

SIR JOHN SOANE'S MUSEUM

Registered Charity No. 313609

**THE ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR 1 APRIL 2015 TO 31 MARCH 2016**

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THE ANNUAL REPORT

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Marion Box
Peter Callow
Ruta Skatikaite
Jonathon Stern

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Internal Auditor

The Risk Management Business
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East Yorkshire
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External Auditor

Comptroller and Auditor General
National Audit Office
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Sir John Soane's Museum is a Non-Departmental Public Body (NDPB) whose sponsor is the Department for Culture, Media and Sport



CONTENTS

HISTORY, AIMS AND OBJECTIVES OF THE MUSEUM	9
STRUCTURE, GOVERNANCE AND MANAGEMENT	11
REVIEW OF THE YEAR	
THE ACTING DIRECTOR'S INTRODUCTION	12
THE DIRECTOR'S INTRODUCTION	14
THE BUILDINGS	15
THE COLLECTIONS	
WORKS OF ART	18
THE RESEARCH LIBRARY AND ARCHIVE	19
CONSERVATION	20
LOANS	22
VISITORS, EDUCATION AND INTERPRETATION	
VISITORS TO THE MUSEUM	23
EDUCATION ACTIVITIES	23
EXHIBITIONS	29
PUBLICATIONS	32
SERVICES	
Information Technology	32
Commercial Activities	33
Visitor Services Team	36
DEVELOPMENT AND COMMUNICATIONS	37

FINANCE	38
Performance	39
Sickness Absence	40
Company Directorships	40
Public Expenditure System (PES) Disclosure	41
Data Loss and Information Management	41
Reserves Policy	41
Payment Terms	41
Five-Year Summary	41
REMUNERATION REPORT	42
STATEMENT OF TRUSTEES' AND ACCOUNTING OFFICER'S RESPONSIBILITIES	46
GOVERNANCE STATEMENT	47
FINANCIAL STATEMENTS	
Certificate and Report of the Comptroller and Auditor General	51
Consolidated Statement of Financial Activities	53
Statement of Financial Activities (Museum Only)	54
Balance Sheet	55
Consolidated Cash Flow Statement	56
Notes to the Financial Statements	57-71

HISTORY, AIMS AND OBJECTIVES OF THE MUSEUM

History of the Museum

The architect Sir John Soane's house at No.13 Lincoln's Inn Fields has been a public museum since the early 19th century.

Soane demolished and rebuilt three houses on the north side of Lincoln's Inn Fields, beginning with No.12 between 1792 and 1794, moving on to No.13, re-built in two phases in 1807-09 and 1812, and concluding with No.14, rebuilt in 1823-24. Throughout the period he also made continuous alterations, adding more objects to his arrangements and seeking always to enhance the poetic effects and picturesque qualities of the architectural setting.

On his appointment as Professor of Architecture at the Royal Academy in 1806 Soane 'began to arrange the Books, casts and models in order that the students might have the benefit of easy access to them' and proposed opening his house for the use of the Royal Academy students the day before and the day after each of his lectures. By 1827, when John Britton published the first description of the Museum, Soane's collection was being referred to as an 'Academy of Architecture'.

In **1833** Soane negotiated an **Act of Parliament (3^o Gul.IV, Cap.iv)** to settle and preserve the house and collection for the benefit of 'amateurs and students' in architecture, painting and sculpture. On his death in **1837** the Act came into force, vesting the Museum in a board of Trustees who were to continue to uphold Soane's own aims and objectives (see below). A crucial part of their brief was to maintain the fabric of the Museum, keeping it 'as nearly as circumstances will admit' in the state in which it was left at the time of Soane's death in 1837 and to allow free access for students and the public to 'consult, inspect and benefit' from the collections.

The **1833 Act** was superseded in 1969 by **The Charities (Sir John Soane's Museum) Order (1969 No.468)**, revised in **1996, 2003, 2011 and 2012**.

Aims and Objectives of the Museum

The aims of the Trustees today embody Soane's general aims as defined in the 1833 Act and in the 1969 Order which superseded it.

The principal aim of the Trustees is to maintain the integrity of Soane's vision for the Museum while extending this, where appropriate, so that the Museum can play an increasing role in educational and recreational life in this country and beyond.

The Trustees' main objectives are as follows:

1. To maintain and improve the conservation and maintenance of our Grade I listed buildings and works of art so that they will be accessible to present and future generations.

Soane's 1833 Act stipulated that his house and museum (No.13 Lincoln's Inn Fields) should be kept 'as nearly as circumstances will admit' as it was in 1837. The Trustees' strategy is to maintain the historic fabric of the three Soane houses, Nos 12, 13 and 14 Lincoln's Inn Fields, and, when possible, to restore objects and interiors to their Soane arrangement and appearance.

2. To allow the public free access to the Museum.

3. To encourage the public to appreciate and explore all aspects of the Museum and its manifold collections, and of Sir John Soane, his life and works, whether as visitors or at a distance.

4. To inspire curiosity and creativity by means of an imaginative programme of events so that the Soane remains a 'living' museum.

5. To provide opportunities for education in its broadest sense in all aspects of architecture and the history of art, doing honour to Soane's intention to develop his House and Museum as 'an Academy for the Study of Architecture'.

6. To ensure that the Museum's staff, administration and finances are effectively managed.

Public Benefit

In compliance with the duty set out in section 4 of the Charities Act 2011, the Trustees have considered the Charity Commission's General Guidance on Public Benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned objectives will contribute to the aims and objectives they have set.

The benefits provided by the Museum are freely available to the public. All the Trustees of the Museum give their time and expertise free.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure

The Board of Trustees of Sir John Soane's Museum is responsible for the overall management and direction of the Museum. The Director of Sir John Soane's Museum is responsible to the Board of Trustees and is accountable to the DCMS for compliance with the Management Statement and Financial Memorandum. There are five committees of the Trustees: the Audit and Risk Committee, the Finance Committee, the Remuneration Committee, the Buildings Committee and the Exhibitions and Public Programming Committee.

The Museum's Senior Management Team (the Director, Deputy Director, Development Director, Finance Director and the Director of Commercial and Operations) meets weekly.

Trustee Appointments

As stipulated in the 1833 Act and the 1969 Charity Order, the Board of Trustees is made up of four Life Trustees, appointed by the Board of Trustees as a whole after wide consultation, and Representative Trustees from five organisations: the Royal Society, the Court of Aldermen of the City of London, the Society of Antiquaries of London, the Royal Society of Arts and the Royal Academy of Arts. On 17 October 2011, following consultation with the Charity Commission and the DCMS, the Trustees resolved to expand the Board by up to four Trustees. Honorary Trustee Molly Lowell Borthwick was appointed a full Trustee with immediate effect and two further Trustees, Guy Elliott and Orna, Lady Turner, were appointed on 30 January 2012. Niall Hobhouse resigned as a Life Trustee in December 2014 and was made an Honorary Trustee. The Trustees appoint their own Chairman, to serve for a period of five years. Trustees receive appropriate training on appointment, including a detailed information pack setting out their responsibilities and background information about the Museum and its activities.

Relationship between the Charity and Related Parties

Sir John Soane's Museum is an executive NDPB whose parent body is DCMS. DCMS is regarded as a related party. Details of related party transactions are contained in note 22 to the Accounts.

REVIEW OF THE YEAR

THE ACTING DIRECTOR'S INTRODUCTION

The highlight of this year was the completion of the private apartments on the second floor of No. 13. Kingswood Construction completed the works on time and under budget and delivered them with minimal disruption to the workings of the Museum – a quite remarkable achievement given that they were taking place in the heart of the Museum. In April 2015 the installation of the works of art was in full swing and celebrations to mark the opening of the interiors, 'lost' for 180 years, were held – followed by their opening to the public. I would like to pay special tribute to Jane Wilkinson, our Head of Conservation, who led the restoration of the hundreds of framed works which had to be prepared for the North Drawing Room, Morning Room, Model Room and Book Passage light shaft – to have them all finished on time was an outstanding achievement. The press and public reaction was fantastic and the opening arrangements, with a new team of volunteers and staff delivering two to three tours a day for small groups, have worked extremely well. Introducing this new format for visits with all the associated training, ticketing arrangements etc. was a major project led by Xanthe Arvanitakis and our two Volunteer Managers during the period, Michele Moatt and Tara Sutin – achieved simultaneously with the Museum's first ever staff restructuring in a difficult financial climate. Their achievement and that of all the guides involved in such a major change at the Museum has been outstanding.

The restoration of the second floor won The Georgian Group Award for the best restoration of a Georgian Interior in December 2015.

Phase 3 of *Opening up the Soane* (OUTS) began on site in the autumn and promises to deliver two more extraordinary Soanean revelations in the re-formed Catacombs and Lobby to the Breakfast Room where about two hundred or so works of art will be displayed.

In August 2015 the Director, Abraham Thomas, married his American fiancée and announced that he would be leaving the Soane in mid-September to begin a new life in the USA. We wish Abraham and Erin every success and happiness in the future. It was therefore my privilege to serve as Acting Director from September 2015 until May 2016 (after the year-end).

Following the staff restructuring the main challenge was to ensure that the Museum continued to function well with a reduced team of Visitor Assistants (as of Summer 2015 no longer 'Warders') under our new Assistant Visitor Services Managers Darko Leko and Joanna Eccles and with an increased team of volunteers. That this has been achieved is due to an enormous amount of hard work from all of them and in particular to the extraordinary loyalty and dedicated hard work of our Visitor Assistants. By Christmas our volunteer pool had expanded and stabilised, so much so that we had no room closures due to staff shortages in the final three months of the year (and have had none since its end). The introduction of contract cleaners, a project led by our new House and Facilities

Manager Liam McCull, also represented major change at the Soane and has revolutionised the lives of our staff, freeing them from the struggle to clean back of house areas whilst also trying to carry out conservation cleaning in the historic interiors.

In summer 2015 the Museum lost the two posts of Curator of Drawings (Stephen Astley) and Head of Education (Beth Walker) as part of the staff restructuring. This followed the departure of Dr Jerzy Kierkuć-Bieliński as Exhibitions Curator (at the end of last year) and subsequently the loss of Tom Drysdale our Soane Drawings Cataloguer. This represented a significant loss of expertise and capacity at a time when the number of tours the Museum was offering was expanding and the number of events held in the evenings also increasing. I would like to thank the rest of the curatorial team (Sue Palmer, Frances Sands and John Bridges) who have responded so brilliantly to this challenge and who also prepared, with me, the *Death and Memory* exhibition held to mark the 200th anniversary of Eliza Soane's death in November 2015. Fran, Sue and I wrote the accompanying book at the same time as we were working on delivering Collections Online.

The *Drawn from the Antique* exhibition, held in Summer 2015, was our most ambitious exhibition to date, with a large number of international loans and accompanied by an impeccable scholarly catalogue. It received rave reviews and we are immensely grateful to Katrin Bellinger for her generosity in making it possible.

The launch of our new website and Collections Online was another highlight of this year. The website project was a complex one, led by Xanthe Arvanitakis supported by Maxwell Blowfield here at the Museum, working with our consultants Tin Can. The Collections Online site linked to the website now provides digital access to the whole of Soane's collection of works of art, drawings and books for the first time, fully searchable. This major step-change for the Museum could not have been achieved without the support of Christina McGregor, our part-time Collections Management Officer, and the help of Stephie Coane, our Honorary Librarian. Fran Sands, John Bridges and I reviewed hundreds of entries and uploaded thousands of images with the assistance of Rupert Craven from January 2016. Collections Online also served to launch the completed Catalogue of Soane's Library, achieved after more than 25 years of specialist cataloguing by Eileen Harris, Nick Savage, Stephie Coane, Stephen Massil, Gerald Beazley and Alison Shell.

The Museum's development team worked hard during the year, in especially challenging circumstances for fundraising, to raise funds for the Sir John Soane's Museum Trust's Endowment Fund and it is a particular pleasure to report that they secured our largest ever individual gift during the summer from Debby Brice, who has been a generous friend to the Museum over a number of years, via the Deborah Loeb Brice Foundation. In September 2015 the US Soane Foundation held their annual gala at the Rainbow Room in New York – it was the highest grossing gala yet and the opportunity was taken to celebrate the 20th anniversary of the annual Soane Foundation Fellowships offered to young scholars by inviting previous recipients to attend.

The Trustees announced on 16 February 2016 the appointment of Dr Bruce Boucher, Director of the Fralin Museum of Art, University of Virginia, as Director. He will take up his post on 16 May 2016 and we look forward to welcoming him very warmly to one of the greatest house-museums in the world!

Helen Dorey, Acting Director (from 19 September 2015 to 15 May 2016)

THE DIRECTOR'S INTRODUCTION

It is an honour and great pleasure for me to add a few words to this *Annual Report*. Having been in office for only one month, I would like to pay tribute to Helen Dorey, Deputy Director and Inspectress, and the whole staff for the remarkable achievements recorded here. Their work is all the more exemplary given the financial constraints under which they have laboured. For me, it is an exciting time to join them as *Opening up the Soane* draws to a close and we are about to embark upon an intensive programme of capital works in 2016-17, thanks to a generous grant from the DCMS. The result of this activity should enhance not only the visitor's experience, but also that of all who work here.

Bruce Boucher, Director (from 16 May 2016)

THE BUILDINGS

Opening up the Soane Project (OUTS)

Regular Project Board Meetings continued to take place quarterly with the Chairman of the Trustees and Mrs Bridget Cherry (Life Trustee until December 2015) in attendance. The Project Managers Fanshawe LLP continued to provide regular reports to the Trustees. Quarterly meetings are held to review progress with the completion of the remaining elements of the Activities projects which were planned to run alongside the main building restoration contract (Outreach, Volunteer Programme, Collections Management System, Digital Soane etc.), and likewise there are quarterly meetings with the Heritage Lottery Fund (HLF) Monitor, Kate Taylor Wimshurst.

Work continued throughout the year on the detailed plans for the reinstallation of works of art in Phases 2 and 3 by Helen Dorey and John Bridges, using his computerised images of the elevations on which correctly scaled images of the works of art allow every detail of the hang/placing to be planned.

OUTS Phase 2

Helen Dorey, John Bridges and the Conservation team completed the final preparation and installation of works of art on the second floor, assisted by the specialist picture hanging company JPW and Tom Lawrence of Arlington Conservation. Tom completed the modification to the Pompeii stand, extending the top shelf over the central void, and assisted with the installation of the models. He also completed the restoration of a pair of Chippendale china shelves for the Bathroom on which the ceramics, repaired by Penny Bendall over the last year, are now displayed. A freelance conservator, Ffion Howells, cleaned the small Egyptian and Indian bronzes which Soane displayed in a showcase on the South side of the Model Room. Toby McNicholl made a simple gate-leg table to support the showcase and a plan model of Soane's Law Courts at Westminster which now hangs, as it did originally, vertically, fixed to a hinged flap, so that it can be lifted up and viewed horizontally when required.

The replica carpets, woven by Grosvenor Wilton, were installed on 18 June 2015 and look splendid. Replica argand lamps from Toombes Lighting of Virginia, USA were installed in late 2015; these were modified for the UK by Dernier and Hamlyn, who also made new opaque glass shades for them to a Regency pattern.

The Odd Chair Company made a replica bench for the Model Room Recess upholstered in blue leather as shown in the watercolours of the room from Soane's day. They also restored a late 18th-century window seat (which is now handsomely upholstered in black horsehair rather than the 1960s yellow floral cotton fabric chosen by Dorothy Stroud post-war) and made two replicas of it, for the Morning Room and Bath Room. They are manufacturing a sofa for Mrs Soane's Morning Room to replicate the lost original: this was delivered in May 2016.

The Pitzhanger Manor Trust very generously lent a replica bed for display in the bedroom until our replica was ready. The new bed frame was manufactured by Arlington Conservation, who produced the beautifully carved bed posts to match precisely those in the 1825 watercolour of Soane's bed. Our expert advisor, Annabel Westman, brilliantly identified a bed of the right period at Dunham Massey which could be copied to provide the other elements – especially the 'ornaments' described in the bills for Soane's bed. She analysed the archive records describing how he raised and elaborated his bed in 1830 and the new draperies he ordered, described as 'fawn' or 'drab' in the bills. The morine was woven specially and the colour picks up beautifully those in Soane's wallpaper. The hangings were made by Ian Bloch at the A J Cronin workshops in west London. The bed was installed in May 2016 along with matching curtains for the bedroom and bathroom windows and doors – as described in Soane's inventory.

