

SIR JOHN SOANE'S MUSEUM

Registered Charity No. 313609

THE ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR 1 APRIL 2019 TO 31 MARCH 2020

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SIR JOHN SOANE'S MUSEUM

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Sir John Soane's Museum is a Non-Departmental Public Body (NDPB) whose sponsor is the Department for Digital, Culture, Media and Sport



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The **1833 Act** was superseded in 1969 by **The Charities (Sir John Soane's Museum) Order (1969 No.468)**, revised in **1996, 2003, 2011, 2012**.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

With these objectives in mind and after reviewing the activities set out in this Annual Report, the Trustees have outlined a three-year future programme for the Museum in a Corporate Plan covering the period 2017-18 to 2019-20. We are also mindful of additional priorities set out by our sponsoring body, the Department for Digital, Culture, Media and Sport (DCMS), and believe that our objectives and their priorities are compatible.

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 without charge.

Relationship between the Charity and Related Parties

Sir John Soane's Museum is an executive Non-Departmental Public Body (NDPB) whose parent body is the Department for Digital, Culture, Media and Sport (DCMS). DCMS is regarded as a related party. The Museum's trading subsidiary, Soane Museum Enterprises Limited, the independent charitable company Sir John Soane's Museum Trust and the independent organisation based and registered in the USA, Sir John Soane's Museum Foundation, are regarded as related parties as well. Details of related party transactions are contained in Note 19 to the Accounts.

REVIEW OF THE YEAR

DIRECTOR'S OVERVIEW

Although overshadowed by the emergence of the Covid-19 pandemic, the past year was, ironically, one of the most successful in the recent history of Sir John Soane's Museum. It will be remembered primarily for our innovative exhibition *Hogarth: Place and Progress*, which provided a fresh look at our two prized series of paintings in the context of the painter's career as a social critic and satirist. *Hogarth* garnered outstanding reviews, and it also allowed us to experiment successfully with timed ticketing and contactless donations, both of which were introduced in anticipation of increased public demand. All the staff rose to the occasion, particularly our Curator (Collections) Joanna Tinworth and the Visitor Assistants, who mastered their new brief with aplomb. Following the conclusion of the exhibition, the Trustees agreed to lend the eight canvases of *A Rake's Progress* to our sister institution Pitzhanger Manor in the London Borough of Ealing for an exhibition, which was then unable to open in March because of the pandemic. The loan has been extended to the end of 2020 in hopes that Pitzhanger will reopen later this year.

Meanwhile, the business of maintaining and enhancing the condition of our three Grade 1 listed buildings continued throughout the year. The first part of our quinquennial review of Nos 12-14 Lincoln's Inn Fields concluded with the redecoration of the façade of No. 14. A special grant from the Department for Digital, Cultural, Media and Sport (DCMS) enabled us to conduct some urgent removal of asbestos in the Dome Area as well as the restoration of the Monk's Yard and the redecoration of the staircase of No. 14. The documentary capturing the saga of *Opening up the Soane* went through final stages of editing and will be turned into a DVD as well as being broadcast on television, thus gaining an even wider audience. A fascinating glimpse into the challenges and specialist techniques necessary for conservation, the three hours of footage will also be deployed on our website and be available for educational purposes. It will remain a significant record of the care with which the fabric of the Soane was restored.

During the year, we have continued to work with local schools and our local community through a host of programmes, including traditional school visits and after-school clubs as well as the more recent innovation of working with those suffering from dementia and their carers. A three-year pledge from the Stavros Niarchos Foundation enabled us to launch an apprenticeship scheme this year in tandem with Westminster Kingsway College. This will enable a young person to learn each year about the maintenance of historic buildings while giving our House Manager much needed assistance. We were also happy to collaborate with *I Can Be*, which introduces disadvantaged girls and boys to the cultural sector, giving them a sense of what working in museums is like. In the immediate future, our relationship with our local community must inevitably loom larger as international travel will take time to recover. Our work here is vital to social wellbeing, and we are strongly invested in it.

In financial terms, the year ended on a strong note for our Soane Museum Enterprises (SME), despite losing the last two weeks to closure because of the pandemic. The number of licensees has grown remarkably in recent times and now numbers twenty. The online shop performed strongly as did commercial hires and our popular late evenings. Undoubtedly, *Hogarth* also gave a substantial 'lift' to SME's performance for the year. Our visitor numbers dropped slightly to 118,000, but they would probably have rivalled the previous year's 131,000 were it not for the impact of the pandemic. The results achieved by our Development Team have also been buoyant, with a rise in patron numbers and a rich variety of special visits and talks, sadly cut short by the growing menace of the pandemic.

Last year, I mentioned a new legacy strategy that resulted in our first gift of £50,000. This was followed by two major gifts in the year just ended, of approximately £196,000 and £25,000, respectively. Both were a tremendous vote of confidence in our future. We also mourned the loss of two major friends of the Museum: Julian Spicer and William (Bill) Parker. Helen Dorey and Sue Palmer represented the Museum at a memorial service at St Paul's on 17 September for Julian Spicer, the Museum's first fundraiser, who worked for the Museum from March 1989 to 2000/01. Dick Griffiths, ex-Chairman of Trustees, was also in attendance. Trustees and staff of the Museum were saddened to learn of the sudden death of Bill Parker in August. Bill was a Director of Sir John Soane's Museum Society (its fundraising arm) from 1997 until 2009 when the Society was wound up. He was a Patron from the scheme's inception in 2003 and was later made a Life Patron (following a generous gift to the endowment). More recently he was a Board Member of the independent Sir John Soane's Museum Trust until 2018. He had an active involvement with the Museum for almost exactly 22 years and one of his final actions was to support one of our central programmes in 2019. In terms of continuing philanthropy, I would particularly like to mention Deborah Loeb Brice whose outstandingly generous support has been crucial to the successful life of the Museum both before and after the outbreak of Covid-19, and David and Molly Lowell Borthwick, especially for their support of our programme of exhibitions.

In one sense, the year recorded here ended on 18 March, when we closed the Soane in tandem with all other national museums in the wake of the Covid-19 pandemic. Its impact has been significant. Among other things, it has meant the postponement of our exhibitions and some research projects until 2021. It has also meant the delay of the Fourth Soane Medal and Lecture, which will now occur in the autumn of 2021. These were difficult decisions to take, but it has been gratifying to see the response from our staff, Trustees, and patrons—both here and abroad—who have all rallied around. We are currently plotting our reopening for later this year, and the help of the DCMS in this and in so many aspects of our work has been fundamental. The staff and I are confident that a new chapter is beginning, one full of challenges but also full of promise as we plan to renew and, to some extent, reinvent the experience of Sir John Soane's Museum.

Bruce Boucher, FSA
Deborah Loeb Brice Director

THE BUILDINGS

Julian Harrap Architects completed the first Quinquennial review of the fabric of Nos 12 and 13 in March, having completed No.14 last year.

Restoration work on the Monk's Yard was carried out between August and October 2019. The fragile ruins were cleaned, consolidated and re-limewashed, Fanny's tomb was cleaned and the pavement repaired. The protective slate coping on top of the ruins and the Nymph Recess joinery (water had been getting in at high level) were repaired and redecoration works carried out.

In January 2020 the No. 14 main staircase was redecorated. A piece of asbestos board was removed from the north side of the Dome Area during closed week: 24 casts and 5 heavy marbles were taken down to facilitate the creation of a sealed unit with air-locks to enable work to take place. Air extraction equipment was vented into the New Court and a safe route out of the building set up via the No. 13 Breakfast Room. The asbestos was removed successfully and the works of art re-hung, some with improved or augmented fixings.

All the above works were funded by a special DCMS grant for urgent maintenance.

Works were also carried out to various floors during the year. Minor strengthening work was done to the floor of the rear ground-floor room, No. 14, prior to the installation of a new plan chest acquired as part of the Picture Room Recess project (see p.10). The No. 12 Shop and Breakfast Room floors were cleaned and re-finished, the North Drawing Room and Picture Room floors were resurfaced and polished and the No.13 basement flagstones were cleaned.

The Hanwell environmental monitoring system and the conservation heating system were upgraded, resulting in significant improvements to the environmental control in all three houses.

