® bricks, our visitors were able to explore over 50 models, from an ancient Egyptian pyramid to Old London Bridge to the International Space station as well as a model of the Horniman Museum (1901 building) and a model of the walrus. There were also lots of opportunities for children of all ages to play with LEGO® and DUPLO® bricks in the gallery.

Permian Monsters: Life Before the Dinosaurs, our family-friendly exhibition for 2020 opened in February. This fascinating, family-friendly exhibition explores what life was like on Earth during the Permian period, 252 million years ago. Visitors can come face-to-face with fossil skeletons as well as full-size models and animatronics of fearsome sabre-toothed predators, giant insects and bizarre-looking sharks that bring the Permian period back to life. The new exhibition provides lots of interactivity for our younger audiences including interactive dig pits, a dressing-up zone and a creative art area.

In the **Natural History Gallery** we continued to exhibit temporary art installations inspired by our collections. In 2019/20 we commissioned **Claire Morgan**, an award-winning internationally exhibited visual artist, to create some stunning new pieces for the Horniman in her **As I Live and Breathe** exhibition. These thought-provoking works draw upon the theme of waste and the impact that humans have upon their surroundings. Her taxidermy sculptures feature four prolific residents of urban London (and the Horniman Gardens): a fox, crow, squirrel and parakeet, connected to forms made from fragments of waste plastic. The dynamic installation in Gallery Square is composed of thousands of fragments of colourful waste polythene, torn by hand from used shopping bags.

As well as the Claire Morgan exhibits we delivered several other exhibitions with a focus on climate change and the importance of caring for our environment. In May we swapped the Indian tiger on loan from the Natural History Museum with a **Green Turtle**, allowing us to focus on the massive decline of sea turtles in the last 200 years and the issue of plastic pollution in the oceans. As part of **World Oceans Day**, the Aquarium and Learning teams developed a pop-up exhibition to highlight the issue of **plastics pollution** and encourage action against this crisis. The aquarium team staged plastic pollution in tanks and vinyl cut-outs on the tanks provided short facts around ocean plastic pollution, as well as calls-to-action. This popular display was extended until the end of August and received many favourable comments from visitors.

In November we exhibited **MELTDOWN: Visualising the Climate Crisis**, featuring the work of Project Pressure who have been commissioning artists since 2008 to document the impact of retreating glaciers across the world and the resulting consequences for billions of people. The

exhibition emphasised the importance of glaciers in an artistic and scientific way and provided unique insights into the world's fragile ecosystems and our changing climate.

We also delivered a photographic exhibition linked to our World Gallery – **Turn it Up: On Paradoxes** highlighting the work of Jide Odukoya as he focused on Nigerian weddings and parties as public displays of cosmopolitan affluence and indulgence. Odukoya's images explore how moments of extravagant celebration are an important part of Nigerian cultural identity because of the fragile wealth that supports it.

1.22 Events

During 2019/20 and using ACE investment, we further developed **our role as a creative hub** promoting programming and engagement inspired by our collections and responding to audience development priorities.

In summer 2019 we delivered a programme of **events which sought to attract new young audiences**. This included a music season which celebrated the diversity of music in south London and our involvement in *Emerge*, the London-wide Museum at Night festival. Both attracted a new and young audience and helped us develop our profile within the London music scene. The programme included rising stars from London, Poppy Ajudah, Ady Suleiman, Jazz re:refreshed and Oscar Jerome.

We maintained a broad appeal with our music programming, which included the NLHF-funded Finchcocks programme of **keyboard demonstrations and performances, Hear it Live!** These weekly events have been attended by a very diverse audience and have been linked to both the schools and community engagement programme, offering young people as well as isolated adults the chance to attend the sessions.

We continued to deliver Family Days during summer which featured storytelling, performances, art and craft and film, as well as workshops by community partners connected to The Studio's Collective of collaborators. This included a family day celebrating World Oceans Day and a Dance Festival day in partnership with Trinity Laban Conservatoire. We also delivered a series of large-scale **seasonal fairs** at Easter and Halloween and a popular outdoor **family rave** with Big Fish Little Fish.

During the year we reviewed our **adult programming** and began to experiment with new formats and partnerships. In particular we worked closely with university partners Goldsmiths and University of the Arts London to co-develop and deliver a Late Event on Climate Change and to support the Being Human Festival. During the year over 100 artists were commissioned to create and deliver performances, installations and workshops spanning a range of music, film, theatre, dance, visual and performance art and responding to our collections and communities.

1.3 Visitor experience and evaluation

Despite the challenges we face to comfortably accommodate the number of visitors we now regularly welcome, we scored highly across the two key areas that measure visitor experience. Our annual Visit England mystery shopping inspection saw us reach an improved overall quality score of 91%, putting us in the running for a gold accolade. The assessment covers everything from our online presence in advance of the visit, first impressions upon arrival and then details of the visit itself, including content, signage, appearance of buildings and the Gardens, cleanliness, catering, retail and staff. In addition, our rolling audience research resulted in an extremely high visitor satisfaction rating of 99%.

2019/20 was the first year that we worked with DJS Research to conduct our annual visitor research. DJS were contracted by us as part of a consortium of national museums and galleries so as to ensure best value for money and the ability to benchmark our results. In April 2019 we also commissioned DJS to conduct a bespoke attitudinal and behavioural segmentation of the London population. The project consisted of five phases including secondary research, qualitative insight and quantitative research involving a representative survey of 2,000 Londoners. The aim was to

better understand the values, attitudes, motivations and behaviours of existing and potential audiences to inform future developments. Using this insight we have identified six segments which we will focus on for programming, marketing, learning, digital and fundraising from 2020/21 onwards. In April 2019 we also adopted the Arts Council's Impact and Insight Toolkit to better evaluate the quality of some of the programme that they fund.

1.4 Learning and engagement

The Horniman's extensive programme of learning and engagement is widely regarded in the sector as a beacon of good practice. It offers people from a wide range of backgrounds, opportunities to engage with our collections, staff and spaces in creative and exciting ways.

1.41 Learning

We engaged 35,876 **family members** through our programme of object handling, storytelling, outdoor learning, art and craft, performances and targeted sessions for under 5s and their families. Our visitors got hands on with our collections through 1,169 sessions in our Hands on Base. One of the key highlights of the Family Learning Programme in 2019/20 was the development and delivery of World Oceans Day, which saw 3,618 visitors coming through the Museum doors and approximately 2,000 visiting the Aquarium with 1,173 instances of facilitated participation in the specific family learning activities. Although the pandemic forced us to postpone the Crossing Borders event scheduled for March (an event to showcase the talents of new arrivals to the area) significant engagement work was undertaken in the run-up to the event and we hope we are able to reschedule and deliver the day during 2021.

The **schools programme** served nearly 42,000 children, young people and their teachers through our hands-on curriculum-linked sessions, and resources to support self-led visits. This year we rolled out our new World Gallery-related sessions, and 13 new online and hard copy learning resources for schools. We delivered tailored sessions for Special Educational Need or Disability (SEND) groups, home educators, and hospital classrooms. We developed new music programmes in partnership with local secondary schools and our Teacher Panel. For the first time we made a home school plan for the year in response to formative evaluation. This included one day dedicated to home schooling, with many sessions aimed at particular age groups that home schoolers could book onto through the website.

As part of the Music in the Making programme we trialled new music handling sessions for Key Stage 1, 2 and 3, and reached out to secondary schools to encourage visits to the Museum. We continued to support ArtsMark and teacher professional development and shared skills and expertise with a range of organisations including the Natural History Museum, Fulham Palace, London Wetlands Centre and numerous sector networks.

1.42 Youth Engagement

The Horniman Youth Panel (HYP) worked in partnership with Peckham Platform's Youth Platform and muf Architects, and delivered the collaborative youth-led exhibition for The Studio, My Model City.

The Arts Award Summer School was delivered in partnership with the Goldsmiths Music department for eight young people over the course of five days, with a musical theme. After an introduction to the Horniman's handling collection to understand the different sounds instruments make, participants explored the history and culture of recording methods. Participants recorded the kora (African harp), created compositions for the mini oramics machine and physically produced a vinyl record, all of which then acted as material to be used in the group's final pieces of music.

Natasha Furnevel, a member of the HYP, won a London Heritage Volunteers Award for her work with us. Natasha's experience at the Horniman exemplifies the opportunities we offer. She started in the Bronze Arts Award scheme and helped to deliver a workshop for families, becoming a regular member of the HYP contributing to projects such as My Model City, and worked hard to lead a Teen Tour. The pandemic curtailed the HYP's plans to deliver a music event for Lewisham Live. We hope they will have a chance to do this in 2021.