Helen Dorey and Jane Wilkinson assisted with the training programme for other curators, Visitor Assistants and volunteers.

To coincide with the opening of the Private Apartments to the public in May 2015, we mounted a display in the No.12 Breakfast Room which outlined the history of those spaces, and summarised the restoration work carried out so far. A larger display, to be held in the new Foyle Space from September 2016, will mark the completion of OUTS Phase 3.

OUTS Phase 3

Fullers Builders started work on site on 17 August 2015 with their first task being to install complex protection to separate the site areas from the No.13 Breakfast Room and Dome Area. By October 2015 the opening up works were virtually complete and additional structural strengthening had been agreed with the structural engineer. Early highlights of their work included the discovery of the shaped timbers for the floor opening between the 'Lobby to the Breakfast Room' and the catacombs below – which we thought did not survive at all – on one side. Careful study of the original drawings, verified on site by careful opening up, confirmed the shape and extent of the arch behind the Apollo in the Dome Area – an important discovery that has enabled this to be put back precisely as Soane had it. This is crucial to enabling the arrangement of works of art to be reinstated correctly in addition to its importance visually to the Dome itself. The Soane cornice in the Lobby to the Breakfast Room also proved to be intact behind later brickwork and clear marks verifying the position of brackets for objects on the north wall of the Lobby were also discovered. A small surviving brass keep next to the door from Lobby to Breakfast Room has proved to be positioned so that it enabled another door, to the Dome Area (since removed and being recreated in this phase) to be fixed back in position across an area of wall.

Taylor Pearce Restoration removed a large number of works of art, including all the heavy cinerary urns from the basement, to their workshops where they will be cleaned prior to reinstallation in the restored spaces. Helen Dorey and Jane Wilkinson tendered the restoration of numerous small metal items originally displayed in the Lobby to the

Breakfast Room which will be put back on display during Phase 3: Rupert Harris was appointed to carry out the work.

Lewis Bush is continuing to photograph project progress weekly.

Foyle Space

The creation of the 'Foyle Space', a new informal exhibition space in a room previously known as the New Picture Room, is taking place as part of Phase 3. The brief was further simplified during the year to ensure that a useful space would be delivered but one that was as flexible as possible given that its installation had to be finalised in the absence of a permanent Director. The room has been re-decorated and its parquet floor repaired and re-stained; a new door has been installed in the south wall leading to the new Link Passage which completes disabled access to the Museum's ground floor. A rae-light picture rail will be installed which will enable works to be hung on all the walls, and well lit. Spare wiring capacity has been installed beneath the floor to ensure that the future needs of whatever exhibitions/installations take place in the space can be serviced.

Works will be completed in early summer 2016.

Other building and maintenance work

Alan Scollan left as House and Facilities Manager at the beginning of May 2015 and it was agreed that his replacement should be full-time, particularly in view of the need for back-up for a reduced head-count in the Visitor Service team. Liam McCull started work on 15 June.

The complex sliding shutters across the windows at the south end of the Library were beautifully restored by Tom Lawrence of Arlington Conservation, who also supplied temporary shutters to replace them while they were away.

At the end of Phase 2 when the scaffolding was removed from the courtyards (it had been there since 2011) Taylor Pearce restoration cleaned the sculpture and *Pasticcio* as they removed the complex protection. Fullers then repainted the courtyard.

Grained plaster damaged by a flood in the Dressing Room last year was redecorated by Huning Decorations in February 2016 and all the small pictures re-framed and re-installed.

The balustrade between the ground floor and basement on the No. 12 stairs was re-secured by Paul Dennis metalwork.

The restoration of the No. 13 Entrance Hall

Following the completion of the restoration of the Entrance Hall last year, the works of art were restored to their positions in April and May 2015. The positioning of the two

Kent tables sitting one on top of the other in the inner hall recess is particularly striking – they have been beautifully repaired, and one repainted, by Arlington Conservation. The group of roundels fixed to the walls of the Hall and set within distinctive bead moulding designed by Soane, was repaired *in situ* by Taylor Pearce Restoration with sections of moulding cast specially to replace lost elements.

Fire Safety and Security

All fire and security systems and equipment have received their annual tests and inspections and all certificates are up to date.

The Museum Fire Risk Assessment was reviewed at the commencement of *Opening up the Soane* Phase 3 in August 2015 and again in February 2016.

In April 2016 the Museum introduced a Digital Mobile Radio system, enabling discreet internal communication and enhancing fire and security alert response capabilities.

Following the Paris terrorist attacks extensive work was done to plan safe and secure areas for staff and set up emergency arrangements with neighbouring buildings.

Green Housekeeping

The Museum recycles all paper, cardboard, glass, light bulbs, batteries, printer cartridges and electrical equipment. In 2016 the Museum will begin to recycle cartons, food tins, drinks cans and plastic packaging.

A significant portion of the Museum's electricity supply is provided by an array of photovoltaic panels placed on the roof of No. 13.

Cleaning

Since October 2015 cleaning of back of house work spaces has been carried out by an external cleaning contractor. This allows Museum staff to concentrate on conservation cleaning of Museum spaces and objects.

THE COLLECTIONS

WORKS OF ART

Acquisitions

The Museum was generously presented with a copy of the Soane bronze medal of 1834 inscribed with the name of the Edinburgh architect Thomas Hamilton, by Douglas Richardson of Toronto, in memory of Ralph Greenhill.

Long-term loans

None of the Museum's long-term loans ended or was renewed during the year.

THE RESEARCH LIBRARY AND ARCHIVE

Visitors

There were 216 visitors to the Library during the year (232 last year). In addition the Library hosted a number of group visits by students and others.

Cataloguing of the Drawings Collection

Dr Frances Sands continued her work of cataloguing the 8,000 drawings in Soane's collection from the office of Robert and James Adam. She also undertook a conservation survey of the entire Adam drawings collection. Long-term volunteer to the Adam project, Dr Tom True, left in September 2015 to take up the post of Deputy Director of the British School at Rome and was succeeded by Anna McAlaney.

Tom Drysdale, together with Jill Lever on a part-time basis, continued to catalogue Soane projects on a chronological basis.

The very successful seminar to mark the completion of the 'Money, Power and Politics' Soane drawings cataloguing project held on 29 April 2015 was reported on in detail in last year's *Annual Report*.

Both Fran and Tom contributed significantly to Collections Online which was launched in September 2015 (see p.32). They also assisted the part-time Exhibitions Curator with administration and exhibition installation and deinstallation, and were part of the curatorial team who devised the exhibition *Death and Memory: Soane and the Architecture of Legacy* (see p.31).

Stephen Astley, Curator of Drawings, left the Museum in August 2015 after almost twenty years. Tom Drysdale left at the end of September 2015 to take up a position at Historic Royal Palaces. Frances Sands was appointed to the new post of Curator of Drawings and Books at the end of March 2016, a post that she took up just after the close of this *Annual Report* on 18 April 2016.

The two US Foundation Soane Scholars hosted by the Museum this year were Jim Lenahan of the University of Notre Dame, looking at the relationship between Soane and Joseph Michael Gandy, and Lisa Haber Thomson from Harvard University, working on a PhD on 18th-century prison architecture.

CONSERVATION

Conservation of the Fabric of the Building and the Collections

In collaboration with the Deputy Director, Jane Wilkinson, the Head of Conservation, assisted by the part-time Assistant Conservator, Lucy Sim's maternity cover, Helena Rodwell, continued to manage the day-to-day care of the collection and the museum interiors, undertaking a range of tasks as these arose over the year. Apart from the conservation of individual objects and the care of the fabric of the building, the Conservators supervised the protection and movement of museum objects when required. The Head of Conservation liaised with and managed work undertaken by freelance conservators working in the Museum. In January 2016 Helena Rodwell left and was replaced by Christian Kile.

Following staff restructuring the Conservators reviewed and re-designed the daily cleaning programme to fit with the reduced numbers of Visitor Assistants available to carry this out. The conservation department was responsible for liaising in detail with the Assistant Visitor Services Managers to oversee this cleaning regime. Throughout the year, firstly Helena and then Christian also undertook weekly cleaning of the Museum rooms and the collections, helped by two conservation volunteers. Following the start of OUTS Phase 3 in the summer of 2015 these cleaning regimes became particularly challenging due to serious and persistent problems with dust from the building site escaping into the adjacent areas in the basement and on the ground floor.

Opening Up the Soane Project (OUTS)

Apart from day-to-day care of the Museum the greatest demand made on the conservation team continued to be the work load and deadlines for the OUTS project.

For OUTS Phase 2 the Head of Conservation oversaw the completion of conservation to all the works of art for the Private Apartments on the second floor. This included carrying out numerous treatments and also managing the work of freelance conservators. The Conservators completed conservation treatments on the following objects for the Private Apartments – 116 framed works, 41 architectural models, 17 plaster casts, 26 small antiquities and 40 ceramics. For Phase 3 the Head of Conservation located and surveyed more than 100 objects and the team began work preparing these for re-installation in the Lobby to the Breakfast Room. During Phase 2, and with the commencement of Phase 3, the Conservators continued to monitor the building site week by week and manage the protection of the collections.

The Conservators were also involved in the installation of works of art, fire irons, furniture and carpets in the Private Apartments.

Two Imari vases, badly broken in World War Two and restored by Penny Bendall, were installed on the south side of the North Drawing Room with the help of Colin Bowles Ltd.

In January 2016 a plaster cast in a timber frame unfortunately fell from high up in the Students' Room (south side) one night and shattered. Fortunately no-one was below and it missed other works of art; the pieces were salvaged and, Taylor Pearce Restoration having very skilfully repaired it, it has been re-hung. It hangs on the lining of a new skylight installed last year and it may be that vibration during that work loosened its fixings. An immediate survey of other casts at high level was carried out and no further vulnerable items were identified.

Taylor Pearce checked the Soane ball moulding around the Picture Room (a section fell last year – the plaster had dried out in proximity to the old hot lights which have now been replaced) and repaired and re-fixed the damaged section. Loose finials in the Breakfast Room, Library-Dining Room and South Drawing Room have been re-fixed.

Conservation in Action

The Conservators worked throughout the year, in collaboration with the photographer Lewis Bush, to continue recording the works undertaken for OUTF. This was done using a variety of media including stop frame film. Enquiries received from the public, students and peer professionals were answered throughout the year. The Conservators hosted a number of visits to the conservation studios from donors, patrons and other visitors. The Head of Conservation also led visits of groups of students from UCL and City & Guilds.

Working with Volunteers

The Assistant Conservator continued to be supported by two volunteers, the current volunteers being Melissa Hobbs and Lucia Melita. Through the year they worked with the Assistant Conservator on Mondays following a programme of cleaning in the Museum rooms as well as other collection care tasks such as Integrated Pest Management (IPM). Ffion Howells, a recent conservation graduate from City & Guilds, volunteered for a couple of months supporting the conservators with tasks relating to conservation work for the second-floor rooms.

Preventative Conservation

Environmental monitoring using Hanwell data loggers to record temperature and relative humidity continued. The Assistant Conservator also managed a programme of Integrated Pest Management (IPM) throughout all three Museum buildings.

Emergency Plan

The conservators continued to work on the emergency plan, focusing particularly on developing the Key Team group. By the end of the year they were organising monthly meetings with this group which consisted of practical and discussion sessions. They also began to train the wider staff in emergency planning. In November 2015 they hosted a very successful and useful meeting of the Local Salvage Group at the Museum. They also organised a place on the English Heritage salvage course for the House Manager.

Conservation for Exhibitions and Loans

When required the conservation team undertook to give advice on loans from the collection and preparation for exhibitions. In addition to conserving works of art for the OUTS project, Lorraine Bryant, freelance paper conservator, also worked on loans for four external exhibitions (*In Pursuit of Antiquity*, *Melancholy of Stones*, *Piranesi's Paestum* and *William Kent*). She prepared drawings for six exhibitions held in the Museum's temporary exhibition gallery (*Cloud Capped Towers*, *Death and Memory*, *Inspired by Soane*, *Drawn from the Antique* and *Building a Dialogue*) and supported the installation of the exhibition *Charlotte Brontë at the Soane* held in the No.12 Breakfast Room. Lorraine Bryant also completed a grant-aided project funded by the Barbara Whatmore Trust which enabled 10 Adam drawings to be conserved and returned to their volumes.

Support to other Museum Departments

Numbers of fund-raising events being held in the Museum continued to rise and the Conservators were very busy during the year supporting these events with advice on best practice and protection of the collections. During the year the Conservators researched and introduced battery candles to replace the majority of real candles used at evening events. They also advised colleagues in other departments including Education and the Volunteer Programme.

Research and Training

The Conservators attended relevant workshops and conferences whenever this was appropriate and possible. The Head of Conservation was invited to attend a two-day master class at the V&A stone conservation department in the use of Agar Agar as a cleaning agent for a variety of materials. The class was extremely useful as this method is potentially appropriate for cleaning objects such as plaster casts in the Museum.

The Head of Conservation ran various sessions throughout the year for front of house volunteers in preparation for them leading tours of the Private Apartments and also gave them a lecture about the conservation work on the framed works in the Morning Room. Conservation training for volunteers, Visitor Assistants and Casuals was undertaken on numerous occasions as required.

During the year Helen Lloyd (National Trust) was asked to review and update her 2006 Conservation Plan for the Museum. The Head of Conservation advised on a range of topics in the report. Work on the report was ongoing at year end and its recommendations will be reported on in next year's *Annual Report*.

LOANS

The British Museum included our Cossia portrait of Napoleon and Soane's Napoleon ring in a 'Periscope tour' of their *Bonaparte and the British* exhibition (see *Annual Report 2014-2015*) on Waterloo Day (18 June) 2015. *Periscope* is an app which allows users to

stream live video from a phone which others can then watch and engage with. TV presenter Dan Snow and the exhibition's curator were filmed discussing the exhibition in the gallery after which they answered questions in real time via Twitter. *Periscope* may be something for the Soane to trial as a way of extending our exhibition audiences – thousands watched the BM's first experiment with it.

Two drawings (a Soane pupil view of the interior of Sainte Geneviève, Paris and a perspective design for the Soane family tomb in the hand of Joseph Michael Gandy) were lent to an exhibition entitled *Romantisme: Melancolie des Pierres* at the Fondation Pierre Arnaud, Lens, Switzerland, which opened on 19 December 2015 and was due to close on 17 April 2016.

VISITORS, EDUCATION AND INTERPRETATION

VISITORS TO THE MUSEUM

The total number of visitors to the Museum during the year, excluding those to private functions, was 119,361 an increase on last year's figure of 117,025. 2,802 people attended the monthly Evening Candlelit Opening (2,624 last year).

161 groups visited the Museum (excluding education groups or private tours) equating to 2,681 visitors, compared to 214 groups in the previous year. Of these groups, 28 received an introductory talk by a member of the Curatorial team or a Visitor Assistant. The decrease in the number of visiting groups is thought to be at least in part due to the increasing take-up of the paid private tours (see p.34).

The majority of the groups were from the UK (130) and USA (12). A further 31 groups came from Europe: Germany (3), France (3), Netherlands (2), Sweden (2), Switzerland (2), Spain (3), Austria (1), Denmark (2) and one group from the Czech Republic.

The mid-week tours have continued to be popular with a total of 2,837 tickets sold, 85% having been booked online (2,452 and 55% last year). The targets were 2,200 this year and 2,600 last year.

EDUCATION ACTIVITIES

Overview

2015-16 has been an exciting year of change for the Soane Learning Department, following on from developments begun in 2014-15. This year we have continued to expand our Public Programme and have developed collaborations with external partners such as the Architectural Association, Grimshaw Architects, *Art Macabre* and Beep Studio.

There have also been a number of staff changes within the department. Beth Walker left her position as Head of Education at the Museum in June 2015. Beth had been in post for eight years and was responsible for building up the department, developing a full programme for schools and a popular informal adult learning offer. Claire Kirk, (previously Beth's maternity cover in 2013), was appointed as Learning Manager: Public Programmes (Oct 2015 – June 2016) to oversee our adult offer.