Blackout and daytime blinds were installed for the skylights in the Picture Room. A blind was also installed on the east side of the Dressing Room.

Two 'cloches' were made to cover the dome of the Foyle Space, one as a blackout cover and the other to reduce UV light.

Opening up the Soane Film

Jonathan Crane completed an archive-length version and prepared both a cut for a DVD for sale and three shorter episodes for television, which were due to be aired on *London Live* on 19 and 26 April and 3 May 2020.

THE COLLECTIONS

'Works of Art' denotes the paintings and other objects on display in the Museum. 'Research Library and Archive' covers Soane's collection of drawings and books and his business and personal papers.

WORKS OF ART

Cataloguing and Research

The AHRC-funded Models Network completed its current funded work. Helen Dorey wrote an entry on Cork for its forthcoming publication *An A-Z of Architectural Models*.

The project to purchase items to enhance the presentation of the No. 13 Kitchens was completed. The installation will take place at the end of the Langlands and Bell exhibition.

Record drawings of the Picture Room Recess showing the arrangement of works of art with their object numbers were prepared by John Bridges. These help to ensure that audit work can be done easily and quickly and that object positions are maintained accurately.

Work continued on the research and costings for the restoration of the Drawing Office.

Art UK Sculpture project

This project aims to make sculpture (post-1100 AD) in UK public collections available online. Information on the Museum's sculpture collection was collated by Helen Dorey and Art UK approved 221 items for inclusion. 88 works (39% of the eligible sculptures) were professionally photographed free of charge by Art UK over 3 days in November and December 2019, coordinated by Joanna Tinworth. A full data spreadsheet is being prepared by Joanna Tinworth for submission early next year.

Conservation and reinstatement

The portraits of Soane and his sons John and George by William Owen (P228 and P229) were cleaned, conserved and relined. The frames were conserved in-house, modern layers of oil gilding being removed to reveal the water-gilded scheme below, which was then repaired where necessary with small amounts of new gold toned to match. The paintings were rehung in the South Drawing Room at the beginning of October 2019. This project was made possible by a generous legacy to the Museum.

In the autumn of 2019 work began on the Picture Room Recess project – a major project to replace 15 fragile watercolours, displayed since Soane’s time in the Picture Room, with facsimiles, rehusing the originals in a purpose-designed plan chest and conserving the frames. Work on this project was halted in March 2020 with the closure of the Museum during the Covid-19 pandemic and will resume later in the year.

In preparation for *Hogarth: Place and Progress* (see p.16) and the subsequent exhibition at Pitzhanger Manor *A Rake’s Progress: Life in the City* (see p.11), conservation work was carried out on the frames of Hogarth’s *A Rake’s Progress* (P40-P47) and detailed condition reports on the paintings prepared.

The complex and intricate restoration of the Fouquet Model of the Choragic Monument of Lysicrates (MR76) was completed and the model returned to the Museum in October 2019. The work completed the restoration of two Fouquet models badly damaged by bomb-blast in World War II and thought until recently to be irreparable.

The restoration of the Dance Cabinet in the North Drawing Room was completed with the re-hanging of a facsimile of a watercolour by Panini of the interior of the Pauline Chapel at the Vatican (P8) in its original frame, which has been restored, on one end of the cabinet.

Two marbles (M949 and M950) were re-hung in their original positions in the Dome Area. Three bronze urns were re-installed in their original positions in the Monk’s Yard.

THE RESEARCH LIBRARY AND ARCHIVE

Cataloguing of the Drawings Collection

Trainee cataloguer Roberto Rossi finished his catalogue of Soane’s drawings for three London churches in June 2019 thus completing the two-year project ‘Religion and the Law’ funded by the Mercers’ Company, the Pilgrim Trust and the Tavolozza Foundation.

Trainee cataloguer Anna McAlaney continued her two-and-a-half year contract (began in February 2018) to catalogue a portion of the Adam drawings collection, part of a five-year project principally funded by the Foyle Foundation.

Accession to the Archives

In April 2019 we were delighted to be presented by David Weingarten and Lucia Howard with an autograph letter dated 6 February 1806 from Soane to John Thomson, one of his clients.

Cataloguing of the Archives

Following acceptance of the Archives module of the Collections Management System, work began at the end of the year to convert the existing paper catalogue of the Archives to a digital one. Work initially concentrated on cataloguing three important series – Soane’s Notebooks (pocket memorandum books), Account Journals and Office Day Books – previously digitised with generous funding from the John R Murray Charitable Trust.

COLLECTIONS MANAGEMENT SYSTEM/DIGITAL ASSET MANAGEMENT SYSTEM

The Archives module was supplied, tested and accepted. Work continued on system and data enhancements as well as image cataloguing. A controlled Materials field and a free text notes for Materials and techniques were applied and requirements for a new Keywords field finalised and ordered. Current usage of Place name terms was analysed and a proposal to streamline the multiple Place hierarchies agreed. Records for 187 past exhibitions held at the Museum and/or other venues involving items from the Soane collection were created. Large scale edits were undertaken to update over 9,800 image records to a revised standard for Copyright notice, Credit line and Rights Usage fields. Data analysis was run on all the photographers’ names in the system so that correct rights information and credit lines can be collated to assist with image cataloguing and rights management. Images were captioned and attached to 2,532 Soane drawings records. From late March 2020, current user guides and specific instructions were sent out to staff to assist them with using CI+ remotely during the temporary closure of the Museum.

LOANS

Two books from Soane’s library were lent to an exhibition entitled *William Blake: The Artist* at Tate Britain.

A volume of drawings of Polish buildings and monuments by Giovanni Battista Gisleni (1600-72) was lent to *The World of the Polish Vasas: Space, People, Art* at the Royal Castle in Warsaw Musuem.

A survey plan by Henry Wise of Hampton Court Palace and Gardens, c.1710-11, was lent to the exhibition *British Baroque – Power and Illusion* at Tate Britain.

The eight canvases making up William Hogarth’s *A Rake’s Progress* were lent to *A Rake’s Progress: Life in the City* at Pitzhanger Manor and Gallery, Ealing. This exhibition was due to open on 18 March 2020, but the opening was postponed until further notice due to the Covid-19 pandemic.

The Conservation department led in assessing, preparing and conserving all of these works of art for loan.

EDUCATION, LEARNING AND EXHIBITIONS

EDUCATION AND LEARNING

Schools Education

In 2019-20 2,009 school pupils visited the Museum. 314 pupils were visited by a member of our team for an outreach activity at school.

We participated for the first time in the *I Can Be* programme, an educational initiative that takes disadvantaged girls aged 7 and 8 to visit inspiring women at work, broadening their horizons and boosting their confidence and motivation. Many of our female staff members supported this initiative by taking time to plan and run sessions for the girls. We also had several groups come in through the parallel pilot *I Can Be Boys* programme. The boys had the opportunity to meet some of our male staff members and were inspired by the wide range of museum roles they were able to experience.

Through the contact with new schools created by *I Can Be*, as well as a marketing campaign targeting schools in London boroughs who have not traditionally visited the Soane, we saw an rise in first-time bookings from schools which led to an increase in our overall schools bookings this year.

Families and Informal Learning

Our offer for families visiting the Soane and our informal learning programmes continued to expand in 2019-20. We are pleased to offer events and interpretation that make the house and collection accessible to young audiences, enhancing their cultural engagement and allowing them to learn new ideas and skills.

The current families programme offer includes:

- Free drop-in events for families on the Second Saturday of the month and on Thursdays during the school holidays
- Charged children's workshops on certain Wednesdays during the school holidays
- The *Story Den* for children aged 2 to 5 years old and their carers

Meanwhile, our four architecture clubs continue to thrive:

- The *Building Explorers* weekly after-school club (for children in Years Four and Five at our three closest primary schools)
- The *Young Architects' Club (YAC)*, for 7-11 year olds)
- The *New Architects' Club (NAC)*, for 11-14 year olds)
- *The Architectural Drawing Course (AD15-18)*, for 15-18 year olds).