1.43 Community engagement

The Horniman continues to provide access to and engagement with an excellent cultural offer for a diverse set of individuals, organisations and communities through strong partnerships. We continued our work with **vulnerable and marginalised people** through targeted engagement activity with refugee, asylum-seeker and new arrival groups, with disability audiences, isolated older people and mental health service users and through our Community Worker Training programme.

The Horniman was part of the steering committee for the Lewisham-wide Age Against the Machine Festival celebrating older people in Lewisham. We hosted many events including a symposium exploring being dementia-friendly in a creative setting, a concert for local care homes with Live Music Now musicians and a large festival day where many older people's groups performed and shared projects we'd created with them. The festival day also launched our new programme for socially isolated older people, developed with community partners and an advisory group of local older people, called **Stay in Tune Thursdays**. We created 'Discovery Boxes' in collaboration with community partners including Greenwich and Lewisham Young People's Theatre, Redstart Arts and the Stroke Association. The boxes were filled with objects that can be touched and handled by visitors in galleries or used as an outreach tool. The boxes were shared with a range community partners including garden dementia support groups, community centres for isolated older people, a social group for newly arrived women and a sector support conference on co-production with new arrivals.

We developed our existing partnerships with organisations supporting new arrivals such as Streatham Drop-In Centre and the Indo American Refugee and Migrant Organisation (IRMO), as well as with our long-term partners Southwark Day Centre for Asylum Seekers (SDCAS) to build on the success of our annual **Crossing Borders** event. Although Crossing Borders 2020 had to be cancelled due to the pandemic the work of our partners will be used in the future to celebrate the diversity of our neighbourhood and the people who live in it. We developed **partnerships in the NHS mental health sector**, building relationships with new mental health inpatient wards and training student mental health nurses and other healthcare staff in object-based learning. In particular we worked with South London and Maudsley NHS Trust Recovery College to make the Horniman a more welcoming place for those in recovery from mental health issues.

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.

Achievements against our **Collections aim and objectives**:

- a. We **developed public engagement in our Anthropology collection** through the new World Gallery, delivering a broad-ranging and complementary learning and engagement programmes.
- b. We delivered year two of the **Music in the Making** programme sessions, working with curators, artists, academics, performers, educationalists and makers.
- c. We developed the **creative network for excellence in curatorial, artistic and participatory practice**, based on the new social arts space **The Studio**, completing the first project, The Lore of the Land, and delivering the second project, Stages of Making working with artist Katie Schwab and the Collective of community partners.
- d. We used the Natural World Vision research and engagement strategy to inform the concept development of **Nature and Love** – an exciting capital project integrating the Natural History and Living collections and looking to redevelop the Aquarium, Natural History Gallery and some key areas of the Gardens.
- e. We developed institutional strategies on **collections, research and international work**, to deepen our understanding of the collections and reflect their contemporary relevance.

2.1 Anthropology

Our curators explored and developed new ways of engaging with visitors through the **World Gallery**, reaching out to new audiences and working closely with the Learning and Visitor Experience teams. We delivered a Windrush commemoration event with community elders, and staff training and awareness raising around the collection's links to its colonial past and contemporary communities was also undertaken. This work has led to new developments in the World Gallery and The Studio including planning for a new display linked to Nigeria's 60th anniversary of independence and a new community-curated case led by young people that explores the relationship between the collection and ecological breakdown.

We continued to develop the Horniman as a **centre for museum anthropology** including fieldwork and working with Goldsmiths, University of London both in teaching and research. During the year, funding from DCMS and ACE's Designation Development Fund (DDF) enabled us to develop two linked strands of collections' research linked to West African collections and the London diaspora. Both projects place the Horniman at the heart of networks seeking to rebuild trust between communities and museums through a shared understanding of collections.

2.2 Natural World

As mentioned in the Summary, during 2019/20 we developed our 'Natural World Vision', aimed at bringing together our Natural History collection, Gardens and Living collections in order to connect people with the natural world, to develop a respect for life on Earth and cultivate an understanding of how preserving it benefits us all. Working with the project title **Nature and Love** we developed a detailed concept for a capital project involving the redisplay of the Natural History Gallery with clear connections into a reinterpreted Aquarium, a 'Horticultural Hub' outdoors leading into a sustainably-planted South Downs, and a new Kindercafé and nature-themed play area connecting through to a more accessible Nature Trail.

With the increasing need to respond to the climate crisis and build on the Horniman's declaration of climate emergency, curators alongside exhibitions and learning staff programmed **World Oceans Day** collaborating with partners through public programming to highlight the global challenges of climate change and pollution and celebrate our coral research work. The Beat Plastic Pollution display in the Aquarium was extended due to popular demand and visitor feedback and pledge cards indicated that the event had a profound impact on visitor perceptions of conservation and prompted behavioural change around plastic use and consumption. The display was shortlisted in the Museums Change Lives Awards 2019.

The Horniman Aquarium-led international research project dedicated to coral reef conservation **Project Coral** was given a boost during 2019/20 with the curator being awarded a PhD. The partnership with Derby University continued to be one of a number of key institutional agreements that have placed Project Coral at the heart of international coral research. During 2019, new research by the partners into co-culturing – raising juvenile sea urchins alongside lab-spawned corals – found the technique produces an eight-times-higher survival rate in young corals, potentially having major implications for the restoration of damaged reefs around the world. Also during this period, another Project Coral partner, The Florida Aquarium, using techniques developed at the Horniman, became the first organisation to induce spawning of endangered Atlantic pillar coral – helping save corals in the Florida Reef Tract from extinction. Horniman Project Coral is seeing the impact of its work far and wide and was named by ECO Magazine as one of the 'Top 10 Ocean Influencers in 2019'.

We were delighted to be the winners of the Horticulture Week Custodian Award for the **Grasslands Garden**. Now in its second year, the Grasslands Garden is really thriving, providing a very beautiful, interesting and easy to maintain display from early spring right through until late autumn. Other successes in the Gardens included the summer bedding scheme in the Sunken Garden, with large blocks of single colour planting inspired by the Brick Wonders exhibition, and a Chelsea Fringe Matisse-inspired planting display featuring recycled plastic bottles in collaboration

with children from Horniman Primary School and local Florist Yolanda Chiaramello. We also developed a Solanancea (nightshade family) themed planting in the olive beds in the Display garden, including tomatoes, chillies, aubergines, and tobacco plants.

2.3 Music

The **Music in the Making** programme was successfully awarded a curatorial grant from the Art Fund to develop and disseminate the outcomes of its projects. The South London Music Project funded by Esmée Fairbairn and Cockayne was launched in February just before the pandemic and will now be relaunched in 2020/21. The Finchcocks programme has largely been delivered, with over 25 live performances and demonstrations. The final evaluation and archiving of digital assets will be completed in 2020/21. Over 100 detailed digital records of the South Asian collections have been updated and are ready for publication online.

Much of this work was encapsulated in a rewritten **collections development policy**, which indicates a new way forward for the Horniman in collaborative and interdisciplinary collecting, linked to a research strategy and approach to international working.

2.4 Creative Network

We continue to create opportunities for artists to work with our collections, spaces, teams and audiences. The **joint Horniman UAL fellowship programme** explored new ways of engaging our key audiences with the Natural World through public programming and culminated in a Late event in February. Artists have engaged with our work and audiences through the **Artquest**-supported mentoring scheme and a series of programme-related commissions including for The Studio.

More widely we consolidated our partnerships with **Higher Education**, with a new strategic agreement with Goldsmiths and stronger partnerships with UAL and Trinity Laban. We were also delighted to contribute to Lewisham Council's winning bid to become the London Borough of Culture in 2021.

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.

Achievements against **Shaping the future objectives:**

- a. As mentioned in the Summary, we developed a full **10-year framework plan** for the organisation in the course of 2019/20, addressing improvements needed for the visitor experience, financial resilience, collections and programming and published a Climate and Ecology Manifesto
- b. We generated a recordbreaking £2.44 million in **self-generated income** across our commercial, charitable activity and fundraising activities (excluding major capital project fundraising), supporting our ongoing efforts to becoming a more resilient organisation
- c. We **invested** over £400k in our buildings, estate and infrastructure, to protect and preserve them for future generations
- d. We worked towards our **diverse workforce** target, recording 15.9% of staff as being black, Asian or minority ethnic (BAME) against a target of 25% by 2022-23.
- e. We contributed to the leadership and development of the sector through 23 **loans, leadership of Subject Specialist Networks** and presentations at **conferences worldwide** helping to deliver the Museums' Partnership Framework and the recommendations in the Strategic Review of DCMS-sponsored museums.