Cynthia Adobea-Aidoo, formerly Schools and Families Officer now Learning Manager, left her position in mid-February 2016 to become Learning Programme Manager at The Charterhouse. Cynthia began working at the Museum as the Schools and Families Officer in January 2013. Jennie Saunders, one of our freelancer educators, was employed on a short-term contract to cover the Schools programme between February and June 2016. As the Learning Administrator, Jennie works at the Museum one day a week. Jennie has a BA in Archaeology and has been working at the Museum since 2012. Just after the year end the full-time post vacated by Cynthia, with an additional component of Community Outreach, was advertised and it is hoped that a new staff member will join the Museum in June 2016.

Departmental highlights from 2015-2016:

- The public programme linked to our autumn/winter exhibition *Death and Memory: Soane and the architecture of Legacy* was exceptionally popular with all on-site events reaching full capacity. Standout events included a book group on 'malign interiors' in literature hosted by the Architectural Association, a lecture by Helen Dorey on 'Death and Memory in Sir John Soane's Museum' and a life-drawing workshop led by the drawing salon, *Art Macabre*.
- The Soane Study Group was revived in November 2015 with a talk by Jonathan Kewely on the Georgian chest tomb. This was followed by a very popular talk by Edward Gillin from Oxford University discussing geology and architecture with last year's Soane Scholar, Marikka Trotter in February 2016 and a presentation by R. Samuel Roche on 'Soane and the Country House' tradition in March 2016.
- The department has completed work on a new Young Architects' Trail around the Museum. Aimed at families with children aged 6-12 the trail will be available in the Museum all year round as a free family resource.
- A new Summer School for children, led by architect Rosie MacLaren, was run in August 2015 for children aged 11-13. The theme of the week was texture and ornamentation in architecture with the group given a brief to redesign the façade of numbers 12 and 14 Lincoln's Inn Fields to create Soane's proposed 'academy of architecture'.
- In February 2016, digital freelancer Edward Lawless was commissioned to produce several downloadable teaching resources aimed at engaging secondary schools in the 3D digital archive currently being produced for the Museum by ScanLAB. The resources will be based on the second-floor Model Room and focus on the relationship between architecture and archaeology, the classical tradition and the artistic potential of 3D image-making.

Education Team

We have sought to re-scope the Learning Intern position this year, renaming the role Voluntary Learning Assistant. Giulia Baronti was therefore the last intern to work with the Department. Francesca Tyler Weddell, a qualified PGCE Secondary Art and Design teacher with an MA in the History of Art, is currently working as our inaugural VLA. Over four months (generally on 2-3 days per week) the post-holder will always: observe and learn a schools tour and give at least one tour during their time; support the *Building Explorers* after-school club and devise and lead at least one session; create a children's trail for the current exhibition and undertake administrative tasks for the department.

Our excellent team of education freelancers continue to play a key role in supporting the programme. We have refocused the adult art workshop offer and no longer provide a full programme of workshops over the academic year; instead, in line with all of our activity, we offer activities linked to our temporary exhibition programme delivered collaboratively with specialist event partners.

The team of education freelancers who work on the schools programme has reduced this year as two members of the team are on secondment and maternity leave respectively. The team now consists of: Chloe Cooper, Rosie Fuller, Sally Crowley, Jennie Saunders, Merlin Evans, Chi Onuora, Caroline Dorset and Carla Ferrari. In addition to supporting the work with schools, Jennie Saunders is leading the after-school club for the second academic year running and Rosie Fuller is leading the *Young Architects' Club* (YAC) and the *New Architecture Club* (NAC). The monthly architecture clubs have also been supported by volunteers Sarah Thistlewaite, Helen Young, Lorrain Mailer and Jill Courtnell.

Funding

The Learning Manager post, responsible for Schools and Families, is generously supported by the Worshipful Company of Leathersellers. We are currently in our second year of 50% funding. The Leathersellers received their first update regarding 2014-15 and reported that they were very happy with the department's achievements in this period.

The Building Explorers after-school club is currently being funded by monies remaining in the OUTS Communities budget. Our Development department has successfully secured funding from Alan Baxter design consultancy for 2016/17 – 2018-19. This is a wonderful achievement that will allow us to plan long-term projects and to bring in specialist freelance educators to run sessions. It will also facilitate offsite trips to locations such as The Shard, The Tower of London and St Pauls Cathedral.

Since the 2012-13 academic year the Museum has been a national lead partner in a DfE (Department for Education) funded project, *Museums and Schools*. The project, administered by Arts Council England, paired the Museum with a consortium of museums in Pennine Lancashire for the benefit of pupils in this region. Working as an

advisor and ‘critical friend’ the partnership was very successful, with impressive school statistics being achieved by the museums in the area. The initial three-year project was then extended for a further year, 2015-16, with the Soane invited to continue. However, due to staff restructuring we decided to withdraw from the project as we have fully fulfilled our planned commitment.

Schools Education

In 2015-16 2,458 school pupils either visited the Museum or enjoyed an outreach activity at school. This compares to 2,731 pupils the previous year. As reported last year we decided to reduce our outreach offer for schools in order to increase capacity elsewhere. We continue to offer two sessions, *Light* and *Bridges*, with figures showing that 1,096 pupils benefited from an outreach session this year and 892 in 2014-15, compared with 1,352 in 2013-14 and 2,745 in 2012-13.

Removing the outreach statistic from the overall total shows that 1,362 pupils visited the Museum with their schools in 2015-16. This is an excellent figure considering that since the beginning of February 2016 the department has only been offering two time slots per week to schools, rather than the usual three. Last year the total number of pupils who visited the Museum was 1,839.

ULEMHAS, now the London Art History Society, awarded the Soane £1,500 for an outcome-focused project to be run with young people. Cynthia Adobea-Aidoo ran a two-month project with year 5 pupils from Moreland Primary (Islington) creating 3D busts of new Roman gods and goddesses invented by the children. Constructed in dry papier-mâché, the resultant busts were accompanied by a mythological tale written by the class. Cynthia was supported by two Soane freelancers, Chloe Cooper and Jessica Palmer.

As part of the ‘Digital Soane’ project the Learning department has been working with Edward Lawless to produce three downloadable secondary school resources based around a selection of Soane’s models. These are: the Pompeii cork model; the Temple of Vesta cork model; the Temple of Vesta model by François Fouquet and the model for Soane’s Law Courts at Westminster. The resources produced will relate to the themes of architecture and archaeology, the classical tradition and 3D imaging for art students. There will be a soft launch of these resources to a select group of secondary school educators in June 2016, who will act as a focus group. The hard launch, taking into account any amendments prompted by the focus group, will be in September 2016. The resources will then be accessible via the Learning pages on the Museum’s website. Ideas generated for the promotion of the school resources from September 2016 include presentations at secondary learning network meetings; a teacher training day hosted by the Museum; a display during Open House weekend and targeted e-marketing to schools nationwide.

Colleges and Universities

The Museum worked with only one group of five students from colleges and universities this year. As with previous reports, this figure does not include general group visits by groups from this age range, nor does it include the figures for IESA (Institute d'Etudes Supérieures des Arts), whose MA in the History and Business of Art and Collecting was hosted by the Museum until December 2015. Five is the lowest figure the Museum has reported to date which reflects the fact that from July 2015 we have not had a full-time member of staff dedicated to working with colleges and universities.

The *Reinventing the Primitive Hut* project, run in collaboration with the Cass School of Architecture concluded in June 2015. After visiting the Museum and Research Library to look at Soane's materials on the subject of the Primitive Hut (including models and lecture drawings) students designed pavilion-type structures that could, theoretically, sit in Lincoln's Inn Fields. Their architecturally striking prototypes were displayed at the front of the Museum in June 2015 to coincide with London Festival of Architecture 2015.

In autumn 2015 the Massachusetts Institute of Technology (MIT) launched a three-year seminar course in conjunction with the Museum, to be open to all students from the School of Architecture and Planning. The course will examine emerging forms of archival, historiographical and museological practices from the fields of architecture, fine art and museum studies. Teaching will take place at MIT, with the possibility of some seminars being held at the Museum, depending on funding.

Informal Learning for Children

This programme includes:

- drop-in holiday events for children
- the *Building Explorers* weekly after-school club
- the *Young Architects' Club* (YAC, for 7-10 year olds)
- the *New Architecture Club* (NAC, for 11-14 year olds)
- a new Summer School for 11-13 year olds
- architectural drawing course for 15-18 year olds (*AD15-18*)

642 children and young people attended 52 events in 2015-16, which compares with 927 over 74 events the year before. As highlighted last year, we ended our holiday workshop programme for children but retained our drop-in activities during the school holidays. In October 2015 half-term the Museum ran a hugely popular drop-in session with the architecture firm Beep Studio. Linked to the nationwide Big Draw campaign, we welcomed over 50 people of all ages to draw and sketch under the theme of 'Every Drawing Tells a Story'. We had participants of all ages drawing side by side to create quirky museum narratives, overlaying their striking designs on to Soane's already eccentric interiors. Families can also access the Museum through the exhibition trails and a new Young Architects Trail which has been devised to lead visitors through the Museum.

Building Explorers after-school club continues to deepen our engagement with our local primary schools. This is the second year that the club has been led by freelancer Jennie Saunders, supported by other freelancers and the Volunteer Learning Assistant. This club runs weekly over the academic year for children from our three closest Westminster and Camden primary schools. A highlight from this year was a 3D printing project with the Dragon Hall Trust (a London Technology Hub). Children from Dragon Hall's after-school club and the Building Explorers were tasked with designing a 3D monument in response to the Museum's collection. These were then printed and exhibited at Dragon Hall.

This year we have striven to engage with architectural developments taking place in the local area. As such, we have developed an exciting relationship with McLaren Construction who are erecting a building in nearby Chancery Lane. Receiving full access to the site has allowed us to engage with the process of construction and the related issues such as façade retention, archaeological finds and public consultation. The Building Explorers, Young Architects and drawing course *AD15-18* all visited the site at different stages of construction which afforded scope to engage with different elements.

YAC and *NAC* continue to be extremely popular architecture clubs, led by Cynthia Aidoo and freelancer Rosie Fuller. The clubs run once a month over the academic year. This year the YACs have been investigating the theme of Structures and have enjoyed sessions on forces, post and lintel structures and taken a fascinating trip to Wellington Arch. *NAC* have been exploring the theme of Homes through Time with our collaborative partners Grimshaw Architects. This is the second year Grimshaw, in particular Paolo Virmercati and Kirsten Flemming, have supported the club with their time and assisted with workshop division. This year the group have built an Iron Age roundhouse, created a Victorian terrace and taken an architectural walk around Bankside.

This year we ran the Museum's first ever architecture Summer School for children aged 11-13. Organised by architect Rosie McLaren, the theme of the week was texture and ornamentation in architecture. The participants were given a brief to redesign the façade of numbers 12 and 14 Lincoln's Inn Fields to create Soane's proposed 'academy of architecture'. Thinking about what spaces a modern academic institution would need, the group visited the award-winning LSE Saw Swee Hock student centre and proposed several draft designs. Their final pieces, plaster elevations of the façade with form following function, were then combined to striking effect to create a unified frontage to the Museum as per Soane's original designs.

AD15-18, the department's popular architecture drawing course for students ran over six sessions from October 2015 to March 2016. Benedict O'Looney, an architect and draughtsman, once again led the course. Eight students attended the sessions, which were held in a range of locations, including The Museum of the Order of St John, Somerset House and Peckham Rye station.

Adults and Public Programme

In 2015-16 the adult offer centred largely on the temporary exhibition programme with occasional other events linked to festivals such as London Festival of Architecture, Museums at Night and London Craft Week. This range of events is aimed at an interested and professional audience, encouraging them to engage more deeply with the Museum. Running alongside the adult public programme are the Soane Study Group sessions, where current research in the field of architectural history and subjects related to Soane are presented and discussed in a relaxed and informal way.

The *Drawn from the Antique* Public Programme, devised in collaboration with the exhibition curators Adriano Aymonino and Anne Varick Lauder, proved to be extremely popular. In particular, the curator-led lunchtime exhibition tours, tour of the Royal Academy cast courts, Soane Summer School and Courtauld-led academic symposium were very well received.

From October 2015 to March 2016 the *Death and Memory* Public Programme attracted 367 adults to nine events. This represents a great success in programming as every event in this series held at the Museum reached full capacity. Highlights were: an evening with Daniel Libeskind organised in collaboration with the Roca Gallery; a life drawing salon run by *Art Macabre* studios and very popular lectures by Helen Dorey, Dr Frances Sands and Dr Julian Litten.

There have been a number of additional events linked to smaller displays this year. Most notable were: Sarah Lucas in Conversation, which was attended by 130 adults, in response to her temporary display *POWER IN WOMAN* (see p.30); and artist's tours by Charlotte Cory in the No. 12 Breakfast Room in association with her exhibition *Charlotte Brontë at the Soane* (see p.34).

The Soane Annual Lecture, due to take place in May 2016 at LSE (linking to LSE's *Cities* Programme), was cancelled. LSE requested the lecture be rearranged following partnership discussions with the Soane's new Director over the summer.

Overall, 930 adults took part in 32 Museum events in 2015-16. This is a very strong figure reflecting a 24% increase on last year, when 751 adults took part in 40 events.

EXHIBITIONS

Three exhibitions were held in the Soane Gallery on the first floor of No. 12 during the year, one of which was also shown abroad. A further two exhibitions, previously held at the Museum, toured to overseas venues. This earned the Museum some much-needed exhibitions income as well as representing an important international element in our work.

Also, three sculptures by Sarah Lucas were displayed in the North Drawing Room, each depicting a female figure in cast plaster. This was the first UK exhibition of Lucas's works, first shown in 2015 in the British Pavilion at the Venice Biennale. This exhibition, ***Sarah Lucas: POWER IN WOMAN***, opened on 10 March 2016 and was due to close on 21 May.

In addition, three pop-up exhibitions, 'pieces' for London Design Festival, **Papaver Rheoas** and **Charlotte Brontë at the Soane** were held in the No.12 Breakfast Room (see p.34).

The Museum inaugurated breakfast viewings of its exhibitions with the *Death and Memory* show, inviting curatorial colleagues from other Museums and a wide range of other key contacts. Almost 40 people attended the first and we hope to hold two for each exhibition in the future.

Inspired by Soane: I found this and thought of you...

19 May to 8 June 2015

This short fundraising exhibition was extremely successful in enabling the Museum to reach the target of £50,000 towards the digitisation of drawings. Over 100 leading and up-and-coming artists, architects and designers were invited to contribute original artworks inspired by a selection of 100 objects from the Museum's collection that are not on public display. All the artworks were available to win via a raffle at the end of the three-week showing. Notable contributors included Sir Antony Gormley, Dame Zaha Hadid, Manolo Blahnik, Elmgreen and Dragset and Paul Smith.

Drawn from the Antique: Artists and the Classical Ideal

11 March - 1 June 2015, The Teylers Museum, Haarlem

25 June – 26 September 2015, Sir John Soane's Museum, London

This exhibition, organised with the help of guest curators Dr Adriano Aymonino and Dr Anne Varick Lauder, examined the use of plaster casts after the antique (as well as antiquities themselves) in the artist's studio and in the Academy from the sixteenth century to the early nineteenth century. (The Soane is a rare example of just such an early nineteenth-century academy with displays of antiquities and casts after the antique). The exhibition looked at why certain antiquities were more frequently represented by artists as well as how these casts and marbles were used as didactic tools. The show also examined how the antique was used, in certain instances, by artists to create a self-identity. This was the Soane Museum's most ambitious exhibition to date with a large number of international loans. The show received outstanding press coverage, including features in the *Spectator*, the *Times Literary Supplement* and *History Today*. The accompanying public programme was also extremely popular (see p.29).

A fully-illustrated, scholarly catalogue accompanied the show and the exhibition and catalogue were generously sponsored by Katrin Henkel, a Trustee of the Museum.