There have been a total of 22 family events over the year. We continue a programme of ticketed workshops on certain Wednesdays and family drop-ins every Thursday during the school holidays, as well as our year-round family drop-ins on the second Saturday of each month.

This year saw the initiation of a new programme, the *Story Den*, for children aged two to five years old. Working with design collective *The Free Company*, we commissioned a modular den-making construction kit. Children and their carers arrive to a story about one of our woodland creature puppets and are asked to participate in building a home for the animal, which leads to a free-play session interwoven with moments of storytelling and tasks to make the perfect home for the animals. The sessions have been very well received by our audiences.

Building Explorers after-school club continues to deepen our engagement with our local primary schools. The club runs weekly over the academic year for children from our three closest Camden primary schools. The children learn about architecture and the built environment, with a particular focus on developing their own crafting skills. This year they have made bridges, models of Egyptian tombs inspired by the Museum's sarcophagus, and cork models of ancient buildings after visiting the model room.

YAC and NAC continue to be extremely popular architecture clubs, running once a month over the academic year. This year the YACs are investigating the theme of structures and construction, whilst the NACs are looking at illusions in architecture and design.

Architectural Drawing 15-18, the department's popular architecture drawing course for students, ran over six sessions from October 2019 to March 2020 (with the final session deferred to later in the year due to the Covid-19 pandemic). Thirteen students attended the sessions, which were held in a range of locations including St Paul's Cathedral and the Victoria and Albert Museum.

Communities and Access

The Youth Panel, which is now in its third year, consists of a mixture of old and new members across the 15-24 age range and focuses on learning about and contributing to the Museum's work. The group planned and ran the event *On The Fence* for the 2019 London Festival of Architecture which had the theme of 'Boundaries'. They created an interactive art installation, woven onto the railings by visitors at the boundary of the Museum and the outside world. At the end of the year they were working with Soane Museum Enterprises to devise a commercial evening event, to be held later in 2020, in which the Museum will be transformed into the classical underworld.

The Art Space, an eight-week programme for people living with dementia and their carers, ran for the second time over July and August 2019. Participants were recruited from across Camden and beyond, connecting with organisations such as *Camden Connectors*, the *Marchmont Street Community Centre* and *Ageing Better* to support recruitment. Each week, the group spent time discovering different spaces and objects on the Museum floor before participating in an art workshop responding to what they had seen.

We continue to visit community organisations who might find it difficult to travel to us, taking with us a handling collection and a presentation about the Museum. Community organisations also regularly visit us for free tours given by members of the department; this year's visiting groups included the Dragon Hall Community Centre, Uxbridge College and MIND Kensington and Chelsea.

Public Events

The 2019-20 public events programme included a diverse range of talks, off-site events, exhibition programming and the third Soane Medal Lecture. Throughout the course of the year, our department developed new relationships and event concepts with a variety of organisations, including the National Gallery, the Royal Academy of Arts, the Paul Mellon Centre for British Art, *The Architectural Review*, London Art Fair, London Festival of Architecture, Open House, MAKE Architects and Machine Books.

In November 2019, we celebrated the third Soane Medal winner: Kenneth Frampton, renowned British architect, critic, historian and Professor of Architecture at Columbia University, New York. Launched in 2017, this award and supporting lecture recognises architects, academics, theorists or critics whose work has broadened and enriched understandings of architecture and the built environment. The event was held at LSE's New Academic Building on Lincoln's Inn Fields and attracted our largest audience yet, with a fully booked auditorium of 400 attendees, comprised of 320 ticketholders as well as a number of invited guests including architects, journalists, critics and Museum Trustees, donors and Patrons. Following the lecture, 100 selected guests attended a drinks reception at the Museum.

The third edition of the Soane Salon talks series once again tackled a range of themes across architecture and design. Series included: *Reputations*, our second partnership with *The Architectural Review*; a second series of *Year Zero* and *Reimagining the Avant Garde*, a series which explored the continuing relevance of 1960s and 70s avant-garde projects for contemporary architectural practice, in partnership with *Architectural Design (AD)* magazine and a parallel exhibition at Betts Project, London. Overall, 512 participants attended across 17 talks.

We also began a second series of our successful *By Design* talks, in partnership with Luke Irwin Studio, in which renowned international designers from various disciplines are interviewed by our returning co-hosts Alice Rawsthorn, design writer and critic, and Will Gompertz, Arts Editor of the BBC. Speakers for the series were to have included Dan Pearson, Ilse Crawford, Erdem Moralioglu, Amanda Levet and Phyllida Barlow. Unfortunately, due to the Museum's temporary closure in March 2020 as a result of the Covid-19 pandemic, we were only able to stage Dan Pearson's talk and the remaining four events will be postponed to winter/spring 2021.

Finally, we curated a number of talks, partnerships and off-site events to support and build upon the Museum's temporary exhibition programme. For the Museum's very successful *Hogarth: Place and Progress* exhibition, we organised a varied off-site programme which included 'Art and Britishness' at the National Gallery, 'Depicting the City' at the Royal Academy of Arts and 'Moral Geographies', an academic workshop co-hosted by the Paul Mellon Centre. We also held off-site talks at 2020's London Art Fair (to celebrate 2019's *Architecture Drawing Prize* exhibition) and hosted a symposium at St George's Church, Bloomsbury (in partnership with the Society of Architectural Historians of Great Britain) to celebrate our *Lumière Mystérieuse* exhibition. There were 11 events (off-site and in-house) held to support six exhibitions, attracting an attendance of 642 adults (helped by the increased capacity of large off-site venues).

Across all events, 2,352 visitors took part in 40 events in 2019-20. In 2018-19, 2,447 visitors took part in 53 events.

EXHIBITIONS

This year we held a total of 10 exhibitions at Sir John Soane's Museum. Four major exhibitions were held in the Soane Gallery, two short-term exhibitions were held in the Soane Gallery, three shows were held in the Foyle Space, and finally one show was held in the Museum's historic Kitchens.

Eric Parry: Drawing

20 February – 27 May 2019 (Soane Gallery, Foyle Space and throughout Museum)

Thematically arranged across Sir John Soane's Museum, this exhibition brought together more than 80 drawings by contemporary architect Eric Parry to explore the relationship between drawing and architecture.

A book resulting from a conversation between Eric Parry and Senior Curator Owen Hopkins accompanied the exhibition, featuring an essay by architectural historian David Leatherbarrow.

This exhibition was supported by David and Molly Lowell Borthwick, Chelsea Barracks, Ruth and Stuart Lipton, Sir Robert McAlpine Ltd and those who wish to remain anonymous.

Crude Hints towards an Architectural Academy of the Future

5 June – 9 June 2019 (Soane Gallery)

As part of the London Festival of Architecture, this pop-up exhibition presented work by students from Intermediate Unit 13 at the Architectural Association speculating on the future of architectural education. Following Soane's description of his house-museum as an 'academy of architecture', the students' work offered proposals for new architectural academies around London, including spaces for discourse and debate, exhibition space and a private residence.

Unit tutors: Lily Jencks, Jessica Reynolds, Alex Butterworth

Students: Stephanie Cheung, Nata Dzhmukhadze, Soon Han, Dongki Kang, Da Gyung Lee, Kyungjoo Min, Vivian Olawepo, JinGyeong Ryu, Peixuhan Zhang, Mu Zhang

proposal B by Salter + Collingridge

30 May – 16 June 2019 (Foyle Space)

Originally designed for the 16th Venice Architecture Biennale in 2018, *proposal B* was shown as part of the London Festival of Architecture. Museum visitors were invited to sit within the space created by *proposal B* and manipulate its moving parts. *proposal B* offered visitors a place in which to think or converse, acting as a smaller domestic space within the Soane Museum. The work also spoke to the broader practice of architects Peter Salter and Fenella Collingridge.

Lumière Mystérieuse: Soane and the Architecture of Light

19 June – 8 September 2019 (Soane Gallery)

Lumière Mystérieuse explored Soane's innovative use of light and optical devices. His drawings revealed how the architect utilised light, not just through the shapes and ornamentation of his architectural compositions, but also by implementing tools such as top-lighting, grilles, coloured glass and mirrors. Together these devices allowed Soane to form lighting effects, as well as effects of shadow and gloom, which to this day dramatically impact the way we experience his work.