3.1 Income

Over recent years, and in the context of declining public funding, the Horniman has been engaged in a significant change programme to reduce costs, become more enterprising and grow and diversify our sources of income. As highlighted, we continued to have considerable success in this

area during 2019/20 generating £2,440,970, a significant increase on the previous year (excluding major capital fundraising and the Job Retention Scheme grant).

Charitable activity income, related to our core purpose and generated through ticket sales, membership, the schools' programme, events and other activity grew to £1,312,921, **16% above target**. Much of this revenue was driven by the hugely popular Brick Wonders exhibition and continued popularity of the Aquarium and Butterfly House, in total generating £698k in ticketing income. 2019/20 was a hugely successful year for our membership scheme generating c. £450k in sales, a 23% increase on the previous year.

Commercial activity managed through Horniman Museum Enterprises (HME) and comprising retail, catering and venue hire generated a gross turnover of £633k and generated a net profit of £244k, slightly down on the previous year. Retail sales were close to hitting £300k for the first time ever and sales at the Horniman Café continued to increase but due to the closure in mid-March, just fell short of last year's result. Our children's parties, filming and photography and crazy golf partnership with Plonk performed well throughout the year and the Horniman Market's move to a Sunday with extended trading hours proved popular.

Fundraised income generated during 2019/20, excluding fundraising for our Anthropology redisplay project, reached £413k, a 48% increase on the previous year and saw gifts from both individuals and trusts. Funding raised is supporting a range of new projects and activity as well as providing unrestricted income for our everyday work.

3.2 Climate and Ecology Action

We are in the midst of a global climate and ecological emergency unprecedented in human history. The Horniman believes that there is still an opportunity to mitigate against this crisis but that the speed and manner with which governments, organisations and individuals act is vital. In July 2019 we declared a climate and ecological emergency and published our Climate and Ecology Manifesto and revised Action Plan in early 2020. Our objectives, which support our aims to become Greenhouse Gas (GHG) neutral, more biodiverse and with less waste by 2040 include the conservation of energy, fuel and natural resources; waste minimisation (reduce/reuse/recycle); and awareness raising and promotion of sustainability issues.

We were pleased to appoint a new Climate and Ecology Action Coordinator during this period and to be selected to join the Julie's Bicycle Accelerator leadership programme running until 2021. We were a finalist in the Cultural Enterprises Awards Green award category with judges stating: *'The messaging to visitors, whereas shocking to some, is hard-hitting and this project shows that the Horniman are 'walking-the-walk' as well as 'talking-the-talk'*. We also focused on our waste streams and are now recycling all our Café and staff food waste in our Gardens' compost heap. We replaced all lighting in our Music Gallery with LED lighting, carried out an ecological survey of our Nature Trail and started to implement its recommendations to reduce invasive species and encourage native plants and animals.

The Horniman is exempt from producing a **Sustainability Report** due to its size.

3.3 Sector support and collaboration – national and international

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

Throughout the year we managed and maintained **loans** to 23 national and international organisations including the V&A London; Hepworth Wakefield; Sainsbury Centre; Boughton House; National Museum Australia and the British Library. We also continued our successful programme of Object in Focus loans to smaller museums, libraries and academic institutions across the South East in particular. Our aim for this programme is to increase access to our stored collections, promoting the Museum Association's Smarter Loans principles and forging links with other organisations. We **toured** a variety of objects to a total of 10 venues, including Arts Network, Trinity Laban, Wimbledon and Camberwell Colleges of Art, Powell Cotton, Crawley and Eden Vale

Museums, Chiddingstone Castle and The Deep (Hull) – providing support, interpretation, talks and activities tailored as needed.

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

As a **creative hub** we convened a series of meetings and a symposium to develop Music in the Making; this has resulted in a large cross-sector community of practice. We developed our Critical Arts Group who helped provide support and advice for staff and artists involved in our commissioning work. This group includes academics, curators and artists active in contemporary visual arts. We strengthened our partnerships with Trinity Laban Conservatoire of Music and Dance, Goldsmiths and University of the Arts London.

Staff presented on the collections and community engagement in many conferences including the Museums Association annual conference and national conferences of the Geological Curators Group and Musical Instruments Resource network. Internationally, we presented our work at the CIMCIM Music Symposium in Japan and at FARO's conference on Healing Gardens in Brussels. We also participated in the British Museum International Training Programme. In the Rethinking Relationships project we welcomed partners from UK based partner museums and began to explore new networks in West Africa. At the time of writing we were considering how to continue with international exchange using web-based platforms and digital technologies.

3.4 Key supporters

The Horniman receives core funding from **DCMS** and from **ACE** as a National Portfolio Organisation. In 2019/20 the Trust received £3.619 million revenue funding from DCMS. We also received £326k capital funding from DCMS (an increase of £125k in 2018/19 thanks to additional funding from the Infrastructure Fund for essential works to the water mains and boilers). The Horniman output against DCMS KPIs and PIs appears at Annex I. Trustees are most grateful to the Department for its continued support.

The Horniman became an ACE National Portfolio Organisation during 2018 and secured funding for 2018-22. Our funding allocation from ACE for 2019/20 was £946k and focussed towards delivering an ambitious programme including developing the Horniman as a creative hub and expanding upon our highly successful work with children and young people. The Trust is most grateful to ACE for its support over recent years and for providing us with the opportunity to build our resilience and provide excellent and creative opportunities for public engagement.

Voluntary donations

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

Gifts, grants and sponsorship in 2019/20

Art Fund

Arts Council England

William Brake Charitable Trust

The British Academy

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

John Coates Charitable Trust

DCMS/Wolfson Museums and Galleries Improvement Fund

The Department of Digital, Culture, Media and Sport
Esmée Fairbairn Foundation
The Esmée Fairbairn Collections Fund – delivered by the Museums Association
Greater London Authority – National Park City Festival
John Horniman's Children's Trust
The Ironmongers' Company
London Borough of Lewisham
The London Community Foundation and Cockayne – Grants for the Arts
The Merriman Charitable Foundation
National Lottery Heritage Fund
Outset Contemporary Art Fund in partnership with Mishcon de Reya
Paul Hamlyn Foundation
The Radcliffe Trust
Sainsbury's Forest Hill
SeaWorld & Busch Gardens Conservation Fund
The Spear Charitable Trust

Individual giving in 2019/20

K Bascombe
Judy Beard
Thomas and Rumana Bennett
Philippa & Mai-Ling Bosman-Savage
Sally and Michael Bridgeland
Frances Carey
Margaret Carey
Richard Comaish
John Coulthard and Ruth Dobson
Scott Cruickshank and Sirilak Wichianpaisan
Stephen Dimon
Rina Dutta
Simon and Joanna Edwards
Alyson Elliman
Gavin and Amy English
Antje Ehrlich
John Firmin
Justin and Dawn Giles
Simon Granleese
Hanna Grindall
Ed and Catherine Hales
Tim Hanson
Adrian Hartley
Virginia and David Hearn
Michael Horniman
Timothy and Charmian Hornsby
Angela Hughes
Paul Hughes
Kate Isaak
Rosie Jackson
Professor R J Jarrett
Aisla Kegler
Scott Keir and Robin Bray-Hurren
Mary Kempson
Donald and Kathleen Kirkham
Jason McCulloch and Emma Carter
Susan Marsh
Nicholas and Lindsay Merriman
Gordon and Helen Middleton

Mounzer Nazha
Duncan Ovens
Hamish Parker
Samantha Riches and Simon Christian
Estate of the Lady Elizabeth Rooke
Charlotte Rooney
Keith Roper
Andrew Rutherford
Eve Salomon
Linda Sandino
Carole and David Souter
Rosamund Sykes
Hugo Tait
Ian Tollett and Jessica Matthews
Ann Wallace
Judith Ward
Stephen Whittle
Charles Wynn-Evans and Alex McColl

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

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

We extend our thanks to our Ambassadors Jo Brand, Jeremy Deller, Adrian Lester and Lolita Chakrabarti for their support along with our existing Patrons, Sir David Attenborough, Dame Evelyn Glennie, Ms Kanya King, Mr Timothy Spall and Mrs Shane Spall, Mr Joe Swift and Mrs Cathy Swift and Baroness Floella Benjamin and Mr Keith Taylor. We would also like to say a special thank you to the individuals who gave to the Museum and Gardens over the past year, including those who gave commemorative gifts and those donors who wish to remain anonymous.