Death and Memory: Soane and the Architecture of Legacy

23 October 2015 – 2 April 2016

This exhibition commemorated 200 years since the death of Eliza Soane - Sir John Soane's beloved wife – on 22 November 1815, and examined the effect of this personal tragedy on Soane's life and work. Soane was a man fascinated by memorialisation, and was strongly concerned with creating a legacy and shaping memory through architecture. These ideas are seen throughout his career but Eliza's death blurred the lines between the personal and the professional. *Death and Memory* looked at elements of Soane's life – from his family and his home, to his collecting and architectural work - and highlighted the recurring theme of mortality.

A book of essays written by members of the Museum's curatorial team accompanied the show.

Piranesi's Paestum: Master Drawings Uncovered

19 August 2015 - 6 January 2016, The Cantor Visual Arts Center, Stanford, California

This exhibition, which was originally held at Sir John Soane's Museum in 2013, also toured in 2013 to the Museum für Architekturzeichnung, Tchoban Foundation, Berlin and earlier in 2015 to the Morgan Library and Museum, New York. The Cantor devised a rich public programme to coincide with the exhibition, including a panel discussion 'Drawn to Build: Architectural Representation in the Digital Age' featuring Sergei Tchoban from Berlin and Andrew Zago from Los Angeles, and a conference on *Piranesi, Paestum and Soane* which included speakers from Belgium and Italy.

In Pursuit of Antiquity: Drawings by the Giants of Neo-Classicism

3 October 2015 - 14 February 2016, the Museum für Architekturzeichnung, Tchoban Foundation, Berlin

This exhibition was originally curated in 2008 by Jeremy Musson for Sir John Soane's Museum. The exhibition is the second in a series of four exhibitions in a programme agreed between the Museum and the Tchoban Foundation. The exhibition illustrated the ambition of leading British architects of the late 18th century who strove to create new architecture in the Classical tradition that could compete – in terms of public works, private houses, mausolea, interior detail and even furnishings – with the glories of the Ancient World. On display for the first time in Germany were some of the finest drawings and designs by Sir John Soane himself, Robert Adam, George Dance the Younger, Sir William Chambers and James Wyatt.

The Museum gratefully acknowledges the support it receives for all exhibitions from the Government Indemnity scheme, administered by the Arts Council England.

PUBLICATIONS

Drawn from the Antique: Artists & the Classical Ideal, edited by Adriano Aymonino and Anne Varick Lauder, was published in March 2015 to accompany the exhibition of the same title (see p.30).

Death and Memory: Soane and the Architecture of Legacy, containing four essays by members of the curatorial staff, was published in October 2015 to accompany the exhibition of the same title (see p.31).

The *Annual Review* for 2014 was published and sent out to all patrons, supporters and stakeholders.

In addition the following books were published in partnership with outside publishers:

Crude Hints towards an History of my House in Lincoln's Inn Fields (revised edition), edited by Helen Dorey, by Archaeopress Ltd.

Tim Knox, *Sir John Soane's Museum, London* (revised edition) by Merrell.

Susan Palmer, *At Home with the Soanes. Upstairs Downstairs in 19th Century London* (new edition with revisions) by Pimpernel Press.

SERVICES

Information technology

Website

After eight months of work our new website – soane.org – went live on 16 September 2015. The aim of the redesign was to ensure that we were presenting our visitors with the information they wanted more quickly and efficiently, as well as driving call to actions such as ticket sales and sign ups to our e-newsletter. The new website has been hugely successful in meeting these aims. For example, page views to the 'What's On' landing page are up 386% in the first six months of the new site compared to the same period the previous year. We have also seen visits to the e-newsletter sign-up page double, with an uplift in subscribers as a result. With no marketing support for the new website, we did not anticipate any uplift in visitors. As expected, unique visits to the main website were level on the previous year, but we did see a slight increase in total visits, up 1%.

Collections Management System

Collections Online, the public interface of the Collections Management System (CMS) was launched on 16 September 2015 along with our redesigned website (see above). The public now have free access to basic catalogue entries for all the works of art, books and drawings in the collection, and work will start this year on adding entries for Soane's

archive of business and personal papers. Work continued during the remainder of the year to augment the information provided in the catalogue entries and to upload further images. Under the supervision of part-time freelancer Christina McGregor, work on descriptive standards and a user manual is also ongoing, as is a programme of further data cleaning.

Commercial Activities

Soane Museum Enterprises

The Enterprises Team were delighted to welcome Kirstin Elliott in August 2015 who joined to replace Olly Perry as Retail and Product Development Manager. Ruth Houlby joined the team in December 2015 to cover for Diana West, Corporate and Events Manager, who went on maternity leave.

The operation of our trading company would not be possible without the ongoing *pro bono* legal support of Morrison Foerster. Thanks are also due to Urquhart-Dykes and Lord, chartered patent attorneys, who have also provided support *pro bono*.

Soane Shop

2015-16 was another successful year in the Soane Shop, with like-for-like sales up 0.4% on the previous year. Visitor numbers were also up by 2.0%. Overall our average spend per visitor was £2.33, down 1.3% on the previous year. This is significantly above the average across the sector.

We have continued to focus on developing our product range, in particular our Exhibition ranges. We have been working closely with Peter Hone, a master in casting works in plaster, who has developed a range inspired by Soane's house and work. We have extended our model range in partnership with Chesney's Architectural Practice who produce models hand carved in stone, and with Dieter Cöllen who has produced a replica of cork columns from Soane's Model Room. We have also introduced Just Trade, ethical jewellery makers whose products include the Ouroboros necklace.

Books are still our biggest selling category which we are continually reviewing and expanding. We launched *At Home with the Soanes* with Pimpernel Press in time for the launch of the Private Apartments in May 2015, as well as broadening our range of books.

After the successful exclusive ticketed late-night openings in 2014-15 we launched our Sense Lates season of five curated late-night events with a series of drinks sponsors. We worked with a number of partners and sponsors who made these evenings possible: Scent Late with thanks to Hendrick's Gin and Paul Schutze; Taste Late with thanks to AVM Curiosities and Hendrick's Gin; Sound Late with thanks to Sotto Voce, Marlena Pace, Katy Carr, Lettie McKie, Jon 'The Piano Man' Barley, Tamara Barschak and Ash Event Productions. We also hosted a Charlotte Brontë late event alongside our pop-up exhibition with thanks to Charlotte Cory who curated the evening, Colonel Fox's Gin and

Joseph Mellot. These continue to broaden our reach to new audiences and generate ticketed and retail income.

We would also like to thank Anna Rigby, Head of Buying, Home Accessories, Gifts and Seasonal Buying, John Lewis, who has continued to provide *pro bono* advice.

Pop-up Exhibitions in the No.12 Breakfast Room

This year we have continued our programme of pop-up exhibitions in the No. 12 Breakfast Room, adjacent to the Soane Shop. These displays have been the result of partnerships with other organisations, or by accompanying London-wide cultural events and festivals. They have proved to be a valuable source of additional footfall, press and sales, and here are the highlights:

'pieces'

18 August to 26 September 2015 for London Design Festival 2015

Curatorial collective Workshop for Potential Design invited five artists and designers – Paul Elliman, Gemma Holt, Sam Jacob, Peter Marigold and Study O Portable – to produce new artworks that respond to and explore the concept of the fragment.

Papaver Rheoas

3 to 28 November 2015

A single poppy was displayed in the No.12 Breakfast Room as part of a major project across London by artist Paddy Hartley, drawing on the poppy's association with the commemoration of World War I.

Charlotte Brontë at the Soane

15 March to 7 May 2016

Curated by Charlotte Cory and sponsored by Colonel Fox's Gin and Mellot Wine, the exhibition celebrated 200 years since Brontë's birth, and took a fun but thoughtful look at her five trips to London as a published author.

Entertaining at the Soane

2015-16 has seen phenomenal growth, with income from private and corporate events up by 18.3% compared with the last financial year.

The culmination of over 18 months of sustained marketing of our venue hire offer, partnership development and marketing events has delivered our key objective of placing the Museum as a high quality venue of choice.

This year our fastest growing area has been private tours. The new website is generating more enquiries and the private tour offer is also proving to be an extremely effective fall back option for clients who do not have the budget for a reception or dinner.

Our Corporate Membership programme has continued to grow, the Institut d'Etudes Supérieures des Arts renewed and we welcome our new Corporate Member Hardwicke, a modern, forward-thinking set of chambers based in New Square, Lincoln's Inn.

We have booked 107 events in 2015/16, 60 Private Tours (pre-opening, daytime and evening), 38 dinners/receptions and 9 photographic/filming shoots.

Inspired by Soane: Brand Licensing

Decorex International 2015 invited us to participate once again as their Cultural Partner. We would like to thank David Mlinaric and Joanna Bird for their *pro bono* co-curation of our beautiful Robert Adam-inspired display. We would also like to thank Claremont Furnishing Fabrics, Susie Thompson, Mylands, Chris Williams and the Rogers Flooring Company who each contributed to the project in one way or another.

The US marketing events we held in September 2015 would not have been possible without the support and help of Chesney's, Jonathan Burden LLC and Chas Miller, Executive Director of Sir John Soane's Museum Foundation.

Dr Martens, who approached the Museum with a proposal to incorporate Hogarth's *A Rake's Progress* into a footwear and bag collection, successfully launched in September 2015. The collection was launched to the UK and global markets at the Museum with Ed Gray, leading contemporary artist.

Digital Soane

The strategic leadership of the Digital Strategy has remained the responsibility of Xanthe Arvanitakis. The re-designed and re-developed soane.org launched in September 2015 (see p.32).

We prepared a proposal to the HLF for the re-allocation of OUTS funds, originally assigned to a range of small digital outputs, to initiate the Digital Soane 3D archive project which has been approved. The project started in February 2016, scanning took place throughout March 2016 and a launch is planned in September 2016 with 3D scans and associated content available to all of the first four models and the model room. We have timed the project to coincide with the scanning of the Sarcophagus by the Factum Foundation (the charitable arm of Factum Arte) who are being funded independently as part of an Egyptian government-led project, the Theban Necropolis Preservation Initiative. The website with access to the 3D scans will be launched as part of the end of Phase 3 and the OUTS project.

Visitor Services Team

Visitor Numbers

After a slow start to the year the visitor numbers were much stronger in the last quarter and we met and exceeded our original forecast footfall and finished the year with over 119,000 which is approximately a 2.0% increase compared to last year. This was mainly due to the early Easter holidays which meant we had an extra 1,000 visitors through in the last two weeks of the financial year.

Team structure

We introduced a new structure for our visitor services team in August 2015. Michele Moatt, Visitor Services and Volunteer Co-ordinator, left the Museum in August 2015 and Tara Sutin started as Volunteer Co-ordinator on 1 September 2015. Eve White was taken on, on a short-term contract, to assist full-time in August 2015, and part-time from September to November 2015.

Paul Waite, our Head of Visitor Services, also left in August 2015. We introduced two Assistant Visitor Services Managers Joanna Eccles, who joined in August 2015, and Darko Leko, who was promoted from the Visitor Assistant team. Our Assistant Visitor Services Managers and Volunteer Co-ordinator worked very closely together to introduce a number of operational changes.

Developing our visitor offer

These changes have ensured our Visitor Assistant and Volunteer Visitor Assistant team can focus on ensuring our visitors have a great experience and enables us to enhance and broaden our offer for our visitors.

The opening of the Private Apartments provided an opportunity to launch the introduction of our new enhanced visitor offer with additional Highlights tours alongside the new tour offer to the Private Apartments. We created a new front of house volunteer role, Volunteer Tour Guides and Volunteer Tour Tails to deliver the Private Apartment tour programme. Since June 2015, 31 volunteers have taken on this role. Not only have they made it possible for 10% of our visitors to access these amazing spaces, they have succeeded in engaging visitors with the collection and the story of the Private Apartments whilst also keeping it safe.

Communication

To streamline and improve our internal communication a visitor services dashboard has been developed collating all our key visitor data each week. We have also introduced a new online shift management system for both Visitor Assistants and Volunteers which is accessible from home. Tara Sutin also introduced a new Volunteer Newsletter which goes out weekly.

Volunteer Programme

In the past year, 95 new Volunteer Visitor Assistants attended an induction session, approximately 70 going on to become active volunteers.

Back of House volunteers have been very active across the departments. Volunteers are supporting Development, Learning, Library, Conservation, Retail and Enterprises. Library volunteer, Dr Tom True and Events volunteer, Propella Woodward-Gentle, cumulatively contributed over 350 hours of specialised support to their respective departments!

The Volunteer Lecture series was generously supported by members of staff throughout the year, including talks from Dr Frances Sands, Jane Wilkinson, Tom Drysdale, John Bridges and Sue Palmer. In July 2015 a special Tea Party was held for volunteers and trustees. Tom Drysdale offered 11 volunteers a walking tour of South Kensington. Volunteers also enjoyed reciprocal visits to other Museums including an architectural tour of the Royal Academy of Arts. Volunteers also joined members of staff at St Pancras Gardens in commemorating the 200th anniversary of the death of Eliza Soane on Monday 23 November 2015. Finally in November 2015, Helen Dorey hosted a Question and Answer session for volunteers. Volunteers had the option to submit questions anonymously – contributing to a wide range of questions.

One Volunteer Visitor Assistant said of their experience in the last year: *‘I’ve enjoyed my time at the museum! There are lots of opportunities to develop, but no pressure to do so - I’ve often taken similar posts and found they are very “all or nothing”, so this is much better and has enabled me to keep volunteering over such a long period. The new newsletters are great (format and content) and it’s helpful to know which shifts are low on volunteers before booking in. The permanent staff are all lovely, and have been supportive even though there are so many changes going on.’*

DEVELOPMENT AND COMMUNICATIONS

The Development and Communications department has recently appointed a new member of the team, Lucy Richards, whose attention is focused on applications to trusts and foundations and developing the Supporters’ Circle. As per contract, Charlotte Bassadone, who has been a member of the team for two and a half years and worked on the *Adopt a Model* campaign (which raises money for the Sir John Soane’s Museum Trust’s Endowment Fund) will be leaving the Museum in July 2016 coinciding with the end of the Heritage Lottery Fund’s (HLF) *Catalyst: Endowment* initiative. We thank her for her tremendous hard work and being a wonderful colleague.

Over the last eighteen months, the Development and Communications team have been working hard on raising funds towards the Sir John Soane’s Museum Trust’s HLF £4 million endowment matching challenge grant, as well as creating a strong fundraising strategy to ensure the long-term financial sustainability of the Museum.

The Development department runs three membership schemes – a Supporters’ Circle (soon to be renamed) starting at £40 per annum, a Patrons’ Circle at £1,500 per annum (following a £500 uplift in 2014) and the Consols Office at £10,000 per annum. The funds raised from these memberships generate unrestricted income for the Museum. Further to revenue fundraising, other areas of focus include exhibitions including displays in the Foyle Space, public programming and education activities for all ages.

To help us with our recruitment efforts to generate further core income from the Patrons’ Circle, we hosted the Museum’s first ever Trustees’ and Patrons’ Open House evenings to introduce new enthusiasts to the Museum with the aim of them joining the Patrons’ Circle. Due to the success of these events, we will replicate this model throughout the next year and extend the invitation to ex-Patrons to encourage them to re-join the Soane family.

The past year has been our strongest yet for press, with the opening of the Private Apartments driving a significant amount of coverage. The highlight was a six-page feature in the *Financial Times Weekend Magazine* where Helen Dorey and Jane Wilkinson were interviewed, and the first exclusive photographs of the space were published. Other coverage included the *Observer*, *Country Life* magazine and a 10-page spread in *Homes and Antiques* magazine. In total the Private Apartments received 40 pieces of coverage throughout the year, with a total circulation of 218 million. Press for the Museum continues to be managed by Caro Communications who signed another one-year contract in February 2016.

The Museum’s social media continues to grow, aided by a new Instagram account set up in April 2015. Across the three channels – Twitter, Facebook and Instagram – we now have 19,000 followers. We also began trialling paid-for content on social media, beginning with the *Drawn from the Antique* exhibition, which had very positive results. We plan to continue to use it in the coming year to drive follower growth and engagement.

We continue to send the e-newsletter on a monthly basis to our 11,000 subscribers. We have also begun sending a ‘Now Open’ e-news on the day on which our exhibitions open, to promote the show and the associated public programme.