This exhibition was made possible thanks to the support of David and Molly Lowell Borthwick.

Soane's Light: A study by Héléne Binet

19 June – 8 September 2019 (Foyle Space)

As a contemporary companion display to *Lumière Mystérieuse*, the Soane Museum commissioned award-winning architectural photographer Héléne Binet to create three photographs that explore how Soane used light in his work. Two of Binet's photographs captured spaces in the Soane Museum and one depicted the Bourgeois and Desenfans Mausoleum at Dulwich Picture Gallery. The images revealed how he manipulated light and shade to shape the mood, feeling and character of spaces and demonstrated how these effects endure today.

Paul Coldwell: Picturing the Invisible

17 July – 15 September 2019 (Front Kitchen)

Artist Paul Coldwell exhibited a new body of work in the Kitchens of the Soane Museum that explored the idea of 'the house seen from below': how Soane's servants would have seen, understood and perhaps even attempted to replicate aspects of what their master created upstairs. In work ranging from prints to film to sculpture, Coldwell proposed how Soane's servants might have

used those resources available to them – their imagination, food and household objects – to become modelmakers themselves.

Hogarth: Place and Progress

9 October 2019 – 5 January 2020 (Soane Gallery, Foyle Space and throughout Museum)

Hogarth: Place and Progress united all of Hogarth's eight 'Modern Moral Subjects' in one place for the first time. The exhibition, curated by David Bindman, Emeritus Professor of Art History, University College London with Joanna Tinworth, Curator (Collections), Sir John Soane's Museum, used existing and new research into the places depicted by Hogarth in his 'Modern Moral Subjects' to explore for the first time how the artist's choice of location is central to the meaning of the narratives and deliberately calculated to add layers of nuance and satire to them. The exhibition identified that the progresses are expressed in journeys through London, where real places like Newgate Prison, Bedlam, St James's Palace and Tyburn gallows signify a 'moral geography'.

The Museum's own *A Rake's Progress* and *The Humours of an Election* were joined by *Marriage A-la-Mode* from the National Gallery, *The Four Times of Day* from the National Trust and a private collection, as well as the three surviving paintings of *The Happy Marriage* from Tate and the Royal Cornwall Museum. The exhibition included engraved series lent by Andrew Edmunds: prints such as *The Harlot's Progress*, *The Four Stages of Cruelty*, *Industry and Idleness* and *Gin Lane and Beer Street*. The exhibition received unprecedented levels of press coverage and was universally acclaimed.

A catalogue was published to accompany the exhibition. Edited by David Bindman it included essays by Bindman, Bruce Boucher, Frédéric Ogée and Jacqueline Riding.

This exhibition was made possible thanks to the support of Andrew Edmunds, Sir John Soane's Museum Foundation, William Loschert, David and Molly Lowell Borthwick and those who wish to remain anonymous.

The Architectural Drawing Prize

15 January – 16 February 2020 (Soane Gallery)

This exhibition displayed the winning and commended entries of the third annual Architecture Drawing Prize. Launched in 2017, the prize was jointly conceived by Sir John Soane's Museum and the World Architecture Festival and sponsored by the architects MAKE. The prize celebrates drawing's significance as a tool in capturing and communicating architectural ideas, recognising the continuing importance of hand drawing, but also embracing the creative use of digitally produced renderings. The entries were evaluated for their technical skill, originality in approach and ability to convey an architectural idea, whether for a conceptual or actual building project.

All That Could Have Been: A project by CAN and Harry Lawson

16 January – 16 February 2020 (Foyle Space)

The latest in a series of projects by emerging architects and designers at the Soane Museum, this collaboration between the architecture studio CAN and artist Harry Lawson resulted in an installation that explored the relationship between architecture, objects and time. Drawing from Soane's approach to collecting, the installation took the form of three cabinets, titled *All That Was*, *All That Is* and *All That Could Have Been*. The work by CAN and Lawson has since been shortlisted for the *Architects' Journal* Small Projects Award.

Langlands & Bell: Degrees of Truth

4 March 2020 – 3 January 2021 (Soane Gallery, Foyle Space and throughout Museum)

Arranged across the whole Soane Museum, this exhibition brought together four decades of work by Langlands & Bell, including new works specially commissioned for the exhibition. Taking place at a moment when some commentators argue that we have entered a 'post-truth' era, this show reflected on the capacities of architecture and objects to bear witness to the technological, political, economic and cultural relationships that define contemporary society. Because the exhibition was interrupted early in its run by Covid-19, the show in the Museum was supplemented by an online version that brought together installation photographs by Gareth Gardner, images from Langlands & Bell's vast digital archive, and new interpretation specially conceived for the online display.

A cloth-bound hardcover catalogue resulting from a conversation between Langlands & Bell and Senior Curator Owen Hopkins accompanied the exhibition.

This exhibition was made possible thanks to the support of Pomellato, Thompson and Caroline Dean and Christian and Florence Levett.

TOURING EXHIBITIONS

In Character

21 March – 15 June 2019, RIBA North

This display presented the characters that Studio MUTT designed for *Out of Character*, re-contextualising them in the galleries of RIBA North.

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

DEVELOPMENT AND COMMUNICATIONS

The Development Department continued to work closely with budget holders from across the Museum to close gaps and identify restricted funding requirements whilst pursuing its goal to meet a higher unrestricted target. Highlights included:

- £90,000 raised for *Hogarth: Place and Progress* exhibition
- £70,000 raised for *Langlands & Bell: Degrees of Truth* exhibition
- £88,875 raised for the Picture Room Recess conservation project from 15 individual donors and charitable trusts, fully funding the project
- A pledge of £75,000 for a new three-year apprenticeship scheme from the Stavros Niarchos Foundation
- Two major unrestricted Legacy gifts totalling £140,000 this year, with an estimated further £75,000 due to arrive in 2020-21
- £32,500 raised for a new phase of Adam drawings cataloguing between 2020 and 2022.

Work continued on underwriting salaries, include the Learning Manager position which has been supported by the Esmée Fairbairn Foundation and the Assistant Conservator position which received support from Sir John Soane's Museum Foundation. We were particularly pleased to be able to establish a new apprenticeship scheme through a three-year pledge of £75,000 from the Stavros

Niarchos Foundation. Each year the apprentice will provide much needed additional support to the Buildings and Facilities Manager, while obtaining qualifications from Westminster Kingsway College. The Patrons programme attracted more support, with 11 new memberships over the year and high retention levels. The autumn 2019 events season proved to be popular with highlights including out-of-hours tours of the Bank of England and of *Rembrandt's Light* at Dulwich Picture Gallery. The spring 2020 season began with a lecture by ex-Chairman of Trustees Simon Swynfen Jervis FSA, but the remainder of the programme was postponed due to the Covid-19 pandemic. Patrons also enjoyed the first Patrons' Circle Study Trip in May 2019 to see Palladian Villas of the Veneto. 20 Patrons joined the Director for the four-day visit administered by Arts Abroad, and it was deemed to be a great success, strengthening and building on many relationships.

It was announced that from 1 April 2020 the Soane Patrons' Circle membership will rise to £2,000 per year. This is made up of a membership benefit of £500 and a suggested donation of £1,500. Patrons were informed of this change in January 2020 and communication with Patrons has been on-going since.

Following the implementation of a new legacy strategy in 2018, two major legacy gifts were made to the Museum. A longstanding supporter and ex-Trustee of Sir John Soane's Museum Trust left a gift of £25,000 to the Museum and a gentleman previously unknown to the Museum left a residuary gift worth in the region of £190,000 to the Museum in his Will. This is the largest legacy gift any individual has left to the Soane to date.

The *Hogarth: Place and Progress* exhibition was a major project both in terms of fundraising, as mentioned above, and communications. It was the most widely acclaimed exhibition in the Museum's history, receiving ★★★★★ from *The Guardian*, *Time Out*, *The Evening Standard* and *Londonist* with features on a number of television and radio broadcasts, in national newspapers and specialist publications. This led to a surge of interest from the general public, with a dramatic rise in visitors to our website; on 9 October 6,097 sessions were recorded, a rise of around 400% on our average website sessions, the highest spike recorded since the website analytics were set up in 2016.