3.5 Staff and volunteers

3.51 Human resources policies

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

The diversity of our workforce is central to our values and the delivery of our objectives. We believe that maintaining a diverse workforce plays an important part in ensuring the diversity of our audiences. We aim to ensure that the diversity of our workforce reflects the diversity of the job markets from which we recruit. Our overall target for staff from BAME backgrounds is 20% reflecting the fact that some posts are recruited from a national job market and some from a local (London) job market. In 2019/20 our workforce included 15.9% staff from ethnic minorities and 7.9% of the workforce disclosing a disability.

We give great importance to supporting our staff both to help them develop and to achieve improvement in our performance. We aim to treat all of our employees in a fair and consistent manner, promoting good working relationships and encouraging high standards of conduct and work performance. We aim to provide a healthy workplace where risks are effectively managed, together with fair rewards and conditions of employment. The average number of days of sickness per employee during the year was 7.9 (8.1 in 2018/19). This compares with 8.2 days in the public sector and 5.8 days in the not-for-profit sector in 2019.

3.52 Informing and consulting employees

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

A staff survey was carried out in January 2020 with 80% of staff responding (79% in 2017). The main headlines from the survey were:

- Staff were positive about where the Horniman is going
- Staff are aware of our sustainability agenda and want to develop it.
- Staff feel that we care about their wellbeing and are aware of the resources that are available
- Messenger and email generally thought a useful way to share information but we need to improve communication between teams and departments and make sure we share important information
- There's a strong desire for more development opportunities – both on the job and through training courses
- Staff would welcome more recognition of good work and everyone's contribution.

The Staff Council provides a forum for management and staff to meet and discuss matters of joint interest. It provides an opportunity for sharing information related to our activities and plans, and for consultation on staff-related matters through elected staff representatives. The Horniman recognises the GMB for collective bargaining and there are regular meetings between management and trade union representatives.

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

3.53 Volunteers, work placements, apprenticeships and trainees

The Engage programme continues to be the most significant strand of work with volunteers and delivers significant public benefit. During 2019/20 the programme as a whole involved over 192 people who volunteered more than 9745 hours. New opportunities for students and volunteers were also created across areas of the organisation.

3.54 Whistleblowing arrangements

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

3.55 Personal data

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

3.56 Fundraising regulation

During 2019/20 the Trust's fundraising staff undertook activities to raise money from trusts and foundations, businesses and individual supporters. These included writing bids and applications, cash and contactless collections on-site and the delivery of annual regular giving and In-Memoriam schemes. The Trust did not use volunteer or external professional fundraisers. We did not receive any complaints about fundraising activity this year.

The fundraising department has signed up to the Fundraising Regulator's Code of Fundraising Practice, regularly reviews its Fundraising Ethics Policy and all of our fundraising guidance and working practices have been updated so that they are compliant. All direct marketing is undertaken by the fundraising and communications teams to ensure that it is not unreasonably intrusive or persistent. All Trust marketing material contains clear instructions on how a person can be removed from mailing lists.

4.0 Financial review

2019/20 was another challenging year for the Trust due to standstill revenue funding from DCMS (£3.619 million) and from ACE (£946k). The Trust continued to work hard to build its income generation from other sources.

With the bulk of fundraising for the Anthropology redisplay project completed during 2018/19, this year we were able to increase our fundraising for other projects alongside building unrestricted income raising £413k.

Trading activities continued to perform strongly during the year until closure of the Museum from 18 March due to Covid-19 resulting in only a small decrease in net profit and overall revenues across combined trading streams. The wedding business had a difficult year with reduced revenue and net income but other areas of venue hire performed particularly well. Both the café and shop had a good year showing increased revenue up the point of closure. Plonk Golf was open for a longer season and continued to bring in another welcome income stream.

Income from charitable activities, which includes admission charges and membership income, increased significantly during the year despite closure from mid-March due to the success of our temporary exhibitions: Brick Wonders and Permian Monsters and the continued popularity of our Butterfly House and Aquarium. Income from schools sessions fell slightly due to the cancellation by some schools in early March and the unavailability of our offer from mid-March.

The Trust has 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 £29k, from several small-scale temporary exhibitions. This is an increase from £12k in 2018/19.

As a result of the increase in self-generated income together with the tax credit and some cost savings, the Trust has been able to add £113k to its general reserves.

In 2019/20 the Trust received capital funding from DCMS of £326k, including £125k from the Infrastructure funding for emergency works on the water mains and boilers.

The revaluation of fixed assets at the end of the year resulted in a net increase of £2,589k (£9671k decrease in 2018/19). This was mainly due to large increases in locations factors which exceeded the increase in cost figures between the two valuation dates.

Investment Policy

The Company's Memorandum of Association gives the Trustees the power to 'invest the monies of the company not immediately required for the furtherance of its objects in or upon such investments, securities or property as may be thought fit, but so that the company shall have no power to grant loans by way of investment otherwise than a commercial rate of interest and upon security bearing at least the full value of the loan'.

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

Reserves Policy

The Trustees have considered the scale, complexity and risk profile of the Horniman, and taken account of the funding base which consists of grant-in-aid from DCMS and self-generated income. The former has historically been reasonably foreseeable and is currently subject to a funding agreement for 2016-20. Grant-in-aid funding for 2020/21 was confirmed during 2019. We await the outcome of the Spending Review expected later this year, which will inform Grant-in-aid funding from 2021/22 onwards. Self-generated income is always liable to fluctuation depending on economic circumstances and visitor activity and is particularly uncertain post-Covid-19 as visitor levels and spend is unlikely to return to previous levels for some considerable period.

The Trustees have designated £1.1million for future Museum development and specifically to develop the 10-year Framework and underwrite fundraising for matching funding arising from this from 2020 to 2025. This leaves a balance of £1,104k Free Reserves (General Fund) (up from £991k in 2018/19). The Trustees consider this to be a prudent level of Free Reserves in the current economic circumstances taking into account the effects of Covid-19 on future operations, the annual operational expenditure, to deal with fluctuations in income, to provide adequate working capital, to underpin budgetary risks arising from capital expenditure projects, a stand still or reduced grant-in-aid settlement over the next year and uncertainties over the level of future 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 £7,366k on the Pension Reserve at 31 March 2020 due to the current deficit on the pension scheme under FRS102 (note 26), which decreased from £7,879k at 31 March 2019. This improvement from the previous year is largely due to the reduction in a provision of £606k made in 2018/19 in respect of past service costs following a recent decision in the Supreme Court (see note 9). The FRS102 valuation is based on the triennial valuation at 31 March 2019, which showed an improvement in the level of funding of the scheme. As a result, the future service rate increased to 15.7% (from 13.41%) but there is a reduction in the amount the Trust is required to make in additional lump sum payments towards eliminating the past deficit over a period of six years. The next valuation is due as at 31 March 2022.

The categories of Reserves can be summarised as follows:

	£'000
Capital projects fund: representing income invested in fixed assets, adjusted for depreciation	5,076
Revaluation reserve: cumulative revaluation surpluses and deficits	10,684
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	29,026
Other restricted funds: unspent funds restricted by virtue of specific conditions or legal restrictions	233
Pensions reserve: representing the current FRS17 value of the pension fund deficit	(7,366)
Designated funds for Museum Development	1,100
Free Reserves	
Unrestricted reserves over which there are no restrictions or specific future spending intentions	1,104
	39,857

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, 90.3% of invoices not in dispute were paid within 30 days or supplier terms (94.4% in 2018/19).

5.0 Principal risks and uncertainties

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

The principal risk is the uncertainty of the effects of Covid-19 on the level of visitor numbers once the Museum is open again and the amount of self-generated income that will be lost as a result. It is likely that the effects will be felt not only in 2020/21 but also in at least the next two financial years. The Museum expects to face a deficit in 2020/21 but is confident that this can be covered by current reserves. A strategy is being developed to mitigate the loss and move to a more sustainable operating model from 2021/22 onwards.

Another significant risk is the outcome of the Government's expected Comprehensive Spending Review in 2020/21, to cover the period from April 2021 onwards. The Comprehensive Spending Review has been delayed from July 2020 to ensure that HM Treasury and departments can remain focused on responding to the immediate public health and economic emergency. We are currently awaiting further details on the next spending review. It will follow significant investment the government announced through both Budget 2020 and Spending Round 2019, and will take into account the government's response to COVID-19. The Horniman has been preparing for its participation in this review from summer 2018, setting out long-term plans, a further case for investment, and evidence of increased financial sustainability and value for money.