FINANCE

The Statement of Financial Activities shows that the Group generated a net increase in funds of £1,413,069 (2014/15: £403,997). The principal reason was a higher level of income from restricted grants and donations, primarily for the OUTS project, received in 2015/16. The net increase in Restricted Funds was £1,461,971 (2014/15: £491,218). The net decrease on the total unrestricted funds was £46,208 (2014/15: £92,608) which was made up of a decrease of £21,495 (£67,895) on the General Fund and a decrease of £24,713 (2014/15: £24,713) on the Designated Fund, further details of which are detailed in the notes to the accounts.

The presentation of Resources Expended in 2015-16 in the Statement of Financial Activities aligns with the narrative in the Annual Report. The Statement shows that 35% (2014/15: 34%) of unrestricted expenditure was incurred to generate funds, 18% (2014/15: 16%) on refurbishing and maintenance of the buildings, 12% (2014/15: 10%) on the care and conservation of the Museum's collections and 35% (2014/15: 37%) on providing services to visitors. The main reasons for the changes compared to 2014/15 are changes in priorities and activity levels in parts of the Group.

The Balance Sheet shows that the Group's Net Assets increased from £8,779,490 to £10,192,559 due to further expenditure of £699,687 on Fixed Assets (mainly OUTS project Phases 2 and 3) and an increase in Cash at Bank of £1,070,658.

The Museum is exempt from the requirement under the FReM to provide a sustainability report as it falls below the size threshold for reporting.

Performance

The relationship between Sir John Soane's Museum and its sponsoring body, the DCMS, is set out in a spending review allocation letter. 2015-16 was the final year of a three-year agreement over which the Museum's resource Grant-in-Aid fell by 15% in real terms. Subsequent to the agreement of funding terms, a Management Agreement covering the three-year period was drafted by DCMS and finalised in May 2014.

The Secretary of State set out the following in the spending review allocation letter of 20 October 2010:

The new resource grant in aid budget for your organisation will be cut by 15% by 2014-15. Within this settlement I expect -

- *the world-class collections and front-line services of the Sir John Soane's Museum to be protected;*
- *that free entry to the permanent collections of the national museums will continue to be available;*
- *that the Sir John Soane's Museum will continue to work in partnership with other museums in the UK;*
- *that the Sir John Soane's Museum will pursue ways to increase its self-generated income, including through private giving;*

I also look forward to the contribution that the sponsored museums and galleries will make to the Cultural Olympiad, which will showcase the best of our cultural offer to the world.

During 2015/16, the 2015 Comprehensive Spending Review was completed. In summary, the Museum's Revenue Grant has been fixed in cash terms at its 2015/16 level for the period 2016/17 to 2019/20.

The Museum remains committed to ensure that its world-class collections and front-line services are protected, that free entry to the Museum will continue to be available and to working in partnership with other museums in the UK.

The Museum is also seeking to significantly increase its non-DCMS income through its trading subsidiary, *Soane Museum Enterprises Limited*, which became operational in January 2014 and through an Endowment Fund managed by the independent Sir John Soane's Museum Trust.

The Museum and the DCMS also continue to monitor performance against performance indicators, although the DCMS no longer sets targets in relation to these performance indicators. The data from these, together with comparatives, is detailed below.

Performance indicators

	2015-16	2014-15
Total charitable giving	£2,141,189	£949,712
Ratio of charitable giving to Grant-in-aid	200%	83%
Number of visits to the Museum (excluding virtual visits)	119,361	117,025
Number of unique website visits	427,972	425,000
Number of visits by children under 16	3,497	1,904
Number of overseas visits	48,807	58,260
Number of facilitated and self-directed visits to the museum by visitors under 18 in formal education	1,147	2,596
Number of instances of visitors under 18 participating in on site organised activities	642	705
% of visitors who would recommend a visit	78	96%
Admissions income (gross income)	£54,526	£48,183
Trading income (net profit)	£237,826	£156,207
Number of UK loan venues	1	3

Sickness Absence

The average staff sickness rate for 2015-16 was 4.61 days (2014-15: 7.14 days). However, this includes staff members being away on long-term sick leave, i.e. more than 5 continuous days. When these long-term cases are excluded the average staff sickness rate was 3.02 days per person (2014-15: 3.92 days).

Company Directorships and other significant interests

A register of Trustees' interests is regularly maintained, a copy of which is available on request. No conflicts of interest have arisen in the year.

Public Expenditure System (PES) Disclosure

In 2015-16, there was no spend on consultancy and contingent labour. There were no instances where tax assurance of off-payroll engagements was required.

Data Loss and Information Management

Sir John Soane's Museum has suffered no protected personal data incidents during 2015-16 or prior years, and has made no reports to the Information Commissioner's Office.

Reserves Policy

In 2009, the Museum was seeking to establish a level of unrestricted free reserves (General Fund) at £300,000 equal to the routine annual cost of running the Museum net of the contribution of Grant-in-Aid from DCMS. During 2014/15, the Trustees resolved, under the financial circumstances at that time, to reduce the minimum level of unrestricted reserves to be held as a designated strategic reserve from £300,000 to £250,000 subject to regular review.

At the end of March 2016, unrestricted free reserves (General Fund) for the Group stood at £344,090. The Trustees regard this level to be a prudent response to the changing economic climate and increased risks of a drop in donated income and downturn in commercial activity. The uncertainty of the outlook suggests that reserves are needed to safeguard the Museum as a going concern through a turbulent period, as well as to guarantee cash-flow capability during major capital works.

Payment Terms

The Museum pays invoices in accordance with agreed terms of contract, aiming to pay all undisputed invoices within thirty days of receipt, achieved in 84% of cases (2014-15: 88%).

Five-Year Summary

Year ended 31 March	2016 £000	2015 £000	2014 £000	2013 £000	2012 £000
Incoming resources	3,906	2,770	3,404	2,461	3,429
Resources expended	(2,490)	(2,371)	(2,216)	(2,372)	(2,061)
Investment gains or (losses)	(3)	5	1	(2)	(6)
Net increase in funds	1,413 (a)	404 (a)	1,189 (a)	87 (a)	1,362 (a)
Total funds (b)	10,193	8,779	8,375	7,187	5,738

(a) after capitalisation of expenditure on No.14 Lincoln's Inn Fields

(b) figures adjusted for rounding differences

REMUNERATION REPORT

Remuneration Policy

The remuneration of all staff employed by the Trustees is reviewed annually, and any increases are awarded within public sector pay guidance.

When determining salaries under normal conditions, the Trustees take account of a number of factors including whether the proposed salaries are affordable within planned budgets, the need to retain suitably qualified and experienced staff, and the relative responsibilities of each post. This year the Museum's average pay award was 1%.

Compensation for loss of office

There were 6 'exit packages' awarded to staff leaving during the year amounting to a total of £77,373 (2014-15: £Nil).

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	Nil	2	2
£10,000 - £25,000	Nil	4	4
Total number of exit packages	Nil	6	6
Total cost /£	Nil	77,373	77,373

NB: Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure.

Employees

Most employees are members of the Civil Service pension scheme arrangements with associated redundancy and early retirement conditions. Further details are given in Note 21 of the Financial Statements.

As the Trustees and Director exercise the ultimate responsibility and authority for controlling the major activities of the Museum, the Trustees have determined that disclosure of emoluments and pension entitlements paid to other employees is not appropriate.

Performance assessment

When determining staff performance bonuses for 2015-16, the Remuneration Committee took account of:

- The budget for non-consolidated performance-related pay agreed as part of the Museum's pay remit; and
- The performance and contribution of the individual over the period (through an annual appraisal).

Policy on duration of contracts, notice periods and termination payments

The notice period for curatorial staff is three months and for visitor assistants one month.

Most Museum employees are members of the Civil Service pension scheme with associated redundancy and early retirement conditions. All other staff are entitled to payments as defined under the Employment Rights Act 1996.

The following details are subject to audit:

The Director/Acting Director

Officials	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £'000) ¹		Total (£'000)	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Abraham Thomas	35-40	65-70	-	-	-	-	15-16	89-90	50-55	155-160
Helen Dorey	35-40	N/A	0-5	N/A	-	N/A	(12)-(13)	N/A	25-30	N/A

NB: There are no comparative figures for Helen Dorey for 2014/15 as she was appointed Acting Director during 2015/16.

Abraham Thomas resigned as Director on 21 October 2015. His salary as Director was £65-£70K. He received neither benefits in kind nor any performance-related bonus during the year.

Helen Dorey, the Deputy Director and Inspector was promoted to Acting Director from 19 September 2015 to 15 May 2016. Her salary as Acting Director was £55-£60K. She received no benefits in kind and £0-5K performance-related bonus during the year

¹ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights.

The Director and Acting Director are members of the Civil Service pension scheme arrangements. For Abraham Thomas, Director from 1 April 2015 to 21 October 2015, the Museum paid £8,485 to the scheme. For Helen Dorey, Acting Director during the period from 19 September 2015 to 31 March 2016 the Museum paid £5,392 to the scheme.

Pension Entitlements of the Director/Acting Director

	Accrued pension at pension age as at 31/3/16, and related lump sum	Real increase in pension, and related lump sum at pension age	CETV at 31/3/16	CETV at 31/3/15	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Abraham Thomas	15-20	0-2.5	117	112	4
Helen Dorey	85-90	(0)-(2.5)	362	352	(11)

Note: CETV – CASH EQUIVALENT TRANSFER VALUE

The CETV is a payment which would be made by the pension scheme to secure pension benefits in another pension scheme if the employee left the scheme and chose to transfer the pension benefits accrued in the former scheme to a new scheme. The CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by the employee at the date shown. The benefits valued are their accrued benefits and any spouse's contingent pension payable from the scheme. The 'real increase in CETV' shows the increase in CETV funded by the Museum. It does not include the increase in accrued pension due to inflation, or contributions by the Director. It uses common market-valuation factors for the start and end of the period. CETVs are calculated within guidelines prescribed by the Institute and Faculty of Actuaries.

Pay multiple

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in Sir John Soane's Museum at the financial year end was £60K-£65K. This was 2.7 (2014-15: 3.1) times the median remuneration of the workforce, which was £23,553 (2014-15: £22,470).

In 2015-16, no employees (2014-15: Nil) received remuneration in excess of the highest-paid director. Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

TRUSTEES

The Trustees, who hold overall responsibility for the Museum, are not remunerated. Expenses paid to them are disclosed in Note 6(c) to the Financial Statements.

Guy Elliott
Chairman of Trustees

Bruce Boucher
Director and Accounting
Officer

Date: 11 July 2016

Statement of Trustees' and Accounting Officer's Responsibilities

Under the applicable laws, the Secretary of State for Culture, Media and Sport with the consent of the Treasury has directed the Trustees of the Sir John Soane's Museum to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Museum and of its net resource outturn, application of resources, changes in funds and cash flows for the financial year.

In preparing the accounts, the Trustees and Accounting Officer are required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards and statements of recommended practice have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Museum will continue in operation.

The Accounting Officer of the Department for Culture, Media and Sport designated the Director as Accounting Officer of Sir John Soane's Museum. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Museum's assets, are set out in Managing Public Money issued by the HM Treasury.

As far as the Accounting Officer is aware there is no relevant audit information of which the Museum's auditors are unaware. The Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Museum's auditors are aware of that information.

The Accounting Officer confirms that the annual report and accounts as a whole is fair, balanced and understandable and that he takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

Guy Elliott
Chairman

Bruce Boucher
Director and Accounting Officer

Date: 11 July 2016

Governance Statement

1. Scope of responsibility

The Board of Trustees and the Accounting Officer have responsibility for maintaining a sound system of internal control that supports the achievements, policies, aims and objectives of Sir John Soane's Museum, whilst safeguarding the public funds and assets for which they are personally responsible in accordance with the responsibilities assigned to them in 'Managing Public Money'. The Museum has a three-year funding agreement with the Department for Culture, Media and Sport (DCMS), of which 2015-16 was the third year. The Museum supplies regular financial information and returns against agreed performance indicators demonstrating its contribution to the delivery of DCMS's Departmental strategic objectives.

2 Governance Framework

2.1 Structure

The Board of Trustees of Sir John Soane's Museum is responsible for the overall management and direction of the Museum. The Director (or any Acting Director) of Sir John Soane's Museum is responsible to the Board of Trustees. The Director is the Accounting Officer and has accountability to DCMS for compliance with the Management Agreement. Bruce Boucher assumed the role of Accounting Officer on 16 May 2016. Since his appointment, his induction programme has included meetings with the previous Accounting Officer, employees across the Museum, Trustees, the NAO, DCMS and the Internal Auditor and has sought assurance from the previous Accounting Officer for responsibilities prior to his arrival for the year ending 31 March 2016.

A group of four staff reporting to the Director forms the Senior Management Team (SMT) which meets weekly and comprises the Deputy Director, the Development and Communications Director, the Director of Commercial and Operations and the Finance Director.

2.2 Board of Trustees

The Board of Trustees meets on a quarterly basis to review performance and consider plans and the overall strategic direction of the Museum. The Trustees appoint their own Chairman, to serve for a period of 5 years. They are supported by five committees, specifically:

- The Audit and Risk Committee meets on a quarterly basis and is responsible for the issues of risk control and governance. They also review the Annual Report and Accounts. In addition, they review the reports of the External Auditor (National Audit Office) and the Internal Auditor (currently TRMB Ltd). Their annual work plans and reports and their recommendations are reviewed by the Committee.

The Risk Register is reviewed in detail by the Committee and subsequently recommended to the Board of Trustees for approval on an annual basis.

- The Finance Committee meets on a quarterly basis and is responsible for reviewing the Museum's financial position and budgets. They also review the finances in relation to the *Opening Up The Soane* (OUTS) project, and are supported by a financial appraisal prepared by Fanshawe, the project managers for OUTS. Performance and financial information provided for Board consumption is regularly reviewed for its effectiveness by the Committee.
- The Remuneration Committee meets at least annually and reviews the Director's pay and performance, as well as staff remuneration and makes recommendations for awards to the Board of Trustees as appropriate.
- The Buildings Committee is convened whenever the Museum undertakes major capital works to the buildings at Nos 12, 13 and 14 Lincoln's Inn Fields. As part of the OUTS Project the Buildings Committee currently meets by attending the OUTS Project Board meetings on a monthly basis.
- The Exhibitions and Public Programming Committee was formed to work with the Museum's Director and senior staff to formulate the future Exhibitions and Public Programme.
- Soane Museum Enterprises Limited is a wholly-owned trading subsidiary of the Museum incorporated on 7 August 2012. The commercial activities of the Museum were transferred to the Company in January 2014. The Company was dormant up to this point. The Board of Soane Museum Enterprises Limited meets on a regular basis.

Attendance at Board meetings and at all Committees is reported to the Board on an annual basis. All Committee attendance is considered to be important and current levels of attendance are listed below.

It is intended that at least one member of the Buildings Committee attends the monthly OUTS Project board meeting. During 2015-16, at least one member of the Buildings Committee was present at all nine meetings.

Individual attendance of Trustees at the meetings of the Board of Trustees, Finance Committee and Audit and Risk Committee are listed below. The numbers in brackets represent the number of meetings each member attended against the number of meetings they had the opportunity to attend:

Board of Trustees meetings:

Guy Elliott (Chairman) (4/4), Alison Gowman (Deputy Chairman) (1/1)*, Molly Borthwick (3/4), Bridget Cherry (2/2)**, Sir David Chipperfield (2/4), Katrin Henkel (3/4), Nicola Johnson (4/4), Basil Postan (4/4), Orna Turner (4/4), Alderman Vincent Keaveny (3/3)***.

*Term ended May 2015

**Term ended December 2015

***Appointed June 2015

Audit and Risk Committee meetings:

Alison Gowman (Chair) (1/1)*, Orna Turner (6/6), Guy Elliott (4/6), Basil Postan (6/6), Alderman Vincent Keaveny (Chair) (1/1)**

*Term ended May 2015

**Appointed June 2015

Finance Committee meetings:

Orna Turner (Chair) (5/5), Alison Gowman (1/1)*, Guy Elliott (3/5), Basil Postan (5/5), Alderman Vincent Keaveny (1/1)**

*Term ended May 2015

**Appointed June 2015

Soane Museum Enterprises Limited Board meetings:

Orna Turner (Chair) (2/2), Xanthe Arvanitakis (2/2), Helen Dorey (2/2), Jayant Gohil (2/2), Elizabeth Phillips (2/2), Abraham Thomas (1/1)*, Anthony Vernon (2/2)

*Term ended October 2015

The Trustees were actively involved in the process of recruitment and evaluation of the successor to Abraham Thomas as Director. A headhunting firm was employed to support in screening both internal and external candidates.