Thanks to a generous donation of £11,000 from David and Molly Lowell Borthwick to Sir John Soane's Museum Foundation, the department worked with the Head of Operations and the Finance department to introduce two digital contactless donation boxes in the Museum in October. These contactless donation points have led to a significant rise in on-site donations on a month-by-month comparison with the previous year.

The department worked hard to bring the Soane to new audiences around the globe across various platforms. Recordings of the first series of *By Design* were published as a podcast series and were well received by the press, featuring in *Esquire's* 'Best Podcasts of 2019'. From November 2019, the podcasts were included on British Airways High Life in-flight entertainment.

The final weeks of the financial year posed a great challenge to the department with the implications of the Covid-19 pandemic. All planned events were cancelled, and a huge scale-up of communications took place to make the Museum more accessible from a digital perspective. The team worked with the Exhibitions department to create a digital version of the *Langlands & Bell: Degrees of Truth* exhibition, increased communications with supporters and stakeholders at all levels, and worked towards the premiere of a three-part television series of *Opening Up the Soane* which was aired on *London Live* in April 2020.

SERVICES

VISITOR SERVICES AND VOLUNTEER TEAM

Visitors to the Museum

The total number of visitors to the Museum during the year, excluding those to private functions was 118,015 a decrease of just over 10% on the previous year. This was due to the introduction of timed tickets in August to September 2019 in preparation for the *Hogarth; Place and Progress* exhibition and to being closed unexpectedly for two weeks at the end of March 2020 because of the Covid-19 pandemic.

We had 100 group visits this year compared to 111 the previous year. This year, however, group visits generated more income.

Our visitor demographic is consistent year on year. Around half of our visitors are 55+ and most from the AB socio-economic group. As in previous years we have continued to see a slight increase in visitors from overseas, which currently represent around 56% of our total visitors. Overall enjoyment scores remain high at 9.3 out of 10.

Visitors during *Hogarth: Place and Progress*

For the operations team, most of last year was centred on the *Hogarth: Place and Progress* exhibition and preparation for this. In response to industry advice we made multiple changes, including implementing a system of timed tickets to control visitor numbers and introducing a new route to complement the exhibition. We also developed a new tour that was rolled out for daytime tours, Lates and as a BSL tour. We facilitated extended Saturday opening for the duration of the exhibition to ensure we were still giving people an adequate amount of time to visit the Museum after limiting numbers with timed tickets. We also implemented two new supervisory positions to support the exhibition in the Foyle Space and Rear Gallery, recruiting fixed-term members of staff to fill these positions and expanding the casual pool to deal with the higher number of events and extended opening.

Access Programme

We have continued with our programme of bi-monthly audio-described tours for blind and partially-sighted visitors and BSL tours for D /deaf, deafened and hard of hearing visitors. In response to feedback from previous visitors we have changed these slightly and have developed a more thematic programme of tours. We have created disability awareness training in collaboration with a freelancer and delivered this across the Museum teams. We also trained several new people to assist with wheelchair access in preparation for the *Hogarth: Place and Progress* exhibition, during which we saw a substantial uplift in access requests.

Volunteer Programme

Over the year volunteers contributed a total of 8,021 hours. This was a decrease on last year's figure of 8,948 hours, partly due to the Covid-19 pandemic at year end, and also because there were fewer departmental volunteers because of members of staff being on maternity leave with a resultant pause in some projects.

This year we carried out 26 volunteer training sessions and welcomed 56 volunteers. Our volunteer programme continues to improve and our volunteer retention remains high, across all demographics of our team. This was demonstrated by a need to recruit fewer volunteers across the year.

Alongside the Learning Manager, the Volunteer Manager delivered Safeguarding Training to staff at the Soane and is developing a training programme for all Volunteer Visitor Assistants.

The Volunteer Visitor Assistant team were pivotal to the success of the *Hogarth: Place and Progress* exhibition. 25 volunteers were recruited to support the Operations team and we developed a team of volunteers who tailed our Visitor Assistants at our Hogarth Lates.

Information Technology

This year we have:

- Continued to implement the Digital Asset Management System (DAMS) to improve the management of images
- Started an information management project to rationalise the data on our servers
- Started a programme of replacing hardware that was not refreshed during our major capital works project
- Renewed our Cyber Essentials certification - a Government-backed industry-supported scheme to help organisations protect themselves against common online threats.

COMMERCIAL ACTIVITIES

Overall Soane Museum Enterprises raised revenue of £717,214, an increase year on year of 2.56%.

Lates programme

The Lates programme continues to be run as a cross-departmental initiative led by the Director of Commercial and Operations with revenue sitting under Soane Museum Enterprises. They have continued to grow in popularity with all core Lates selling out. To meet increased demand around the *Hogarth: Place and Progress* exhibition, two Friday Lates were run per month in quarter three as well as an additional series of Saturday night late openings bringing in an additional £30,000 revenue. Overall revenue from the Lates series brought in just over £60,000.

Entertaining at the Soane

Led by a new team, the Commercial Events business saw a very strong year with excellent reviews and feedback for the elegant dinners and drinks receptions hosted at the Museum, and the increasingly popular expert-led guided tours and exclusive private candlelit tours. Even with the disruption caused by Covid-19 the total revenue from Commercial Events exceeded £300k for the first time, finishing above budget for the year, coming in at £333,551. Venue Hire accounted for 47% of revenue, Tours 27%, and Lates 21%, with Filming and Commission making up the remaining 5% of revenue.

Soane Shop and E-commerce

Retail revenue finished on £334,605 and was affected by the unexpected temporary closure of the Museum in mid-March due to the Covid-19 pandemic. The shop accounted for 96% of revenue, and continues to be extremely popular with visitors, delivering high average transaction values and impressive conversion rates. The remaining 4% of revenue derived from the E-commerce operation, including a new high-quality print on demand partnership with King & McGaw. The autumn 2019

exhibition that closed in January 2020, the critically acclaimed *Hogarth: Place and Progress* provided the retail team with an opportunity to create a rich and rewarding product range, working with designers like Sue Timney for exclusive merchandise, that together with the much coveted exhibition catalogue led to three consecutive weeks of retail targets being exceeded, each week breaking the previous week's record. Hogarth-related sales accounted for 15% of the total annual revenue in retail. Soane Museum Enterprises hosted a well-attended Press Day in July to launch new ranges and highlight the retail merchandise and events programme. Excellent press coverage at Christmas included a feature in *World of Interiors* that continues to generate sales and a feature blog in *Vogue* by Suzy Menkes.

Inspired by Soane: Brand Licensing

The Museum continued to develop its ambitious licensing programme, with twenty reputable licensees currently working with Soane Museum Enterprises, across a rich array of categories from homeware to textiles, prints to jewellery. We were delighted to welcome two new jewellery designers to our list, Esa Evans and Lucy Priest Jewellery as well as launching a beautiful textile range based on the No.12 Breakfast Room created for us by Just Trade. Income from licensing was £29k.

The Museum is most grateful for the generous and ongoing *pro bono* legal support of Morrison & Foerster.

FINANCIAL REVIEW

The Consolidated Statement of Financial Activities shows that the Group saw Net Income (a surplus) of £312,423 to Unrestricted Funds in 2019-20, compared with the Net Expenditure (a deficit) of £45,858 in 2018-19. Having incorporated the annual transfer from the General Fund in respect of depreciation, the growth in the General fund in 2019-20 amounted to £337,136, with the main contributor being exceptional legacy income of £221,279.

On a Consolidated Funds basis, taking into account both Restricted and Endowment Funds, Total Funds after all expenditure increased by £312,314 (2018-19: decrease of £248,340). Restricted Funds are being gradually reduced by the regular (non-cash) depreciation of capitalised assets held in the Restricted Fund, which are being depreciated over time, reflecting their gradual decline in value. However, in 2019-20 this recurrent decline was countered by the DCMS Infrastructure Fund award of £165k to fund urgent capital works, resulting in a modest increase in Restricted Funds of just £482.