A further risk, also related to Covid-19, is the impact on our 10 year Framework Plan, which consists of two £10m capital projects, as well as changes to programming. A significant bid to NLHF for one of these projects, 'Nature and Love', was submitted just before the lockdown, but was not accepted as the funder was reassessing its priorities. It remains to be seen what capital funding sources will remain in place in 2020/21 and we will adjust our expectations accordingly.

The Horniman has a good relationship with its DCMS funding department and with ACE, and is well networked in the museums and cultural sector. We will continue to flag up any unintended consequences of policy or funding changes relating to our ability to deliver our corporate plan and commitments for 2020/21 and beyond. The CEO and SMT will assess impacts of any changes and escalate significant issues to the Board of Trustees.

The Pension Scheme continues to be an item of continued risk, given the size of the deficit on the Pension Reserve. This is considered to be low risk at present as it is very unlikely that the liability would crystallise in the foreseeable future and as current contributions are affordable and have been built into current plans. The outcome of the latest triennial review received in January 2020 showed an improvement in the level of funding. The risk will continue to be monitored by the Board on an annual basis.

6.0 Plans for future periods

6.1 Priorities for 2020/21

Priorities for 2020/21 were originally outlined in our Corporate Plan 2020-2023 which can be found on our website at www.horniman.ac.uk. However whilst we continue to be guided by our three principal aims of Access, Collections and Shaping the Future, due to the wide-ranging impact of Covid-19 and the issues raised by the 'Black Lives Matter' movement, our priorities and any associated targets listed in the Corporate Plan are now subject to change. A full business review and planning exercise will be undertaken once the Museum reopens, in autumn 2020.

Structure, Governance and Management

Governing Document

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

Form of Accounts

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

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

Corporate Governance

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

During the year Helen Williams and Mayowa Ochere were appointed as new Trustees for a term of four years. Hilary Carty's term came to an end. The Board confirmed the re-appointment of Clare Matterson for a period of four years at the Annual General Meeting in October.

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

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

The Board of Trustees has established an Audit Committee to support them in their responsibilities relating to risk control and governance; including the review of the comprehensiveness, reliability and integrity of assurances required by the Board and Accounting Officer. This includes the detailed perusal of the Annual Accounts and consideration of Internal Audit Reports. During the year the following internal audit reviews were accepted: Business Continuity Planning, Strategy & Budgetary Control, Recruitment & Diversity and Fraud Risk Assessment, as well as the regular

annual report of assurance to the Accounting Officer on the systems of internal controls. During the year the Board appointed Helen Williams as a member of the Committee to replace Hilary Carty.

The Remuneration Committee considered matters relating to the remuneration of the Chief Executive and made recommendations to the Board thereon. Mayowa Ochere replaced Hilary Carty as a member of the Committee.

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

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

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Registered Office:

100 London Road
Forest Hill
London SE23 3PQ

Company Registration Number: 2456393
Charity Registration Number: 802725

Directors and Trustees

Eve Salomon, Chair *	Nico Iacuzzi *
Hilary Carty (to July 2019)	Sarah Kemp
Caroline Cole *	Clare Matterson
Geoffrey Crossick	Mayowa Ochere (from October 2019)
Surojit Ghosh *	Carole Souter
Simon Hesketh	Helen Williams (from July 2019)

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

Audit Committee

Sarah Kemp, Chair
Hilary Carty (to July 2019)
Geoffrey Crossick
Helen Williams (from October 2019)
Roma Dibua

Remuneration Committee

Eve Salomon, Chair
Hilary Carty (to July 2019)
Clare Matterson
Mayowa Ochere (from March 2020)

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, 150 Aldersgate Street, London, EC1A 4AB

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

The Trustees' Report on pages 1-21 has been approved by the Trustees and signed on their behalf:

Eve Salomon
Chair
Date: 1 July 2020

Nick Merriman
Accounting Officer
Date: 1 July 2020

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 21 of the Trustees' Report.

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

The Chief Executive was appointed with effect from 1 May 2018. This contract provides for a six-month notice period for termination of contract.

The Chief Executive's performance is assessed on an annual basis against objectives agreed with the Chair of the Board of Trustees and a bonus is calculated on the basis of the performance achieved. A proportion of this may be consolidated as an increase to basic salary with the agreement of the Board of Trustees and within the terms of the contract.

The Chief Executive is a member of the London Pensions Fund Authority Scheme on the same terms as other employees.

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

	31 March 2020	31 March 2019
Real increase in pension	£2,783	£1,886
Total accrued	£4,705	£1,886
Salary	£110,000-£120,000	£100,000-£110,000
Non-consolidated bonus	£5,000-£10,000	£0-£5,000
Total remuneration	£120,000-£130,000	£100,000-£110,000
Median total remuneration	£25,018	£24,565
Ratio to median remuneration	5	5

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

Eve Salomon
Chair
Date: 1 July 2020

Nick Merriman
Accounting Officer
Date: 1 July 2020

Statement of Trustees' and Accounting Officer's Responsibilities

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

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

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

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

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

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

Audit information

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

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Eve Salomon
Chair
Date: 1 July 2020

Nick Merriman
Accounting Officer
Date: 1 July 2020

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 2020.

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 four-year corporate plan which is updated annually, setting key performance indicators and reviewing the major risks
- An Audit Committee, which meets three times a year to support the Board in their responsibilities relating to risk control and governance, including detailed perusal of the Annual Accounts and consideration of Internal Audit Reports
- A Remuneration Committee, which makes recommendations to the Board on matters relating to the Chief Executive and other senior management remuneration and remuneration policy as required
- The Chief Executive, who has responsibility to the Board for the overall organisation, management and staffing of the Trust and for its procedures in financial and other matters. The Chief Executive is also designated "the Accounting Officer" by DCMS. The Accounting Officer is responsible for managing risk and ensuring that an effective system of internal control is maintained and operated within the Horniman
- The Senior Management Team supports the Chief Executive and is also responsible for the management of respective areas of responsibility within the Trust and thus for the delivery of programmes and policies in those areas. The Senior Management Team maintains a key risk list which is considered and updated at least quarterly and key changes reported to the Board. The Senior Management Team normally meets weekly
- The line management structure flows through to the Heads of Department, who are responsible for budgets and staff in their areas of work as well as for delivering their agreed outputs

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

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

Review of effectiveness

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

The Board periodically reviews its effectiveness and monitors Board attendance which was 81% for the year ended 31 March 2020.

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 in 2015/16 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: Business Continuity Planning, Strategy & Budgetary Control, Recruitment and Diversity, Fraud Risk Assessment. Recommendations made by the auditors to strengthen internal controls in the 2019/20 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 2019/20 was as follows: **'There is an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved'**.

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

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

Eve Salomon
Chair
Date: 1 July 2020

Nick Merriman
Accounting Officer
Date: 1 July 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST LIMITED

Opinion

We have audited the financial statements of The Horniman Public Museum and Public Park Trust for the year ended 31 March 2020 which comprise the Group Statement of Financial Activities (incorporating the Group Summary Income and Expenditure Account), the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 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 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

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 and 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.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material

misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 24, 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.

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.

James Cross (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor
Date: 6 July 2020

Devonshire House
60 Goswell Road
London, EC1M 7AD

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES **Year ended 31 March 2020**
Incorporating an income and expenditure account

	note	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
INCOME AND EXPENDITURE		Funds	Funds	Funds	Funds	Funds	Funds
		2020	2020	2020	2019	2019	2019
		£'000	£'000	£'000	£'000	£'000	£'000
Income from							
Donations and legacies							
<i>Grant in Aid</i>	2	3,945	-	3,945	3,870	-	3,870
<i>NPO grant</i>	3	946	-	946	946	-	946
<i>Other grants and donations</i>	4	161	452	613	199	611	810
Total Donations and legacies		5,052	452	5,504	5,015	611	5,626
Other trading activities	5	644	-	644	670	-	670
Income from investments		17	1	18	12	2	14
Income from charitable activities	6	1,308	5	1,313	1,167	13	1,180
Total income		7,021	458	7,479	6,864	626	7,490
Expenditure on							
Raising funds	7	865	36	901	903	35	938
Charitable activities	8	6,151	715	6,866	6,403	765	7,168
Exceptional past service cost	9, 27	-	-	-	606	-	606
Total expenditure		7,016	751	7,767	7,912	800	8,712
Net (expenditure)		5	(293)	(288)	(1,048)	(174)	(1,222)
Taxation credit	10	29	-	29	12	-	12
Net (expenditure)		34	(293)	(259)	(1,036)	(174)	(1,210)
Net gains on revaluation of fixed assets	18	983	1,606	2,589	12	(979)	(967)
Actuarial gains on defined benefit pension scheme		612	-	612	780	-	780
Net movement in funds		1,629	1,313	2,942	(244)	(1,153)	(1,397)
Fund balances brought forward		8,969	27,946	36,915	9,213	29,099	38,312
Fund balances carried forward	25	10,598	29,259	39,857	8,969	27,946	36,915

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

The information presented within the Statement of Financial Activities is equivalent to that which would have to be disclosed in an Income and Expenditure Account and accordingly a separate Income and Expenditure Account is not presented, as permitted by section 394 Companies Act 2006. No separate Statement of Financial Activities has been presented for the parent charity as permitted by section 408 Companies Act 2006. The amount of the net expenditure dealt with in the financial statements of the parent charity is £259k (2019: net income £1,210k).