The Board discussed its own effectiveness during the year and concluded that its performance was satisfactory. Next year it is proposed that the effectiveness review will be facilitated externally.

3. Risk management

3.1 Overview

The system of internal control is designed to manage risk to a reasonable level rather than 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 policies, aims and objectives, to evaluate the likelihood of those risks being realised and their impact should they occur, and to manage them efficiently, effectively and economically.

The system of internal control has been in place for the year ended 31 March 2016 and up to the date of approval of the Annual Report and Accounts, and accords with Treasury guidance. The Board has gained assurance that the data quality of the information it receives is sound through its challenge of the data presented.

3.2 Responsibility

The Accounting Officer and Chairman of the Board of Trustees have overall joint responsibility for the Museum's risk management framework. The Management Team coordinates the management of risk across the work of the Museum, with feedback from the Internal Auditor. The Museum's Risk Register is kept up to date and is now reviewed bi-annually by the Audit Committee. The key risks are identified by the Management Team and reported to the Trustees. Responsibility for risk identification lies with all staff, as well as the Board of Trustees. The Internal Audit provider performs audit work to cover all key systems to provide an overall assurance report for the year. At the time of signing this 2015/16 Annual Report and Accounts, the work of the Internal Auditor was in progress and therefore, the results of his work and any key recommendations will be presented in next year's Annual Report.

3.3 Key risks

There were 3 key risks highlighted within the top 10 risks in the full Risk Register as detailed below:

- Terrorist incident or other external events/market forces impact our operations;
- Lack of funding puts exhibitions and programmes in jeopardy and causes lack of staff or loss of expertise that impacts operations and programmes; and
- Failure to exploit IT to maximise impact of our collections, programmes and operations.

There is an on-going process undertaken by all staff (including SMT) and the Trustees within the Museum for evaluating and managing these and other risks.

4. Compliance with Corporate Governance Code

The Board of Trustees has assessed its compliance with the Corporate Governance Code and has concluded that this is satisfactory.

Guy Elliott
Chairman of Trustees

Bruce Boucher
Director and Accounting Officer

Date: 11 July 2016

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE
HOUSES OF PARLIAMENT**

I certify that I have audited the financial statements of the Sir John Soane's Museum for the year ended 31 March 2016 under the Government Resource and Accounts Act 2000. The financial statements comprise: the Sir John Soane's Museum's Consolidated Statement of Financial Activities, the Consolidated and Museum Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. The financial statements have been prepared under the accounting policies set out therein. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Trustees, Accounting Officer and auditor

As explained more fully in the Statement of Trustees' and Accounting Officer's Responsibilities, the Trustees and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Sir John Soane's Museum's and the group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Sir John Soane's Museum; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

Opinion on regularity

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

Opinion on financial statements

In my opinion:

the financial statements give a true and fair view of the state of the group's and of the Sir John Soane's Museum's affairs as at 31 March 2016 and of its net income for the year then ended; and

the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and Secretary of State directions issued thereunder.

**Sir John Soane's Museum
Independent Auditor's Report**

Opinion on other matters

In my opinion:

the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Government Resources and Accounts Act 2000; and

the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or

the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or

I have not received all of the information and explanations I require for my audit; or

the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

**Sir Amyas C E Morse
Comptroller and Auditor General**

13 July 2016

National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

Sir John Soane's Museum
Consolidated Statement of Financial Activities for the year ended 31 March 2016

		2016	2016	2016	2016	2015	2015	2015	Restated
	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	2015 Total Funds
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations and Legacies									
Grants from Department for Culture, Media and Sport	2	1,072,000	-	-	1,072,000	1,050,000	100,000	-	1,150,000
Other grants and donations	3	245,651	1,895,538	-	2,141,189	224,574	725,138	-	949,712
Charitable Activities									
Visitors		54,526	-	-	54,526	48,183	-	-	48,183
Other Trading Activities									
Room hire		232,758	-	-	232,758	196,715	-	-	196,715
Reproduction, filming and hire fees		17,040	-	-	17,040	10,761	-	-	10,761
Licensing		65,464	-	-	65,464	48,718	-	-	48,718
Retail sales		278,525	-	-	278,525	277,344	-	-	277,344
Investments	4	207	-	-	207	124	-	-	124
Other		44,517	-	-	44,517	88,250	-	-	88,250
TOTAL		2,010,688	1,895,538	-	3,906,226	1,944,669	825,138	-	2,769,807
EXPENDITURE ON									
Raising Funds									
Development, fundraising and trading	5a	720,538	37,311	-	757,849	713,457	28,616	-	742,073
Charitable Activities									
Buildings	5b	366,914	45,102	-	412,016	333,768	85,201	-	418,969
Collections	5b	256,264	197,336	-	453,600	247,688	107,036	-	354,724
Visitor services	5b	713,180	153,818	-	866,998	742,364	113,067	-	855,431
TOTAL	5	2,056,896	433,567	-	2,490,463	2,037,277	333,920	-	2,371,197
		(46,208)	1,461,971	-	1,415,763	(92,608)	491,218	-	398,610
Net (Losses)/Gains On Investments	9	-	-	(2,694)	(2,694)	-	-	5,387	5,387
NET INCOME/(EXPENDITURE)		(46,208)	1,461,971	(2,694)	1,413,069	(92,608)	491,218	5,387	403,997
NET MOVEMENT IN FUNDS		(46,208)	1,461,971	(2,694)	1,413,069	(92,608)	491,218	5,387	403,997
RECONCILIATION OF FUNDS:									
Total funds brought forward		2,988,588	5,780,202	10,700	8,779,490	3,081,196	5,288,984	5,313	8,375,493
Total funds carried forward	16-18	2,942,380	7,242,173	8,006	10,192,559	2,988,588	5,780,202	10,700	8,779,490

All of the Museum's activities are continuing. There were no recognised gains and losses in the year other than those reported in the Statement of Financial Activities.

The notes on pages 57 to 71 form part of these financial statements.

Sir John Soane's Museum
Statement of Financial Activities for the year ended 31 March 2016 (Museum Only)

		2016	2016	2016	2016	2015	2015	2015	Restated 2015
	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:									
Donations and Legacies									
Grants from Department for Culture, Media and Sport	2	1,072,000	-	-	1,072,000	1,050,000	100,000	-	1,150,000
Other grants and donations	3	245,651	1,895,538	-	2,141,189	224,574	725,138	-	949,712
Charitable Activities									
Visitors		14,735	-	-	14,735	26,508	-	-	26,508
Other Trading Activities									
Gift Aid Receivable from Subsidiary		237,826	-	-	237,826	156,207	-	-	156,207
Other Income Receivable from Subsidiary		55,145	-	-	55,145	55,145	-	-	55,145
Other Trading Income		34	-	-	34	61	-	-	61
Investments	4	207	-	-	207	124	-	-	124
Other		44,517	-	-	44,517	14,250	-	-	14,250
TOTAL		1,670,115	1,895,538	-	3,565,653	1,526,869	825,138	-	2,352,007
EXPENDITURE ON:									
Raising Funds									
Development, fundraising and trading	5a	379,965	37,311	-	417,276	295,657	28,616	-	324,273
Charitable activities									
Buildings	5b	366,914	45,102	-	412,016	333,768	85,201	-	418,969
Collections	5b	256,264	197,336	-	453,600	247,688	107,036	-	354,724
Visitor services	5b	713,180	153,818	-	866,998	742,364	113,067	-	855,431
TOTAL	5	1,716,323	433,567	-	2,149,890	1,619,477	333,920	-	1,953,397
		(46,208)	1,461,971	-	1,415,763	(92,608)	491,218	-	398,610
Net (Losses)/Gains On Investments	9	-	-	(2,694)	(2,694)	-	-	5,387	5,387
NET INCOME/(EXPENDITURE)		(46,208)	1,461,971	(2,694)	1,413,069	(92,608)	491,218	5,387	403,997
NET MOVEMENT IN FUNDS		(46,208)	1,461,971	(2,694)	1,413,069	(92,608)	491,218	5,387	403,997
RECONCILIATION OF FUNDS:									
Total funds brought forward		2,988,588	5,780,202	10,700	8,779,490	3,081,196	5,288,984	5,313	8,375,493
Total funds carried forward	16-18	2,942,380	7,242,173	8,006	10,192,559	2,988,588	5,780,202	10,700	8,779,490

All of the Museum's activities are continuing. There were no recognised gains and losses in the year other than those reported in the Statement of Financial Activities.

The notes on pages 57 to 71 form part of these financial statements.

Sir John Soane's Museum
Balance Sheet as at 31 March 2016

	Note	2016 £	2016 £	2015 £	2015 £
		MUSEUM	GROUP	MUSEUM	GROUP
Fixed Assets					
Intangible assets	8	80,462	80,462	24,892	24,892
Heritage assets	7	7,408,221	7,408,221	7,326,692	7,326,692
Tangible assets	7	896,950	896,950	512,637	512,637
Investments	9	8,006	8,006	10,700	10,700
		<u>8,393,639</u>	<u>8,393,639</u>	<u>7,874,921</u>	<u>7,874,921</u>
Current Assets					
Stock		14,492	132,317	23,200	137,985
Debtors	10	426,829	197,675	547,132	166,401
Cash at bank and in hand	11	1,727,508	1,895,536	545,486	824,878
		<u>2,168,829</u>	<u>2,225,528</u>	<u>1,115,818</u>	<u>1,129,264</u>
Liabilities					
Amounts falling due within one year	12	<u>(369,909)</u>	<u>(426,608)</u>	<u>(211,249)</u>	<u>(224,695)</u>
Net Current Assets					
		<u>1,798,920</u>	<u>1,798,920</u>	<u>904,569</u>	<u>904,569</u>
NET ASSETS					
	15	<u><u>10,192,559</u></u>	<u><u>10,192,559</u></u>	<u><u>8,779,490</u></u>	<u><u>8,779,490</u></u>
UNRESTRICTED FUNDS					
	16				
General fund		344,090	344,090	365,585	365,585
Designated fund, heritage property		2,598,290	2,598,290	2,623,003	2,623,003
Total unrestricted funds		<u>2,942,380</u>	<u>2,942,380</u>	<u>2,988,588</u>	<u>2,988,588</u>
RESTRICTED FUNDS					
	17	7,242,173	7,242,173	5,780,202	5,780,202
ENDOWMENT FUND					
	18	8,006	8,006	10,700	10,700
TOTAL FUNDS					
		<u><u>10,192,559</u></u>	<u><u>10,192,559</u></u>	<u><u>8,779,490</u></u>	<u><u>8,779,490</u></u>

The notes on pages 57 to 71 form part of these financial statements.

Approved by the Trustees on 11 July 2016

Guy Elliott
Chairman

Bruce Boucher
Director and Accounting Officer

Sir John Soane's Museum
Consolidated Statement of Cash Flows for the year ended 31 March 2016

	Note	2016 £	Restated 2015 £
Cash Flows From Operating Activities			
<i>Net Cash Provided By Operating Activities</i>		<u>1,770,138</u>	<u>468,342</u>
Cash Flows From Investing Activities			
Dividends, interest and rents from investments	4	207	124
Purchase of property, plant and equipment	7 & 8	(699,687)	(1,114,572)
<i>Net Cash Used In Investing Activities</i>		<u>(699,480)</u>	<u>(1,114,448)</u>
Change in Cash and Cash Equivalents In The Reporting Period		<u>1,070,658</u>	<u>(646,106)</u>
Cash and Cash Equivalents At Beginning of the Reporting Period		824,878	1,470,984
Cash and Cash Equivalents At End of the Reporting Period		<u>1,895,536</u>	<u>824,878</u>

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2016 £	Restated 2015 £	Restated 2015 £
Net Income For The Reporting Period (As Per SOFA)		1,413,069		403,997
Adjustments For:				
Losses/(Gains) on Investments	2,694		(5,387)	
Dividends, interest and rents from investments	4	(207)	(124)	
Depreciation Charges - tangible assets	7	155,052	148,300	
Amortisation Charges - intangible assets	8	23,223	10,210	
Decrease/(Increase) in stock		5,668	(21,212)	
(Increase)/Decrease in debtors		(31,274)	74,231	
Increase/(Decrease) in creditors (excluding capital creditors)		201,913	(141,673)	
		357,069		64,345
<i>Net Cash Provided By Operating Activities</i>		<u>1,770,138</u>		<u>468,342</u>

The notes on pages 57 to 71 form part of these financial statements.

1 Accounting Policies

The following policies have been adopted consistently in dealing with all material items in the financial statements.

a) Accounting Basis and Standards

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of listed investments, and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP FRS 102). The financial statements have also been prepared in accordance with the Accounts Direction issued by the Secretary of State for Culture, Media and Sport, with the approval of HM Treasury, a copy of which can be obtained from the Museum.

Consolidated accounts have been prepared on a line by line basis. This includes the Museum accounts and the Museum's wholly-owned trading subsidiary, Soane Museum Enterprises Limited (SME), Registered Company Number 08171280. SME began trading on 27 January 2014. The Museum Trustees act as Trustees to all the individual funds within the Museum accounts. Two Museum Trustees own the issued share capital of SME. As the Museum is not incorporated, it cannot own any share capital. The Museum Trustees who are the owners of the share capital have signed a Declaration of Trust that they will act as directed by the Museum Trustees. In addition, the Museum's Director, Deputy Director, Operations and Commercial Director and Finance Director and a Museum Trustee are all directors of SME along with two independent directors.

b) Incoming Resources

Grant-in-Aid from the Department for Culture, Media and Sport (DCMS), unless for one-off specified purposes, is allocated to the general fund and is taken to the Statement of Financial Activities for the year to which it relates, and is recognised on receipt.

Grants and other income that is awarded subject to specific performance conditions, including scientific grants and income from the Heritage Lottery Fund, are recognised when the performance conditions for their receipt have been met and, where appropriate, income is deferred accordingly.

No incoming resources have been included net of expense.

All other income, including Patrons' subscriptions for life membership, are recognised when there is evidence of entitlement, receipt is probable and its amount can be reliably measured.

Gifts-in-kind are recognised when received and valued at the market rate that the Museum would expect to pay for similar services.

The Museum has recognised in Other Income £32,000 (at estimated market value) of donated services in 2015/16 (2014/15: £74,000). These were in the nature of legal and professional services.

c) Resources Expended

All expenditure is accounted for on an accruals basis. A de-minimis limit of £500 has been applied for accruals and prepayments.

The costs of generating funds are those costs concerned with fundraising and trading, see Note 5a.

To provide more useful information to users of the financial statements, expenditure is classified by the principal categories of Museum activity discussed in the Annual Report rather than the type of expense.

Expenditure on charitable activities comprises direct expenditure including staff costs attributable to the activity. Support costs including Governance costs are costs which cannot be attributed directly to an activity or cost centre and are therefore allocated to activities on a basis consistent with the use of the resources, primarily staff time, see Note 5b.

Governance costs are those incurred in the governance of the Museum and are primarily associated with constitutional and statutory requirements, see Note 5d.

d) Leases

Rentals under operating leases are charged to the Statement of Financial Activities as they arise.

e) Taxation

All of the Group's trading activity is undertaken by the Museum's trading subsidiary Soane Museum Enterprises Limited which is subject to corporation tax. Therefore, the Museum's activities which are wholly non-trading are considered to be exempt from corporation tax under Section 505, Income and Corporation Taxes Act 1988.

1 Accounting Policies (continued)

f) VAT

The Museum is able to reclaim all input VAT which it incurs, in line with the appropriate scheme.

g) Fixed Assets and Depreciation/Amortisation

Heritage and Tangible fixed assets

Tangible fixed assets, other than heritage property, are stated at cost less accumulated depreciation. The historical cost of a tangible fixed asset which has been capitalised is not considered to be materially different from its net current replacement cost. Assets are subject to revaluation under modified historic cost accounting, when material; to date the effect has not been material. Fixed assets costing more than £1,000 are capitalised, and are reviewed for impairment on a yearly basis. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected life as follows:

Non-operational heritage property	No depreciation as permitted by Treasury Accounting Guidelines
Freehold heritage property	100 years to residual value of £300,000
Heritage fixtures and fittings	20 years
Assets in the course of construction	No depreciation
Office and other equipment	5 years
Retail equipment	5 years
Security equipment and fixtures and fittings	8 years
Plant	20 years

A full year's depreciation is charged in the year of acquisition.