Overall, Consolidated Income before Expenditure increased by £686,170 to £3,560,165 in 2019-20. Receipts from Donations and Legacies were £358,902 higher, primarily due to two legacy gifts totalling £221,279. Income from Charitable Activities increased by £127,373 to £763,460, mainly in Restricted Funds, as a result of some significant awards to support specific projects, including £165,000 from the DCMS Infrastructure Fund, grants to underwrite salary costs for key roles, and in Unrestricted Funds to an increased grant of £235,000 from the independent Sir John Soane's Museum Trust (2018-19: £200,000). Income from trading activities was a slight drop of £13,105 on the prior year, which was a fair result given the uncertain economic conditions during 2019-20 and the Museum's closure from mid-March 2020.

Total Expenditure increased by £125,805, driven by increased activity levels across the Museum, including income generation. The Museum continues to monitor staffing levels closely, following the implementation of OUTS and changes to opening days.

The Consolidated Statement of Financial Activities shows the allocation of expenditure on raising funds and on charitable activities. The differences between the two years are mainly due to changes in the Museum's priorities and activity levels. The Museum continues to focus on operational cost efficiencies and the control of overheads.

The Balance Sheet shows that the Group's Net Assets increased from £9,779,736 to £10,092,050. The total depreciation charge of £334,843 was offset by additional capital expenditure of £220,723 on Fixed Assets. In Net Current Assets, prepayments and accrued income increased by £265,997, largely due to the two legacies accrued at 31 March 2020. Cash balances increased from £377,223 to £496,908, as some restricted grants and donations were received in year to fund spend on specific restricted projects in future periods.

The principal funding sources during the year were the DCMS grant-in-aid, commercial income through the trading subsidiary (SME Ltd) and grants and donations. These resources support the key objectives of the charity as mentioned elsewhere in the Annual Report and Accounts.

The main factors which are likely to affect the Museum's Consolidated Income Statement (SoFA) and Balance Sheet going forward are significant uncertainties in respect of all income streams. Commercial and donation income is expected to be significantly lower in 2020-21, impacted by the Museum's closure in response to the Coronavirus pandemic; meanwhile the level of grant-in-aid will be subject to Government Spending Reviews beyond 2020-21. The Museum aims to build on its strong track record in generating development grants and donations from trusts and individuals, innovative trading revenues, and continuing contributions from patrons and supporters at multiple levels.

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 the Museum and its sponsoring body, DCMS, is set out in a spending review allocation letter. Following the 2015 Spending Review, the Museum's resource grant-in-aid was fixed in cash terms at its 2015-16 level of £983,000 for Resource and £29,000 for Capital, for the period 2016-17 to 2019-20, although there have been some additional discretionary awards made outside of this core allocation, for specific purposes.

Subsequent to the agreement of funding terms, a Management Agreement covering the four-year period was drafted by DCMS and finalised in November 2016. Therein, the Secretary of State for Digital, Culture, Media and Sport states the priorities for the Museum are:

- to ensure that free entry to the permanent collections of the Museum will continue to be made available;
- to protect the world-class collections and front-line services of the Museum;
- to continue to pursue commercial and philanthropic approaches to generating revenue which will complement grant-in-aid funding;
- to seek innovative cost-sharing solutions with other Arms-Length Bodies;
- to take a strategic approach to partnership working and to seek out opportunities to work across the UK with other museums, cultural and third sector partners, including through the loaning of items, touring of exhibitions, and sharing of expertise;
- to prioritise access to arts and culture for disadvantaged young people and communities;

- to work with DCMS to engage internationally, especially with high priority countries as indicated by Government including making use of, and contributing to, the GREAT Britain Campaign to boost tourism, education and business; and
- to give a high priority to supporting the delivery of the outcomes of the Culture White Paper which will set out the direction for arts and culture policy for this Parliament.

The Museum remains committed to these priorities and is exploring storage savings with the National Maritime Museums, Greenwich. It is also collaborating with the Design Museum and the National Gallery on symposia and other cultural programmes. The Soane Museum actively engages with other national and regional museums through the work of the National Museum Directors' Council, and we remain committed to the GREAT Britain Campaign and the recommendations of the Cultural White Paper.

The Museum continues to work 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 focused on strengthening its long-term financial sustainability, although it must be acknowledged that this will become exceedingly challenging in the short to medium term, as it responds and adjusts in the wake of the COVID-19 pandemic. The current and ongoing constraints it has placed on the Museum's activities make the goal of seeking to increase its non-DCMS income through its trading subsidiary, Soane Museum Enterprises Limited, a distant one. In the short to medium term the Museum, in common with other National Museums, is likely to be very much dependent on its financial support from DCMS, as well as other Trusts, Foundations and private donors.

The Museum and DCMS monitor performance against a set of key indicators, although DCMS no longer sets targets in relation to these performance indicators. The data from these, together with comparatives, is detailed below.

Performance indicators

	2019-20	2018-19
Total charitable giving*	£1,520,635	£1,070,711
Ratio of charitable giving to DCMS grant-in-aid*	121%	104%
Number of visits to the Museum (excluding virtual visits)	118,015	131,459
Number of unique website visits	535,544	456,590
Number of visits by children under 16	4,883	6,574
Number of overseas visits	68,367	66,010
Number of facilitated and self-directed visits to the Museum by visitors under 18 in formal education	2,009	1,623
Number of instances of visitors under 18 participating in on-site organised activities**	1,171	652
% of visitors who would recommend a visit	90%	95%
Admissions income (gross income)	£112,963	£76,612
Trading income (net profit)	£193,044	£186,550
Number of UK loan venues	3	4

*Charitable giving is calculated as the combined total of donations, legacies and grants, excluding grant-in-aid, as shown in the Consolidated Statement of Financial Activities

** Figure reflects both increase in activity level and previous incorrect method of calculation. Previously participation in the architecture clubs was counted once rather than for each activity

Sickness Absence

The average staff sickness rate for 2019-20 was 2.9 days (2018-19: 5.7 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 2.3 days per person (2018-19: 1.67 days).

Company Directorships and Other Significant Interests

A register of Trustees' interests is maintained and updated at least annually. A copy is available on request. No conflicts of interest have arisen in the year.

Public Expenditure System (PES) Disclosure

In 2019-20, there was no spend on consultancy and contingent labour nor any instances where tax assurance of off-payroll engagements was required to be disclosed.

Data Loss and Information Management

The Museum has suffered no protected personal data incidents during 2019-20 or prior years, and has made no reports to the Information Commissioner's Office.

Whistleblowing

The Museum upholds the core values detailed in the Code of Professional Ethics of the Museums Association, and actively promotes their implementation. In line with these commitments, the Museum encourages employees and others with serious concerns about any aspect of the Museum's work to come forward and voice those concerns and expects its managers to encourage employees to express their views openly. This is clearly documented in the Whistleblowing section of the Staff Handbook.

Fundraising

The staff of the Development Department (the Director of Development and Communications, the Development Manager, the Development Officer and the Communications Manager) are responsible for raising unrestricted income and funds for specific projects in response to the Museum's agreed strategy. No freelance or volunteer fundraisers are employed. The Museum is registered with the Fundraising Regulator and pays an annual levy in support of its work. The Museum adheres to the provisions of the General Data Protection Regulation, carries out due diligence in respect of sources of funding and monitors benefit levels. The Museum maintains a central complaints log; no complaints have been received in relation to fundraising. An extensive opt-in exercise was carried out in relation to all databases prior to the introduction of the General Data Protection Regulation in May 2018.

Reserves Policy

Since 2009 the Museum has sought, subject to regular review, to establish a prudent level of unrestricted free reserves (General Fund) to meet the financial implications of risks and unforeseen events in the future.

The Trustees having considered the scale, complexity and risk profile of the Museum, have agreed that, in order to ensure its financial stability and viability, the Museum's unrestricted free reserves (General Fund) should be held at a prudential level that approximately represents six months (50%) of the routine annual cost of running the Museum, after deduction of the DCMS grant-in-aid. At their last review in 2019, based on the 2018-19 Consolidated Financial Statement this figure was estimated to be at least £400,000.