The notes on pages 33 to 47 form part of these financial statements.

BALANCE SHEETS**At 31 March 2020****Company Registration Number: 2456393**

	note	Group 2020 £'000	Museum 2020 £'000	Group 2019 £'000	Museum 2019 £'000
FIXED ASSETS					
Heritage assets	17	421	421	419	419
Other tangible fixed assets	18	44,294	44,294	42,044	42,044
Intangible fixed assets	19	71	71	-	-
Investment in subsidiary	14	-	-	-	-
		<u>44,786</u>	<u>44,786</u>	<u>42,463</u>	<u>42,463</u>
CURRENT ASSETS					
Stocks		60	-	50	-
Debtors	20	426	517	479	569
Current asset investments (Notice deposits)		743	743	521	521
Cash	21	1,781	1,701	2,077	1,992
		<u>3,010</u>	<u>2,961</u>	<u>3,127</u>	<u>3,082</u>
CREDITORS: amounts falling due within one year	22	<u>573</u>	<u>529</u>	<u>796</u>	<u>756</u>
NET CURRENT ASSETS		<u>2,437</u>	<u>2,432</u>	<u>2,331</u>	<u>2,326</u>
NET ASSETS excluding pension liability		<u>47,223</u>	<u>47,218</u>	<u>44,794</u>	<u>44,789</u>
Pension liability	27	<u>7,366</u>	<u>7,366</u>	<u>7,879</u>	<u>7,879</u>
NET ASSETS including pension liability		<u><u>39,857</u></u>	<u><u>39,852</u></u>	<u><u>36,915</u></u>	<u><u>36,910</u></u>
REPRESENTED BY:					
Restricted income funds	25	29,259	29,259	27,946	27,946
Unrestricted funds	25	7,280	7,275	7,146	7,141
Revaluation reserve	25	10,684	10,684	9,702	9,702
Pension reserve	27	(7,366)	(7,366)	(7,879)	(7,879)
Total funds		<u><u>39,857</u></u>	<u><u>39,852</u></u>	<u><u>36,915</u></u>	<u><u>36,910</u></u>

These financial statements were approved and authorised for issue by the Trustees on 1 July 2020
Signed on behalf of the Trustees

Eve Salomon
Chair

Nick Merriman
Accounting Officer

Sarah Kemp
Audit Committee Chair

The notes on pages 33 to 47 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2020

	Note	Group 2020 £'000	Museum 2020 £'000	Group 2019 £'000	Museum 2019 £'000
Cash flow from operating activities:					
Net cash provided by operating activities	26	177	182	701	689
Cash flow from investing activities:					
Interest from investments		18	18	14	14
Purchase of property, plant and equipment		(491)	(491)	(676)	(676)
Net cash used in investing activities		(473)	(473)	(662)	(662)
Increase in cash and cash equivalents in the year		(296)	(291)	39	27
Cash and cash equivalents at the beginning of the year	26	2,077	1,992	2,038	1,965
Cash and cash equivalents at the end of the year	26	1,781	1,701	2,077	1,992

The notes on pages 33 to 47 form part of these financial statements.

1. Accounting policies

a) Basis of Accounting

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

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

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the group to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the group's forecasts and projections taking particular account the impact of reduced visitor numbers on self-generated revenue as a result of the closure of the Museum from 18 March 2020 due to the Covid-19 lockdown and the restricted conditions following reopening will have a significant effect on the Trusts' finances for 2020-21 and the next financial year. The Trust's Grant in Aid Resource settlement for 2020-21 is £3,686k, however the settlement for 2021-22 is dependent on the outcome of the Comprehensive Spending Review which will not be known until the Autumn of 2020. Trustees are developing plans to mitigate the effects by a number of cost cutting measures and together with the use of reserves are satisfied that it is appropriate to continue to adopt the going concern basis in preparing its financial statements. 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.

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, premises management, IT and general administration in supporting the operational programmes for which the charity is responsible. These have been allocated to the relevant cost area on the basis considered most appropriate to the cost involved, as shown in note 9.

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

e) Fund accounting

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

f) Critical accounting estimates and areas of judgement

As noted in accounting policy (h) below, the Trust's land and buildings are included in the financial statements at valuation in accordance with the Executive NDPB Annual Reports and Accounts Guidance. As they are specialised properties, the valuations have been assessed on the basis of depreciated replacement cost in accordance with RICS guidelines. These are considered to be critical accounting estimates in view of the amounts involved and the judgements applied in their valuation. Following the outbreak of COVID-19 shortly before the financial year end, the independent valuers have stated that less reliance than normal can be placed on market evidence as at 31 March 2020 for comparison purposes to inform opinions of value, and have accordingly reported on the basis of a material valuation uncertainty given the unknown future impact that COVID-19 might have on the real estate market. As the properties are valued on the basis of depreciated replacement cost rather than open market value, they are less impacted by market transactions and therefore the trustees consider that the valuation estimates are reasonable.

In the view of the Trustees in applying the accounting policies adopted, no other judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

g) Heritage assets

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

An overview of the scope of the Horniman's Collections is set out at Note 17.

Heritage assets which are stated at cost are not subject to depreciation. Heritage assets stated at valuation are adjusted each year for the change in RPI. Impairments in the carrying value of heritage assets are recognised if they have suffered physical deterioration or if new doubts arise as to their identity, authenticity or provenance. Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the Statement of Financial Activities when it is incurred.

h) Tangible fixed assets

Assets comprising the freehold land and main museum buildings at 100 London Road, Forest Hill, London SE23 3PQ are used to provide museum and garden services and together with certain museum artifacts and fixed assets form the permanent endowment of the Foundation. In accordance with "Executive NDPB Annual Reports and Accounts Guidance" the value of land surrounding the Museum's freehold properties (principally the Gardens) is now capitalised. A revaluation of all the Museum's freehold land and buildings was carried out at 31 March 2018 and updated at 31 March 2020, by external valuers from Wilks, Head and Eve, Chartered Surveyors, in accordance with the Statement of Assets Valuation Practice and Guidance Notes of the Royal Institution of Chartered Surveyors. The combined gain on the revaluation of all the land and buildings has been taken directly to the Revaluation Reserve. The valuations and the treatment of the resulting surpluses are in accordance with FRS102. Improvements to all buildings are capitalised where it is considered that future economic benefits in excess of the originally assessed standard of performance will flow as a result of that expenditure. The capitalisation threshold is £10,000 for heritage assets and £5,000 for all other assets (£2,000 before 1 April 2010).

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

i) Depreciation

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

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

The main 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 S466-493 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 15.

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 2019/20 are set out in Appendix I.