The Museum's main exhibit is the building itself and its arrangements of objects, which must be maintained as nearly as possible in their original state. The buildings at Nos 12 and 13 and the objects displayed fall within the definition of heritage property, and they are considered to be inalienable. As permitted by SORP and HM Treasury Accounting Guidelines as well as FRS 102, no valuation has been included in the accounts for those assets in respect of which appropriate and relevant information could only be available at a cost that is disproportionately large compared to the benefits to users of the accounts. The recently acquired heritage property at No. 14 is shown at its valuation at the date of transfer to the Museum, together with subsequent restoration and refurbishment costs, less accumulated depreciation. In addition, capital works including fixtures and fittings to Nos 12 and 13 buildings as part of the *Opening up the Soane* (OUTS) project have been added to the Freehold Heritage Property asset class and depreciated over 100 years and the Heritage Fixtures and Fittings asset class and depreciated over 20 years, which is consistent with the treatment of capital works to No.14.

Intangible fixed assets

Intangible fixed assets, intellectual property owned by the Museum, are capitalised at cost and depreciated over an estimated useful life of 5 years.

h) Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities. Investment income is credited to incoming resources on a receivable basis, see Note 9. The investments held by the Museum as disclosed in Note 9 are classed as an available-for-sale financial asset.

i) Stock

The stock of goods for resale is stated at the lower of cost or net realisable value.

j) Debtors and Creditors

The year end debtors and creditors are valued at fair value based on invoices or other reasonable estimates.

1 Accounting Policies (continued)

k) Fund Accounting

Funds are not held for grant-making purposes. Unrestricted funds comprise general funds and designated funds, see Note 16. General funds are available for use at the Trustees' discretion in furtherance of the general objectives of the Museum and have not been designated for other purposes. Designated funds represent unrestricted funds which have been designated by the Trustees for specific purposes in furtherance of the general objects of the Museum. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Museum for particular purposes. The aim and use of each restricted fund is set out in Note 17. The endowment fund represents capital funds which have been donated to the Museum to be held on a permanent basis, see Note 18. Income from the fund is to be applied towards the furtherance of the Museum's objects. The permanent endowment does not contain any power to convert capital into income except by application to the Charity Commission.

l) Reserves Policy

In 2009, the Museum was seeking to establish a level of unrestricted free reserves (General Fund) at £300,000 equal to the routine annual cost of running the Museum net of the contribution of Grant-in-Aid from DCMS. During 2014/15, the Trustees resolved, under the financial circumstances at that time, to reduce the minimum level of unrestricted reserves to be held as a designated strategic reserve from £300,000 to £250,000 subject to regular review.

At the end of March 2016, unrestricted free reserves (General Fund) for the Group stood at £344,090. The Trustees regard this level to be a prudent response to the changing economic climate and increased risks of a drop in donated income and downturn in commercial activity. The uncertainty of the outlook suggests that reserves are needed to safeguard the Museum as a going concern through a turbulent period, as well as to guarantee cash-flow capability during major capital works.

m) Going Concern

These accounts have been prepared on a going concern basis. As part of the Corporate Plan, the Senior Management Team have prepared, and the Trustees have agreed, an Original Budget for 2016/17 in April 2016 showing a balanced budget with no material uncertainties.

n) New SORP (FRS 102)

Charities SORP (FRS 102) is applicable to the accounts of relevant charities for reporting periods beginning on or after 1 January 2015. The application of the new SORP (FRS 102) has resulted in a change to the presentation of the Statement of Financial Activities and the Statement of Cash Flows and restatement of comparative figures for 2014/15.

Sir John Soane's Museum

Notes to the Consolidated Financial Statements for the year ended 31 March 2016

2 Grants from the Department for Culture, Media and Sport (DCMS)	2016	2015
	£	£
Grant-in-Aid - current, unrestricted income	1,072,000	1,050,000
Grant-in-Aid - capital, restricted income	-	100,000
	<u>1,072,000</u>	<u>1,150,000</u>

Current Grant-in-Aid was available for general running costs of the Museum including maintenance and conservation. Capital Grant-in-Aid was provided towards the cost of urgent capital works. DCMS is a related party, see Note 22.

3 Other Grants and Donations	2016	2016	2016	2015
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Sir John Soane's Museum Trust for OUTS project	-	1,092,769	1,092,769	-
Wolfson Foundation for OUTS project	-	250,000	250,000	-
Heritage Lottery Fund for OUTS project	-	71,400	71,400	105,947
Sir John Soane's Museum Foundation for OUTS project	-	154,831	154,831	467,783
Other capital grants for OUTS project	-	17,124	17,124	53,834
DCMS/Wolfson M&GIF for OUTS project*	-	-	-	24,000
Grants and donations for revenue projects	-	309,414	309,414	73,574
Other donations and Gift Aid recoverable	245,651	-	245,651	224,574
	<u>245,651</u>	<u>1,895,538</u>	<u>2,141,189</u>	<u>949,712</u>

*Grant from the DCMS /Wolfson Museums and Galleries Improvement Fund used to restore the No. 13 Entrance Hall.

4 Investment Income	2016	2015
	£	£
Dividends and interest receivable, all unrestricted	<u>207</u>	<u>124</u>

5 Resources Expended	Group		Museum	
a) Cost of generating funds	2016	Restated 2015	2016	Restated 2015
	£	£	£	£
Direct costs, development & fundraising	43,935	76,064	46,286	76,064
Direct costs, publications	17,360	10,899	17,360	10,899
Direct costs, trading, including legal advice	50,845	74,137	50,845	137
Direct costs, stock for trading	120,103	134,508	-	3,926
Direct costs, room hire	-	808	-	808
Allocated staff costs	355,804	281,929	182,631	141,334
Allocated support & governance costs	120,154	91,105	120,154	91,105
Support costs, trading	49,648	72,623	-	-
	<u>757,849</u>	<u>742,073</u>	<u>417,276</u>	<u>324,273</u>

5 Resources expended (continued)

b) Charitable activities, including staff costs see Note 5c	Buildings	Collections	Visitors	2016 Total	Restated 2015 Total
	£	£	£	£	£
Building projects	31,049	-	-	31,049	31,532
Building maintenance	186,950	-	-	186,950	169,527
Works of art, objects & pictures	-	26,475	-	26,475	12,684
Publications (collections)	-	775	-	775	4,562
Research, library, archive, digitisation	-	83,506	-	83,506	11,940
General conservation	-	1,992	-	1,992	3,178
Visitor services	-	-	6,190	6,190	10,020
Visitors - virtual access	-	3,570	-	3,570	3,823
Educational activities	-	-	41,334	41,334	46,744
Exhibitions	-	-	61,052	61,052	27,936
Allocated staff costs	148,760	250,770	545,738	945,268	1,002,801
Allocated support & governance costs	45,257	86,512	212,684	344,453	304,377
31 March 2016	<u>412,016</u>	<u>453,600</u>	<u>866,998</u>	<u>1,732,614</u>	
31 March 2015	<u>418,969</u>	<u>354,724</u>	<u>855,431</u>		<u>1,629,124</u>

c) Staff costs, see Note 6a	2016	Restated 2015
	£	£
Costs of generating funds	355,804	289,302
Buildings	148,760	171,864
Collections	250,770	268,844
Visitor services	545,738	588,317
	<u>1,301,072</u>	<u>1,318,327</u>

Staff costs which cannot be attributed directly to an activity or cost centre are allocated to activities on a basis consistent with the use of the resources, primarily staff time

d) Governance, including staff costs see Note 5c	2016	Restated 2015
	£	£
Internal audit - current year	5,950	5,950
External audit - current year (Museum only)	16,275	15,500
Other administrative expenses	16,751	4,607
	<u>38,976</u>	<u>26,057</u>

The Comptroller and Auditor General is the external auditor of the Museum's Financial Statements. The audit fee for the work was £16,275 (2015: £15,500); no other non-audit work was provided.

e) Allocated support & governance costs	2016	Restated 2015
	£	£
Cost of generating funds, see Note 5a	120,154	91,105
Buildings, see Note 5b	45,257	51,118
Collections, see Note 5b	86,512	61,874
Visitor services, see Note 5b	212,684	191,385
	<u>464,607</u>	<u>395,482</u>

Support and governance costs which cannot be attributed directly to an activity or cost centre are allocated to activities on a basis consistent with the use of the resources, primarily staff time.

6 Employee and Trustee Information

a) Staff costs

	2016 £	2015 £
Salaries	1,074,302	1,088,391
Employer's national insurance	82,069	76,548
Employer's pension contributions, see Note 21	144,701	153,388
Total employment costs	<u>1,301,072</u>	<u>1,318,327</u>
Recruitment	40,603	23,736
Payroll services, training and other staff costs	103,691	36,904
Total staff costs	<u><u>1,445,366</u></u>	<u><u>1,378,967</u></u>

b) Staff numbers

	2016 Number	2015 Number
The average number of persons employed (FTE), analysed by function was:		
Cost of generating funds	11.2	8.7
Buildings	4.5	5.1
Collections	7.4	7.7
Visitor services	18.4	20.5
Governance	0.0	0.6
	<u><u>41.5</u></u>	<u><u>42.6</u></u>

The average headcount during 2015/16 was 48.8 (2014/15: 50.3).

The number of employees, including the Director, whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2016	2015
£60,001 - £70,000	-	1

This employee is accruing benefits under defined benefit schemes and received no benefits-in-kind.

In 2015/16, the Senior Management Team members received total amounts of benefits (including gross salary, bonus and employer's NIC and pension contributions) of £309,848 (2014/15: £309,654)

c) Compensation for loss of office

There were 6 'exit packages' awarded to staff leaving during the year amounting to a total of £77,373 (2014-15 nil).

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	Nil	2	2
£10,000 - £25,000	Nil	4	4
Total number of exit packages	Nil	6	6
Total cost /£	Nil	77,373	77,373

NB: Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure.

c) Trustees

The Trustees neither received nor waived any emoluments during the year (2015: £Nil). Claims for travel by Trustees amounted to £Nil (2015: £Nil). Expenses paid by the Museum to 3rd parties on behalf of Trustees was £Nil (2015: £Nil).

Sir John Soane's Museum
Notes to the Consolidated Financial Statements for the year ended 31 March 2016

7 Heritage and Tangible Assets
Museum and Group

Cost	Heritage Assets	Freehold Heritage Property	Heritage Fixtures & Fittings		Assets in the course of construction		Office Equipment	Fixtures & Fittings	Retail Equipment	Security Equipment	Plant	Total
			£	£	£	£						
At 1 April 2015	58,230	6,440,067	1,197,873	154,681	42,242	68,373	10,125	79,194	394,591	8,445,376		
Additions & improvements	-	160,141	46,615	365,760	2,379	6,410	-	23,307	16,282	620,894		
At 31 March 2016	58,230	6,600,208	1,244,488	520,441	44,621	74,783	10,125	102,501	410,873	9,066,270		
Depreciation												
At 1 April 2015	-	230,423	139,055	-	37,383	65,081	10,125	79,194	44,786	606,047		
Charge for the year	-	63,002	62,225	-	2,678	3,690	-	2,913	20,544	155,052		
At 31 March 2016	-	293,425	201,280	-	40,061	68,771	10,125	82,107	65,330	761,099		
Net Book Value												
At 31 March 2016	58,230	6,306,783	1,043,208	520,441	4,560	6,012	-	20,394	345,543	8,305,171		
At 1 April 2015	58,230	6,209,644	1,058,818	154,681	4,859	3,292	-	-	349,805	7,839,329		
Heritage Assets (Total)	£											
31.3.2016	7,408,221											
31.3.2015	7,326,692											
Tangible Assets (Total)	£											
31.3.2016	896,950											
31.3.2015	512,637											
Heritage Assets	2015/16	2014/15	2013/14	2012/13	2011/12							
Additions & Improvements	£	£	£	£	£							
	206,756	1,796,630	20,018	3,059,172	8,070							

Sir John Soane's Museum Society donated the property, No. 14 Lincoln's Inn Fields, to the Museum on 26 March 2004. At that date it was valued at £980,000 on an open market existing use basis by Drivers Jonas, Chartered Surveyors in order to comply with HM Treasury Accounting Guidelines for non-operational heritage assets. The valuation was made in accordance with Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors. Since acquiring No.14, the Museum has expended £1,782,090 to restore the property. The restoration costs are capitalised in accordance with HM Treasury guidelines. The property was acquired by the Society with the support of the National Lottery through the Heritage Lottery Fund, and cannot be disposed of by the Museum without the approval of the Trustees of the National Heritage Memorial Fund. The Trustees consider it to be inappropriate to spend further funds on annual revaluation. The building entered into use during 2009 and therefore, is subject to depreciation over its estimated useful life. In 2009 the Museum performed an impairment review by which it was established that there was no need to write down the value of the property.

The other freehold properties (Nos 12 and 13 Lincoln's Inn Fields) and collections owned by the Museum are considered to be inalienable and are integral to the objectives and purpose of the Museum. As stated in Accounting Policy Note 1g, no cost is attributed to Nos 12 and 13 Lincoln's Inn Fields or the collections as these have been in the Trustees' ownership since 1837, reliable cost information is not available, and conventional valuation techniques are not appropriate. Further details concerning these can be found in the Annual Report.

During the year, work was commenced on Phase 3, of the *Opening up the Soane (OUTS)* project. The costs associated with Phase 3 have been allocated to assets in the course of construction. Treatment of heritage assets is detailed in Note 26.

8 Intangible Assets

Museum and Group

Cost	£
At 1 April 2015	58,550
Additions and improvements	78,793
At 31 March 2016	<u>137,343</u>
Amortisation	
At 1 April 2015	33,658
Charge for the year	23,223
At 31 March 2016	<u>56,881</u>
Net Book Value	
At 31 March 2016	<u><u>80,462</u></u>
At 31 March 2015	<u><u>24,892</u></u>

Intangible assets represent website expenditure, audio guide tours, the Collections Management System and a database licence.

9 Investments

Museum and Group	2016	2015
	£	£
Market value at 1 April	10,700	5,313
Net (loss)/gain on investments	<u>(2,694)</u>	<u>5,387</u>
Market value at 31 March	<u>8,006</u>	<u>10,700</u>
Historic cost at 31 March	<u>28,920</u>	<u>28,920</u>

The investment is listed on a recognised UK Stock Exchange.

10 Debtors

	2016	2016	2015	2015
	MUSEUM	GROUP	MUSEUM	GROUP
	£	£	£	£
Prepayments and accrued income	19,419	23,959	31,724	47,021
Amounts owed by Subsidiary	307,949	-	435,311	-
VAT recoverable	67,788	67,788	45,628	45,628
Other debtors, including Gift Aid recoverable	<u>31,673</u>	<u>105,928</u>	<u>34,469</u>	<u>73,752</u>
	<u>426,829</u>	<u>197,675</u>	<u>547,132</u>	<u>166,401</u>

11 Cash at bank and in hand

	2016	2016	2015	2015
	MUSEUM	GROUP	MUSEUM	GROUP
	£	£	£	£
Cash at bank	1,725,540	1,893,468	543,718	819,779
Cash in hand	<u>1,968</u>	<u>2,068</u>	<u>1,768</u>	<u>5,099</u>
	<u>1,727,508</u>	<u>1,895,536</u>	<u>545,486</u>	<u>824,878</u>

12 Creditors: amounts falling due within one year	2016	2016	2015	2015
	MUSEUM	GROUP	MUSEUM	GROUP
	£	£	£	£
Trade creditors	210,508	214,786	51,159	53,465
Taxation, social security and pensions	44,033	74,554	39,753	50,893
Other creditors	31,575	31,575	50,555	50,555
Accruals	62,173	63,173	50,482	50,482
Deferred income	21,620	42,520	19,300	19,300
	369,909	426,608	211,249	224,695

£10,000 of Deferred Income was released and £36,220 added during 2015/16.