Based on the 2019-20 outcome, annual costs less DCMS grant-in-aid were approximately £900,000, indicating that the level of unrestricted free reserves should be at least £450,000. At the end of March 2020 the General Fund stood at £744,221, including the accrual of two legacies totalling £221,279. Without these legacies free reserves would have been above the minimum figure, at £522,942. The Trustees regard this level to be prudent and appropriate, but given the potential impact of the current economic and commercial climate on donations and self-generated income, the uncertain level of grant-in-aid from DCMS following the Spending Review from April 2021, and the still unsettled issue of future pension contributions to the PCSPS, they will continue to review reserve policy, in conjunction with prospective operational cash flows.

At the end of March 2020, the other specific reserves i.e. unrestricted Designated Fund, Restricted Funds and Endowment Fund, stood at £2,499,438; £6,841,853 and £6,538 respectively.

Payment Terms

The Museum pays invoices in accordance with agreed terms of contract, aiming to pay all undisputed invoices within thirty days of receipt. This was achieved in 95% of cases during the year (2018-19: 92%).

Five-Year Summary

Year ended 31 March	2020	2019	2018	2017	2016
	£000	£000	£000	£000	£000
Income and endowments	3,560	2,875	2,498	3,804	3,906
Expenditure	(3,247)	(3,121)	(2,874)	(3,593)	(2,490)
Investment gains or (losses)	(1)	(2)	1	(0)	(3)
Net (decrease)/ increase in funds	312	(248)	(375)	211	1,413
			(a)	(a)	(a)
Total funds (b)	10,092	9,780	10,028	10,403	10,192

(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 1.5%.

Compensation for loss of office

There were no 'exit packages' awarded to staff leaving during the year (2018-19: none).

Employees

Museum employees are eligible to become members of the Civil Service Pension Scheme arrangements with associated redundancy and early retirement conditions. Soane Museum Enterprises Limited employees are eligible to become members of NEST pension scheme. Further details are given in Note 18 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

The Museum operates a system of performance appraisal that usually results in the payment of performance related bonuses. However, in light of the financial uncertainty arising from the pandemic, there were no performance bonuses provided for or accrued in the 2019-20 accounts. When determining staff performance bonuses the Remuneration Committee takes the following into consideration:

- 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.

Policy on duration of contracts, notice periods and termination payments

The notice period for the Director is three months. The notice period for all other staff is between one to three months.

Museum employees are entitled to become 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 for the Director are subject to audit:

Officials	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (to the nearest £'000)		Total (£'000)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Bruce Boucher	80-85	80-85	£Nil	5-10	£Nil	£Nil	37	34	115-120	120-125

Bruce Boucher was appointed as Director on 16 May 2016. His full time equivalent (FTE) salary as Director was £80,000-£85,000. He received no benefits in kind.

Bruce Boucher is eligible for a performance-related bonus in the range of 0% to 15. In the year to 31 March 2020, Dr Boucher declined to be considered for any performance-related bonus, as a contribution towards the financial sustainability of the Museum. In the year to 31 March 2019, Dr Boucher was offered and accepted an 11% performance-related, non-consolidated bonus of £5,000-10,000 relating to performance in the year to 31 March 2018. This bonus was paid in July 2018 and so is disclosed in the table above.

The Director is a member of the Civil Service Pension Scheme arrangements. For Bruce Boucher, Director, the Museum paid £22,766 to the Scheme during the year.

In 2019-20 the Museum received a donation in support of the Director's post, which was applied to funding salary and associated costs.

Pension Entitlements of the Director (subject to audit)

Officials	Accrued pension at pension age as at 31/3/20 and related lump sum	Real increase in pension and related lump sum at pension age	Cash Equivalent Transfer Value (CETV) at 31/03/20	Cash Equivalent Transfer Value (CETV) at 31/03/20	Real increase in Cash Equivalent Transfer Value (CETV)
	£'000	£'000	£'000	£'000	£'000
Bruce Boucher	5-10	0-2.5	114	84	25

Pay multiple (subject to audit)

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 FTE banded remuneration of the highest-paid director in the Museum at the financial year end was £80,000-£85,000 (2018-19: £85,000-£90,000). This was 3.3 (2018-19: 3.7) times the median remuneration of the workforce, which was £24,860 (2018-19: £24,472).

In 2019-20, no employee (2018-19: Nil) received remuneration in excess of the highest-paid director. Total FTE remuneration bands ranged from £15,000 to £85,000 (2018-19: £15,000 to £90,000). Total remuneration includes salary, non-consolidated performance-related pay and severance payments paid in the year as well as benefits-in-kind received in the year. It does not include any accrued pay, any employer pension contributions and the cash equivalent transfer value (CETV) of pensions.

Trustees

The Trustees, who hold overall responsibility for the Museum, are not remunerated. Travel expenses totalling £159.55 were paid to two Trustees in 2019-20 (2018-19: £nil). There were no expenses paid on behalf of Trustees (2018-19: £nil).

Guy Elliott
Chairman of Trustees

Bruce Boucher
Deborah Loeb Brice Director and Accounting Officer

Date: 21 October 2020

STATEMENT OF TRUSTEES' AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Government Resource and Accounts Act 2000, the Secretary of State for Digital, Culture, Media and Sport with the consent of the Treasury has directed the Trustees of the 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 income and expenditure, changes in funds and cash flows for the financial year.

In preparing the accounts, the Trustees and Accounting Officer comply with certain requirements of the Government Financial Reporting Manual (FRM) 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;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Museum will continue in operation; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accounting Officer of the Department for Digital, 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.

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. As far as the Accounting Officer is aware there is no relevant audit information of which the auditors are unaware.

Guy Elliott
Chairman of Trustees

Bruce Boucher
Deborah Loeb Brice Director and Accounting Officer

Date: 21 October 2020

GOVERNANCE STATEMENT

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 the 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 four-year funding agreement with the DCMS, of which 2019-20 was the final 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 is responsible for the overall management and direction of the Museum. The Director of Sir John Soane's Museum is accountable 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.

A group of four staff reporting to the Director forms the Senior Management Team (SMT) which meets every two weeks and comprises Helen Dorey (Deputy Director), Willa Beckett (Development and Communications Director), Rebecca Hossain (Director of Commercial and Operations from February 2020, previously Adam Thow) and Louise Peckett (Director of Finance).

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 Chair, to serve for a period of five years. There are three categories of Trustees: Life, Representative and Ordinary. Representative Trustees are appointed by five learned societies/bodies (The Royal Academy of Arts; The Royal Society; The Royal Society of Arts; The Society of Antiquaries and the Court of Aldermen of the City of London) in consultation with the Museum. Life and Ordinary Trustees are appointed by the Board of Trustees, usually following advertisements in the media and on the government-sponsored Public Appointments website in order to reach as diverse an audience as possible. Appointments are generally made for a term of five years, and may be renewed once for a further term of the same length.

New Trustees receive an Induction Pack consisting of the Museum's statutory governing document, the Code of Best Practice for Board Members of Sir John Soane's Museum, the most recent Annual Report and Accounts, the Management Agreement with DCMS and a copy of the Charity Commission's *The Essential Trustee*. An induction/training day is organised annually at which Trustees meet the staff of all the departments in the Museum and are introduced to their various activities.

The Trustees are supported by six committees, specifically:

- The Audit and Risk Committee meets on a quarterly basis and is responsible for the issues of risk control and governance. They review the Annual Report and Accounts. In addition, they review the reports of the External Auditor (National Audit Office) and the Internal Auditor (currently

The Risk Management Business Ltd). Their annual work plans and reports and their recommendations are reviewed by the Committee. The Museum's Risk Register is regularly reviewed and updated by the Committee and 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 any major capital projects. Performance and financial information provided for the Board is regularly reviewed for its effectiveness by the Committee.
- The Remuneration Committee meets at least annually and reviews the Director's and staff pay and performance and makes recommendations for pay awards to the Board of Trustees as appropriate.
- The Governance and Nominations Committee (formerly Governance Committee) meets as needed (usually at least annually) and reviews the Museum's governance arrangements, including Board appointments, and makes recommendations to the Board of Trustees as appropriate. It did not meet during the year, but received updates on relevant activity.
- 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. It did not meet during the year.
- Soane Museum Enterprises Limited (SME Ltd) is a wholly-owned trading subsidiary of the Museum. The Board of Soane Museum Enterprises Limited meets on a regular basis.