3. National Portfolio Organisation Grant

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

4. Other grants and donations

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2020	2020	2020	2019	2019	2019
	£'000	£'000	£'000	£'000	£'000	£'000
HLF Project grants	-	177	177	-	425	425
Donations in kind	66	-	66	66	-	66
Other grants and donations	95	275	370	133	186	319
	<u>161</u>	<u>452</u>	<u>613</u>	<u>199</u>	<u>611</u>	<u>810</u>

5. Other trading activities

	2020	2019
	£'000	£'000
<i>Unrestricted income</i>		
Contribution from Trading subsidiary		
Venue hire	133	139
Shop revenue	297	275
Café revenue	166	172
Other trading activities	37	58
Miscellaneous income	11	26
	<u>644</u>	<u>670</u>

6. Income from charitable activities	2020	2019
<i>Unrestricted income</i>	£'000	£'000
Admissions and membership income	1,147	1,014
Schools sessions income	68	75
Events and family activities	78	44
Miscellaneous income	15	34
<i>Restricted income</i>	1,308	1,167
Specific grants, donations and income	5	13
	1,313	1,180

7. Expenditure on Raising funds 2020	Direct Costs	Support Costs	Total 2020
	£'000	£'000	£'000
Costs of generating voluntary income	240	42	282
Costs of other activities for generating funds	93	151	244
Charity total	333	193	526
Trading subsidiary costs	375	-	375
Group total	708	193	901

Expenditure on Raising funds 2019	Direct Costs	Support Costs	Total 2019
	£'000	£'000	£'000
Costs of generating voluntary income	285	47	332
Costs of other activities for generating funds	106	149	255
Charity total	391	196	587
Trading subsidiary costs	351	-	351
Group total	742	196	938

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

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

Charitable Activities 2019

	Direct Costs £'000	Support Costs £'000	Total 2019 £'000
<i>Access</i>			
Providing public access	2,361	1,004	3,365
Learning, public programmes and activities	1,120	311	1,431
	<u>3,481</u>	<u>1,315</u>	<u>4,796</u>
<i>Collections</i>			
Object purchase and donation	28	-	28
Collections development, care and management	1,115	715	1,830
	<u>1,143</u>	<u>715</u>	<u>1,858</u>
<i>Shaping the future</i>			
Business development	62	15	77
Development project revenue costs	315	35	350
Volunteering and sector support	71	16	87
	<u>448</u>	<u>66</u>	<u>514</u>
	<u>5,072</u>	<u>2,096</u>	<u>7,168</u>

Support cost allocation 2020

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

Support cost allocation 2019

Support cost	Income generation £'000	Shaping the future £'000	Access £'000	Collections £'000	Total £'000	Basis of allocation
Finance & admin.	34	20	157	52	263	% spend
Human Resources	21	12	92	37	162	head count
IT	26	25	116	73	240	work stations
Facilities mgt	102	1	890	533	1,526	floor area
Governance	13	8	60	20	101	% spend
Total	196	66	1,315	715	2,292	

Remuneration paid to the auditors in 2020 amounted to £17k (2019 £17k).

9. Exceptional past service cost

As a result of a Supreme Court decision in 2018-19, additional provision was required in the 2018-19 financial statements in respect of the past service costs of certain members of the local Government pension Scheme of which the Horniman is an employer member. This resulted in an estimated increase in the scheme liabilities of £606k and was included in the information provided in note 26. The actuarial valuation at 31 March 2019 and the FRS 102 valuation at 31 March 2020 now make provision for any such past service costs.

10. 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 2020 or 2019.

The subsidiary Horniman Museum Enterprises Limited has no taxable profits in 2020 or 2019 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 2020. The financial statements include £29k in income and other debtors.

11. Staff costs	2020	2019
	£'000	£'000
Wages and salaries	3,905	3,858
Social security costs	348	330
Other pension costs	447	432
	<u>4,700</u>	<u>4,620</u>
Contingent labour costs	136	198
	<u>4,836</u>	<u>4,818</u>

No exit packages were agreed during the year. 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.

12. Remuneration of key management personnel

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

- Director, Collections Care and Estates
- Director, Curatorial and Public Engagement
- Director, Communications and Income Generation
- Finance Director

Total remuneration paid to these individuals amounted to £492k (2019: £492k)

The salary and pension entitlements of the Chief Executive are set out in the report of the Remuneration Committee on page 22. This falls into the bracket £120-130k. In addition 1 member of key management personnel listed received emoluments in the range £70- £80k (2019 - 0) and the remaining 3 received emoluments in the range £60-£70k (2019 - 4). 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 (2019 - nil). No expenses were reimbursed to Trustees during the current or preceding year.

13. Staff Numbers

The average actual number of employees during the year, including 3 temporary project contracts, was 148 (2019-144). The number of full time equivalent employees at 31 March 2020 was 128 (2019-117) analysed into the following categories:

	2020	2019
Exhibitions	6.3	5.0
Collection Management and Care	10.4	9.7
Aquarium and Animal Walk	9.6	9.0
Learning	14.0	13.6
Curatorial	10.6	8.9
Visitor services	13.3	11.8
Gardens	8.8	8.0
Estates	16.5	17.9
Finance, IT, HR and Administration	11.2	9.2
Communications and Income Generation	22.3	18.9
Management	5.0	5.0
	<u>128.0</u>	<u>117.0</u>
Less: project contracts	1.7	1.6
	<u>126.3</u>	<u>115.4</u>

14. 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 2020 were £5k (2019 - £5k).

	2020	2019
	£'000	£'000
<i>b) Results of trading subsidiary</i>		
Turnover	632	644
Cost of sales	(188)	(171)
Gross profit	444	473
Operating and administrative expenses	(200)	(195)
Operating profit	244	278
Gift aid to the Trust	(244)	(278)
Surplus retained in company	-	-

15. Operating leases

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

Not later than one year	6	5
Later than one year but not later than five years	10	13
	16	18

16. Capital Commitments

Capital commitments at 31 March 2020 amounted to £nil (2019 - £41k).

17 Heritage Assets**17.1 On-Balance-Sheet Heritage Assets**

	Acquisitions at historic cost	Assets at valuation	Total
	£000	£000	£ 000
At 01.04.2019	310	109	419
Additions	-	-	-
Revaluation	-	3	3
At 31.03.2020	310	112	422

No capitalised collection objects were disposed of during the year.

17.2 Three year financial summary of heritage asset transactions

	2019-2020		2017-2018		2017-2018	
	£'000	Number of items	£'000	Number of items	£'000	Number of items
<u>Additions:</u>						
Purchases	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Total additions	-	-	-	-	-	-

Only purchases which cost £10,000 or more are capitalised (£2,000 prior to 1 April 2010).

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

17.3 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.

17.4 Collections management

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

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

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

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

Storage and Care

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

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

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

The Horniman will:

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

Documentation

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

The Horniman will:

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

17.5 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 31/03/20	Number capitalised at cost as at 31/03/20	Number capitalised at valuation as at 31/03/20
Musical Instruments	8,000	15	3
Anthropology	80,000	18	95
Natural History	250,000	0	0
Education Handling Collection	3,000	0	0
TOTAL	341,000	33	98

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 one hundred years, have enabled the Horniman to become one of the few museums in the country capable of illustrating the breadth of the World's natural and cultural diversity.

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

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

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

17.6 Non inclusion of Heritage Assets in the Balance Sheet

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

In the Trustees' opinion, conventional valuation approaches lack 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 Museum 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 Museum at nil cost, and are incomparable in nature, are not recognised as assets in the Museum's Balance Sheet except where cost or valuation is already available.

18. Tangible fixed assets

	Heritage Assets £'000	Computers Equipment & Fixtures £'000	Exhibitions £'000	Freehold assets in the Land & Buildings £'000	course of construction £'000	Total £'000
<i>Cost or valuation</i>						
At 1 April 2019	419	4,592	7,564	37,455	127	50,157
Additions	-	194	196	29	-	419
Disposals/transfers	-	73	(147)	6	(127)	(195)
Revaluation	3	115	197	2,248	-	2,563
At 31 March 2020	<u>422</u>	<u>4,974</u>	<u>7,810</u>	<u>39,738</u>	<u>-</u>	<u>52,944</u>
<i>Depreciation</i>						
At 1 April 2019	-	3,353	4,341	-	-	7,694
Provided in year	-	241	282	232	-	755
Disposals	-	(47)	(147)	-	-	(194)
Revaluation	-	88	118	(232)	-	(26)
At 31 March 2020	<u>-</u>	<u>3,635</u>	<u>4,594</u>	<u>-</u>	<u>-</u>	<u>8,229</u>
<i>Net book value</i>						
At 31 March 2020	<u>422</u>	<u>1,339</u>	<u>3,216</u>	<u>39,738</u>	<u>-</u>	<u>44,715</u>
At 31 March 2019	<u>419</u>	<u>1,239</u>	<u>3,223</u>	<u>37,455</u>	<u>127</u>	<u>42,463</u>

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

Cost	396	3,656	5,866	20,096	-	30,014
Accumulated depreciation	-	(2,506)	(2,931)	(1,895)	-	(7,332)
NBV at 31 March 2020	<u>396</u>	<u>1,150</u>	<u>2,935</u>	<u>18,201</u>	<u>-</u>	<u>22,682</u>
NBV at 31 March 2019	<u>396</u>	<u>1,015</u>	<u>2,978</u>	<u>17,920</u>	<u>49</u>	<u>22,358</u>

Note: All the fixed assets are used for charitable purposes. A revaluation of all the Horniman's freehold land and buildings was carried out at 31 March 2018 by external valuers from Wilks, Head and Eve, Chartered Surveyors, in accordance with the Statements of Assets Valuation Practice and Guidance Notes of the Royal Institution of Chartered Surveyor. This valuation was updated at 31 March 2020. Other tangible fixed assets are stated at modified historical cost using appropriate indices.