The Deferred Income balance at 31 March 2016 is due within one year.

13 Provisions

Museum and Group

There were no provisions in 2015/16 (2014/15: £Nil).

14 Operating lease commitments

Museum and Group

There were no material annual operating lease commitments (2015: £Nil).

15 Analysis of net assets	Restricted	General	Designated	Endowment	Total Funds
Museum and Group	Funds	Fund	Fund	Fund	
	£	£	£	£	£
Represented by:					
Intangible Fixed Assets	80,462	-	-	-	80,462
Heritage & Tangible Fixed Assets	5,330,372	376,509	2,598,290	-	8,305,171
Investments	-	-	-	8,006	8,006
Current Assets	1,831,339	394,189	-	-	2,225,528
Liabilities	-	(426,608)	-	-	(426,608)
Balances as at 31 March 2016	7,242,173	344,090	2,598,290	8,006	10,192,559
As at 31 March 2015					8,779,490

16 Unrestricted Funds

Group

	General Fund	Designated Fund	Total
	£	£	£
Balances at 1 April 2015	365,585	2,623,003	2,988,588
Income	2,010,688	-	2,010,688
Expenditure	(2,056,896)	-	(2,056,896)
Transfers (see below)	24,713	(24,713)	-
Balances at 31 March 2016	344,090	2,598,290	2,942,380
As at 31 March 2015			2,988,588

The Designated Fund relates to No.14 Lincoln's Inn Fields and represents the value of the property donated to the Museum in 2004 (see Note 7), together with monies spent subsequently on its restoration plus subsequent annual depreciation (as represented by the annual transfer from the Designated Fund to the General Fund).

17 Restricted Funds

Museum and Group	Balances at 1.4.2015 £	Income £	Expenditure £	Transfers £	Balances at 31.3.2016 £
Acquisition Fund	42,620	-	-	-	42,620
Conservation & Publications Fund	51,836	6,294	-	-	58,130
Exhibition Fund	108,301	46,310	(61,052)	-	93,559
Library Fund	21,139	176,102	(130,570)	-	66,671
Education Fund	8,895	17,500	(16,714)	-	9,681
Masterplan Fund	233,726	1,586,623	(175,330)	(520,564)	1,124,455
Capital Fund for Enabling Works	145,707	-	-	-	145,707
Masterplan Construction Fund	5,167,978	-	-	520,564	5,688,542
Other Restricted Project Fund	-	62,709	(49,901)	-	12,808
Total	5,780,202	1,895,538	(433,567)	-	7,242,173

Restricted fund income was expended during the year in relation to the following activities:

the Acquisition Fund relates to funds raised to acquire additions to the collection;
the Conservation Fund hold funds raised specifically for conservation purposes, including publications;
the Exhibition Fund is specifically for creating and running exhibitions;
the Library Fund was set up for library cataloguing, including the digitisation of the Adam and other drawings;
the Education Fund was set up to support and promote the Museum's education projects;
the Masterplan Fund holds funds for work on *Opening Up The Soane* (OUTS) major capital programme;
the Capital Fund for Enabling Works holds funds for work prior to the OUTS major capital programme;
the Masterplan Construction Fund relates to expenditure on the development phase of OUTS;
the Other Restricted Project Fund relates to funds raised to support specific projects identified by the Museum.

The transfer from the Masterplan Fund to the Masterplan Construction Fund relates to the OUTS costs capitalised as fixed assets during the year less the associated depreciation charges.

18 Endowment Fund

Museum and Group	Total £
Balance at 1 April 2015	10,700
Net loss on investment assets	(2,694)
Balance at 31 March 2016	8,006

The Endowment Fund represents donations, received for the general purposes of the Museum, which cannot be treated as income. The capital element of these donations cannot be spent but the income they generate can be spent. The income is therefore treated as unrestricted.

19 Capital Commitments

At the balance sheet date the Museum was contractually committed to the sum of £600,000 approx for Phases 2 and 3 of the OUTS Project (2015: £747,164 for Phases 2 and 3).

20 Contingent Assets & Liabilities

There were no contingent assets at the year-end. There were no contingent liabilities at the year-end. There were no losses or special payments during the year.

21 Pension Arrangements

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – Alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined Alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

Most employees of Sir John Soane's Museum are members of the these arrangements which are an unfunded multi-employer defined benefit scheme and as such Sir John Soane's Museum is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. For 2015-16, employer's contributions of £142,647 were payable to PCSPS (2014-15: £148,982) at one of three rates in the range 20.0% to 22.1% of pensionable pay, based on salary bands and £1,018 to non-PCSPS schemes for non-PCSPS members. The PCSPS's Actuary reviews employer contributions every four years following a full scheme valuation. From 2016-17, the contributions based on salary bands are in the range of 20.0% to 24.5%. The contribution rates are set to meet the cost of the benefits accruing during 2016-17 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

22 Related Party Transactions

Sir John Soane's Museum is an NDPB whose sponsor department is DCMS. DCMS is regarded as a related party. During the year, Sir John Soane's Museum has had material transactions with the Department and with the HLF. These transactions are shown in Notes 2 and 3.

An independent charitable company Sir John Soane's Museum Trust (SJSJM Trust) was set up in February 2012, of which the Director and one Trustee of the Museum (Basil Postan), are Trustees of SJSJM Trust. There are three other independent Trustees in addition to the Director and one Trustee of the Museum. As the representatives of the Museum (i.e. the Director and the one Trustee) are in a minority, and as the Trust carries out its activities independently of the Museum, its financial results are not consolidated with those of the Museum. The Museum provides services and facilities for the Trust on an arm's length basis, and during the year the Trust was charged a total of £6,660 (2014-15: £6,660) for fundraising and administrative services. In 2015/16 the Museum received donations of £1,092,769 from the Trust for the OUTS project.

The Director, Deputy Director, Operations & Commercial Director, Finance Director and one Trustee of the Museum serve as unremunerated Directors of the Museum's trading subsidiary, Soane Museum Enterprises Limited. The Board is chaired by the one Museum Trustee, Orna Turner.

One of the Museum Trustees (Molly Borthwick) is a director of Sir John Soane's Museum Foundation, an independent organisation based and registered in the USA. Its mission is to promote to an expanding audience a lively educational forum in the fields of art, architecture and the decorative arts within the Soanean tradition and to assist financially Sir John Soane's Museum in London. In 2015/16 the Museum received donations of £209,517 from the Foundation for the OUTS and other projects.

Basil Postan is Chairman and Shareholder of Pimpernel Press Ltd, publishing partner of the Group. During 2015/16 the Group was provided with services from Pimpernel Press Ltd for a value of £4,010 and the Group provided services to Pimpernel Press Ltd for a value of £105 on an arm's length basis.

During the year the Group provided services to Katrin Henkel for a value of £7,300 on an arm's length basis.

Nicola Johnson is a Trustee of the Dulwich Picture Gallery. During the year the Group provided services to the Dulwich Picture Gallery for a value of £250 on an arm's length basis.

Nicola Johnson is a Trustee of the National Trust. During the year the Group provided services to the National Trust for a value of £105 on an arm's length basis.

Nicola Johnson is a Trustee of the East Anglia Art Fund. During the year the Group provided services to the East Anglia Art Fund for a value of £1,500 on an arm's length basis.

Please refer to the Remuneration Report and Note 6 for details of compensation for key management personnel.

The Museum entered into other material related party transactions as follows:

6 Trustees donated a total of £25,650 to the Museum for various fundraising campaigns.

There were no outstanding balances held with related parties as at 31st March 2016 (As at 31.3.2015: £Nil)

23 Trading Subsidiary

The Museum's trading Subsidiary, Soane Museum Enterprises Limited, became operational on 27 January 2014, carrying out the commercial operations of the Group, principally being retail, licensing and room hire. Please refer to note 1(a) for further information on its constitution. A summary of the results of the subsidiary are shown below:

	2016	Restated 2015
	£	£
Profit and Loss Account		
Turnover	635,895	557,120
Cost of Sales	(153,796)	(155,304)
Gross Profit	482,099	401,816
Administrative Expenses	(244,273)	(245,609)
Trading Profit	237,826	156,207
Payment under gift aid to Museum	(237,826)	(156,207)
Profit on Ordinary Activities before taxation	-	-
Retained in subsidiary	-	-
Balance Sheet		
Tangible Fixed Assets	-	-
Current Assets	360,450	435,610
Current Liabilities	(122,622)	(279,401)
Provision: Payment under gift aid to Museum	(237,826)	(156,207)
Net Assets	2	2
Share Capital	2	2
Reserves	-	-
Total Funds	2	2
Reconciliation to SoFA		
Income included in SoFA		
Turnover	596,104	535,445
Intra-Group Turnover	(2,351)	(1,968)
Plus: Museum Trading Income	34	61
Other Trading Activities	593,787	533,538
Income included in SoFA		
Turnover	39,791	21,675
Plus: Museum Trading Income	14,735	26,508
Income from Charitable Activities	54,526	48,183
Trading costs included in SoFA		
Cost of Sales	153,796	155,304
Administrative expenses	244,273	245,609
Plus: Museum Development Fundraising and Trading costs	359,780	341,160
Expenditure on Raising Funds	757,849	742,073

The gift aid payable of the Subsidiary's trading profit to the Museum has been included in the Subsidiary's expenses. This has been agreed by the Directors of the Subsidiary, Soane Museum Enterprises Limited.

24 Financial Instruments

FRS 102 requires entities to provide disclosures which allow users of the accounts to evaluate the significance of financial instruments for the entity's financial position and the nature and extent of risks arising from financial instruments during the period.

The majority of financial instruments relate to contracts to buy goods and services in line with the museum's expected purchase and usage requirements and the museum is therefore exposed to little credit, liquidity or market risk.

Liquidity Risk

Over 53% of the museum's unrestricted income is provided as Grant-in-Aid from the Department for Culture, Media and Sport. The remaining income comes from self-generated income which is more volatile. As the cash requirements of the Charity are met largely through the Grant-in-Aid, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The Museum has sufficient unrestricted funds to cover its current liabilities.

Credit Risk

The Museum is not exposed to significant credit risk as its trade debtors consist mostly of sums due from HMRC. Its cash is held by the Museum's bankers and it has not suffered any loss in relation to cash held by bankers. Write-offs for bad debts amounted to £Nil (2015: £Nil). No trade debtor balances have been provided against in year (2015: £Nil).

Interest Rate Risk

The Museum is not exposed to significant interest rate risk as it earned less than £5,000 from dividend and interest income and does not rely on interest income.

Foreign Currency Risk

The Museum receives income in foreign currencies, especially US dollars. This is managed by using a separate US dollar bank account and special foreign currency dealer for any significant amounts.

Investment Risk

The investments held (shares in a Public Listed Company) are endowed funds and therefore, cannot be sold. Expected dividends from this source are not included in the budgeting process for the Museum and therefore a fall in dividends is not considered a risk.

25 Statement on Heritage Assets

FRS 102 requires heritage assets to be reported on the Balance Sheet where information is available and to enhance disclosures relating to all heritage assets regardless of whether these were reported on the Balance Sheet. Of the heritage assets held by Sir John Soane's Museum, only the building at No. 14 Lincoln's Inn Fields; a ring that once belonged to Sir John Soane; a painting; a set of architectural drawings; and capital works including fixtures and fittings to the buildings at Nos 12 and 13 as part of the OUTS Project, have been capitalised and recognised on the Balance Sheet.

Nature of the Collection

Sir John Soane's Museum, at Nos 12 and 13 Lincoln's Inn Fields, together with its contents comprise a significant collection of 'tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture'. The Museum's heritage assets consist of Sir John Soane's collection of objects, furniture and paintings, his library, drawings collection and business archive, an assemblage required by Act of Parliament to be kept as it was at the time of Soane's death in 1837, as an educational resource for the benefit of the public in perpetuity. The buildings at Nos 12 and 13 are not capitalised, as a market valuation of a unique structure designed to hold Sir John's collection is not considered feasible. There is no active market for such a building. A third property, No. 14 Lincoln's Inn Fields, was donated to the Museum on 26 March 2004 by Sir John Soane's Museum Society. At that date it was valued at £980,000, complying with HM Treasury Accounting Guidelines for non-operational heritage assets. Since acquiring No.14, the Museum has expended £1,782,090 to restore the property. The restoration costs are capitalised in accordance with HM Treasury guidelines. The property was acquired by the Society with the support of the National Lottery through the Heritage Lottery Fund, and cannot be disposed of by the Museum without the approval of the Trustees of the National Heritage Memorial Fund. The Trustees consider it to be inappropriate to spend further funds on annual revaluation. The building entered into use during 2009 and therefore is subject to depreciation over its estimated useful life, set at 100 years for the purposes of the accounts.

Proposed Valuation

The Trustees have considered a proposal to value the collection for the purposes of capitalising its heritage assets. An attempt has been made to estimate the cost of valuation, which shows that if one knowledgeable person could be made available full-time to locate, handle and display each item for valuation, this task alone would take more than twelve years. Added to this, the cost of engaging external valuers, as the Museum does not have sufficient skills internally, is very difficult to estimate but certain to be very high. The Trustees are in no doubt that these costs are entirely disproportionate to any benefits which might be gained by users of the accounts. The Museum does not have access to funds which could be used for this purpose, nor sufficient accommodation on its premises for an influx of temporary staff and experts. A small proportion of the items in the collection have at one time or another been loaned to other institutions. Approximate valuations of these items have been made, at some expense, for insurance purposes. These valuations are not considered accurate for the purposes of capitalisation and are also outdated.

Information about the Collection

The Museum's website includes a full list of its holdings - more than 52,000 items under fourteen categories - together with a Summary of Holdings and a Note on Provenance. The most significant items held in the collection include the original paintings of *A Rake's Progress* by Hogarth, the 3,000 year old alabaster sarcophagus of Seti I, three paintings by Canaletto including one of his finest, and three paintings by Turner. The accuracy of this listing is subject to internal audit, most recently carried out with respect to Library and Archive holdings in 2010. A long-term project is under way to complete the cataloguing of those elements of the collection which are not yet fully catalogued in detail. Further information about individual items is available from curatorial staff by appointment on request.

25 Statement on Heritage Assets (continued)

Acquisition and Disposal

As a closed collection, the Museum has no programme of acquisition, although some small gifts of books or drawings have been received. An exception was made to this rule in 2009 when the Trustees agreed to take advantage of a rare opportunity to purchase, with funds provided for the purpose, a valuable ring which had once belonged to Sir John Soane. This acquisition is listed on the balance sheet. Disposal of inalienable heritage assets contravenes the rules of the charity. No disposals have been made. A window on the second floor of the Museum that was removed during the course of construction works was donated to the Brooking Collection. The value of the window was not included on the Balance Sheet and it was deemed to have no residual value.

Preservation and Management

The Museum has benefited ever since 1837 from a dedicated and professional curatorial staff. This has generated a reputation as the best preserved and documented house-museum in the world. The collection is managed expressly for the benefit of members of the public while guaranteeing its preservation for future generations. Details of preservation and management activities during the year are expanded elsewhere in the Annual Report.

26 Post-Balance Sheet Events

The financial statements were authorised for issue, on the date given on the Audit Certificate, by the Accounting Officer and the Board of Trustees.

Between 1st April 2016 and this date two events occurred which need disclosure. Neither requires any adjustment to the figures within these financial statements.

(i) On 23rd June 2016, the European Union (EU) referendum took place and the people of the United Kingdom voted to leave the EU. Until exit negotiations are concluded, the UK remains a full member of the EU and all the rights and obligations of EU membership remain in force. During this period the Government will continue to negotiate, implement and apply EU legislation. It will be for the Government, under the new Prime Minister to begin negotiations to exit the EU. The outcome of these negotiations will determine what arrangements apply in relation to EU legislation and funding in future once the UK has left the EU. This is therefore a non-adjusting event for which no estimate of its financial effect on the reporting entity can be made.

(ii) On 27th June 2016, the Museum made a gift of £1m to the Catalyst Endowment Fund of the Sir John Soane's Museum Trust from its Masterplan Fund and Capital Fund for Enabling Works. The Trustees were satisfied that the surplus on these Funds was in excess of that amount after making due allowance for capital commitments and contingencies at that date.

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