19. 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 2019	-
Additions	71
Disposals/transfers	-
Revaluation	-
At 31 March 2020	<u>71</u>
<i>Depreciation</i>	
At 1 April 2019	-
Provided in year	-
Disposals	-
Revaluation	-
At 31 March 2020	<u>-</u>
<i>Net book value</i>	
At 31 March 2020	<u>71</u>
At 31 March 2019	<u>-</u>

	2020	2020	2019	2019
	£'000	£'000	£'000	£'000
20. Debtors				
Trade and sundry debtors	245	231	290	249
Intercompany debtor	-	106	-	131
Current tax recoverable	31	31	29	29
VAT debtor	9	9	4	4
Prepayments	141	140	156	156
	<u>426</u>	<u>517</u>	<u>479</u>	<u>569</u>

With the exception of Prepayments all Debtors are financial instruments measured at present value.
As at 31 March 2020 the Group had no intra-Government balances above £1 million.

21. Cash

Short term deposits

Clydesdale Bank - Term Deposits	-	-	213	213
COIF Deposit Fund - Dolmetsch Fund	28	28	28	28
COIF Deposit Fund - Development Fund	104	104	103	103
Bank of Scotland Corporate Bonus Account	99	99	98	98
	<u>231</u>	<u>231</u>	<u>442</u>	<u>442</u>
Cash at bank and in hand	1,550	1,470	1,635	1,550
	<u>1,781</u>	<u>1,701</u>	<u>2,077</u>	<u>1,992</u>

	Group	Museum	Group	Museum
	2020	2020	2019	2019
	£'000	£'000	£'000	£'000
22. Creditors: amounts falling due within one year				
Trade & sundry creditors	343	304	525	485
Taxation and social security	83	83	82	82
Accruals	147	142	189	189
	<u>573</u>	<u>529</u>	<u>796</u>	<u>756</u>

Within trade and sundry creditors there is an amount owing for pension scheme liabilities of £49k (2019 - £52k).

Trade and sundry creditors also includes deferred income as follows:

Deferred income brought forward	218	191	191	151
Released to income in year	-218	-191	-191	-151
Deferred income in year	233	200	218	191
Deferred income carried forward	<u>233</u>	<u>200</u>	<u>218</u>	<u>191</u>

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

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

No balances fall due after more than one year.

As at 31 March 2020 the Group had no intra-Government balances above £1 million.

23. Contingent Liabilities

There were no contingent liabilities at 31 March 2020.

24. Analysis of group net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000
Fund balances at 31 March 2020 are represented by:			
Fixed assets	15,759	29,027	44,786
Current assets	2,778	232	3,010
Current liabilities	(573)	-	(573)
Pension liability	(7,366)	-	(7,366)
Total net assets	10,598	29,259	39,857

25. Statement of Funds 2020

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

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 continued designation of £1,100k for future development of the Museum. This will be used to develop and underwrite our fundraising for matching funding for Framework projects over the next five years.

On 31 March 2016 the Trust was awarded a grant of £3.3m by the HLF for the CPS project, which includes both capital development and activity costs. £117k of this was receiveable and expended during the current year.

In April 2016 a further grant of £272k was secured from the HLF for the purchase of three historic keyboard instruments and related programme costs. £60k of this was receiveable and expended during the year.

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 2020 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 2019	1 April 2018	Income & transfers	Revaluation surplus/ (deficit)	Expenditure	31 March 2019
	£'000	£'000	£'000	£'000	£'000
Restricted income funds					
Dolmetsch fund	24	-	-	-	24
Apostle Clock	19	-	-	-	19
Gardens Development	72	(37)	-	(19)	16
CPS project	158	168	-	(238)	88
Other grants and donations	92	158	-	(158)	92
Total donated assets reserve	28,734	337	(979)	(385)	27,707
Total restricted funds	29,099	626	(979)	(800)	27,946
Unrestricted funds					
<i>Designated funds:</i>					
Capital projects fund	5,057	340	-	(342)	5,055
Development fund	1,000	100	-	-	1,100
	6,057	440	-	(342)	6,155
<i>General funds:</i>					
Income and expenditure	979	6,436	-	(6,424)	991
<i>Unrestricted funds excluding pension reserve</i>	7,036	6,876	-	(6,766)	7,146
Revaluation reserve	9,690	-	12	-	9,702
Pension reserve	(7,513)	-	780	(1,146)	(7,879)
Total funds	38,312	7,502	(187)	(8,712)	36,915

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

	Group 2020 £'000	Museum 2020 £'000	Group 2019 £'000	Museum 2019 £'000
a) Net (expenditure)/income for the reporting period				
<i>(as per the statement of financial activities)</i>	(259)	(259)	(1,210)	(1,210)
Adjustment for :				
Depreciation charges	756	756	727	727
Dividends, interest and rents from investments	(18)	(18)	(14)	(14)
Pension finance cost	170	170	186	186
Excess pension service cost over contributions	(70)	(70)	960	960
(Increase)/decrease in stock	(10)	-	(4)	-
(Increase)/Decrease in debtors	(11)	52	281	258
(Increase)/decrease in current asset investments	(222)	(222)	(203)	(203)
(Decrease) in creditors	(159)	(227)	(22)	(15)
Net cash provided by operating activities	177	182	701	689
b) Analysis of cash and cash equivalents and changes in net debt				
Cash in hand	1,550	1,470	1,635	1,550
Notice deposits(less than 3 months)	231	231	442	442
Overdraft facility repayable on demand	-	-	-	-
Total cash and cash equivalents	1,781	1,701	2,077	1,992

Reconciliation of defined benefit obligation

Opening Defined Benefit Obligation	20,537	18,932
Current Service Cost	774	754
Past service cost	165 -	
Exceptional past service cost (see note 9)	(606)	606
Interest Cost	475	480
Contributions by Members	162	159
Changes in Financial Assumption	(2,157)	907
Changes in demographic assumptions	77	(929)
Experience loss	913	-
Estimated Benefits Paid net of transfers in	(435)	(372)
Closing Defined Benefit Obligation	19,905	20,537

Reconciliation of fair value of employer assets

Opening Fair Value of Employer Assets	12,658	11,419
Interest on Assets	306	294
Other actuarial (losses)	(202)	-
Return on assets less interest	(353)	758
Contributions by Members	162	159
Contributions by the Employer	419	415
Administration expenses	(16)	(15)
Benefits Paid	(435)	(372)
Closing Fair Value of Employer Assets	12,539	12,658

Amounts for the current and previous accounting periods:

	31.03.20	31.03.19	31.03.18	31.03.17	31.03.16
	£'000	£'000	£'000	£'000	£'000
Value of assets	12539	12,658	11,419	10,655	8,362
Present value of liabilities	(19,905)	(20,537)	(18,932)	(18,821)	(14,729)
(Deficit)	(7,366)	(7,879)	(7,513)	(8,166)	(6,367)

Employer's contributions for the year to 31 March 2020 are estimated to be approximately £406k.

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 £1500 were made to the Trust by 2 Trustees (2019 £11,000 - 3 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.

29. Post Balance Sheet Events

Following the closure of the Museum on 18 March 2020 the Trustees have continued to assess the impact of the coronavirus pandemic on the financial position of the Trust and budgets for future years adjusted accordingly. No adjustments have been made to the financial results for 2019/20. There were no other post balance sheet events up to the date the report and accounts were authorised for issue by the Trustees.

Additional Information

The additional information on page 49 has been prepared from the accounting and other records of the group. While it does not form part of the statutory financial statements, it should be read in conjunction with them and the auditors' report thereon.

DCMS Performance indicators Annual Outturn	2019-20 actual	2018-19 actual
Key performance indicators		
No. of visits to the museum excluding virtual visits	759k*	808k
Charitable giving (fundraising)	£799k	£764k **
Other Performance Indicators		
Access		
No. of unique website visits	708k	706k
Audience profile		
No. of visits by children under 16	272k	246k
No. of overseas visits	79k	76k
Learning		
No. of facilitated & self-directed visits to the museum/gallery by children under 18 in formal education	33k	37k
No. of instances of visitors under 18 participating in on-site organised activities	23k	32k
Visitor satisfaction		
% of visitors who would recommend a visit	92%	97%
Self-generated income		
Admissions income (gross)	£766k	£724k
Trading income (net profit)	£244k	£278k
Regional engagement		
No. of UK loan venues	21	20

Notes

* This excludes 150k additional visitors to the Gardens out of Museum opening hours.

** revised