Attendance at Board meetings and at the Audit and Risk, Finance and Remuneration Committees is reported to the Board on an annual basis and is considered to be important. Individual attendance of Trustees at these meetings and those of SME Ltd is listed below.

	Board	Audit & Risk	Finance	Remuneration	Governance & Nominations	SME Ltd
No. of meetings held in a year	4	4	4	2	0	4
Trustees						
Guy Elliott*	4	4	4	2		
Professor Jonathan Ashmore	3	4				
Molly Borthwick	1					
Professor David Ekserdjian	3		3			
Stephen Gosztony**	1		1			
Alison Ross Green	2					
Professor Nichola Johnson	3			2		
Alderman Vincent Keaveny	4	3	3	2		
Dr Thierry Morel	3					
Basil Postan	4	4	4			

	Board	Audit & Risk	Finance	Remuneration	Governance & Nominations	SME Ltd
Frank Salmon	1					
Orna, Lady Turner	4	3	4			4
Directors, SME Ltd						
Elizabeth Phillips						3
Anthony Vernon						2
Bruce Boucher						3
Adam Thow						3
Helen Dorey						2
Louise Peckett						4
Rebecca Hossain***						1

* Observer only at Audit & Risk and Finance Committees

** Observer only at Audit & Risk and Finance Committee 28 January 2020

*** Observer only at SME Board Meeting 20 January 2020

Alison Ross Green appointed 29 July 2019

Stephen Gosztony and Frank Salmon appointed 10 February 2020

Rebecca Hossain appointed 28 April 2020

The Board's effectiveness was reviewed during 2016-17 through an external facilitator. It was concluded that the Museum has an exceptionally experienced and talented Board that takes its stewardship of the Museum's resources very seriously. The 2016-17 review has been refreshed each year through self-assessments, with the conclusion that the Board continues to operate effectively. Given the changed environment in which all charities are operating, the Board is committed to ensuring the Museum's governance arrangements meet what are considered to be good practice and has delegated responsibility for overseeing this work to its Governance Committee. The Museum follows governance best practice for public service and charitable bodies, and where relevant and practical adopts the principles of the *Corporate governance in central government departments: code of good practice 2017*.

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 and operating effectively for the year ended 31 March 2020 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 quality of the information it receives is sound through its challenge of the information presented.

3.2 Responsibility

The Board of Trustees (assisted by the Audit and Risk Committee) sets risk management standards and the degree of risk aversion for the Museum, and reviews the major risks to the Museum. The

Accounting Officer is responsible for managing risk and ensuring that the Museum's risk management framework is effective. The Senior 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 reviewed at least bi-annually by the Audit and Risk Committee and at least annually by the Board of Trustees. The key risks are identified by the Senior Management Team and reported to the Trustees.

The Internal Audit provider performs internal audit work to cover all key systems, in order to provide an overall assurance report for the year. The summary of the Internal Auditor's Report for 2020 is that there are no concerns to highlight to the Board of Trustees on the Museum's key controls and that substantial assurance can be provided to the Board of Trustees on the Museum's key controls for the areas reviewed during 2020.

3.3 Key risks

The Museum maintains a Risk Register to monitor risks to its activities and review the controls in place to mitigate these risks. This Register is reviewed by the Audit and Risk Committee at every meeting and there is full discussion of changing risk levels and potential new or developing risks. During 2019-20 there were 3 key risks highlighted as the highest scoring risks within the Risk Register, as detailed below:

- Loss of key staff impacts curatorial expertise of the Museum and impacts its operations – adjustments have been made to the salaries of key roles to try and ensure retention, while the Remuneration Committee is conducting an information gathering exercise on succession planning;
- Major fire, flood or similar incident causing significant damage to the building or collections – there are response systems and detailed risk assessments in place, which are serviced/tested/updated regularly; and
- Insufficient funds to secure long-term sustainability of the Museum and its operations and programmes – the Museum plans for a balanced budget, with a focus on securing specific restricted funding for project activity, along with continued emphasis on commercial opportunities for the trading subsidiary; although there remains significant concern regarding the increased pension contributions payable under the Civil Service Pension Scheme from 1 April 2019 and the uncertainty of any further DCMS funding, beyond 2020-21, to cover this substantial increase.

The Risk Register also included a risk in relation to pandemic flu. The assessment of this risk recognised that the Museum's Separate Pandemic flu plan covers illness of visitors or staff on site; impact on visitor numbers, impact of imposed travel bans, staff availability, home working, security (in/out of hours) and business continuity. The risk was monitored throughout the year and awareness was inevitably heightened towards the end of the year, as these response plans were implemented. The overall conclusion was that the Museum responded well and plans were effective, but a detailed review exercise will be conducted once recovery is fully underway.

There is an ongoing process undertaken by all staff (including the Senior Management Team) and the Trustees within the Museum for evaluating and managing these and other risks.

4. Compliance with Corporate Governance Code of Good Practice

The Board of Trustees has assessed its compliance with the HM Treasury's guidelines, as set out in *Corporate governance in central government departments: code of good practice 2017*, and has concluded that this is satisfactory.

Guy Elliott
Chairman of Trustees

Bruce Boucher
Deborah Loeb Brice Director and Accounting Officer

Date: 21 October 2020

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS

Opinion on financial statements

I certify that I have audited the financial statements of Sir John Soane's Museum for the year ended 31 March 2020 under the Government Resources and Accounts Act 2000. The financial statements comprise: the Group and Museum Statements of Financial Activities, the Group and Museum Balance Sheets, the Consolidated Statement of Cash Flows and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the group's and of Sir John Soane's Museum's affairs as at 31 March 2020 and of its net expenditure 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.

Opinion on regularity

In my opinion, in all material respects the income and expenditure 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.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Sir John Soane's Museum and Soane Museum Enterprises in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

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

Responsibilities of the Trustees and Accounting Officer

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.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

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

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

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

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

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

Other Information

The Trustees and Accounting Officer are responsible for the other information. The other information comprises information included in the Annual Report but does not include the parts of the Remuneration Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Remuneration Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Government Resources and Accounts Act 2000;
- in the light of the knowledge and understanding of the group and the Museum and its environment obtained in the course of the audit, I have not identified any material misstatements in the Annual Report; and
- the information given in the Annual Report which I provide a positive consistency opinion on 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 parts 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.

Gareth Davies

Date: 11 November 2020

Comptroller and Auditor General

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

Consolidated Statement of Financial Activities for the year ended 31 March 2020

	Note	2020 Unrestricted Funds	2020 Restricted Funds	2020 Endowment Funds	2020 Total Funds	2019 Unrestricted Funds	2019 Restricted Funds	2019 Endowment Funds	2019 Total Funds
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations and Legacies									
Grant-In-Aid from Department for Digital, Culture, Media and Sport	2	1,087,000	165,000	-	1,252,000	1,032,000	-	-	1,032,000
Other donations and legacies	3a	870,138	-	-	870,138	511,236	-	-	511,236
Charitable Activities									
Visitors	3b	112,963	-	-	112,963	76,612	-	-	76,612
Grants	3b	-	650,497	-	650,497	-	559,475	-	559,475
Other Trading Activities									
Room hire		235,229	-	-	235,229	211,155	-	-	211,155
Filming and reproduction fees		16,715	-	-	16,715	26,877	-	-	26,877
Licensing		29,119	-	-	29,119	50,164	-	-	50,164
Retail sales		344,605	-	-	344,605	355,892	-	-	355,892
Patrons - Benefits		27,958	-	-	27,958	22,643	-	-	22,643
Investments		919	-	-	919	757	-	-	757
Other	3c	20,022	-	-	20,022	28,184	-	-	28,184
TOTAL		2,744,668	815,497	-	3,560,165	2,315,520	559,475	-	2,874,995
EXPENDITURE ON									
Raising Funds									
Development and fundraising	4a	230,766	45,411	-	276,177	195,299	25,993	-	221,292
Communications	4a	101,652	26,490	-	128,142	107,944	7,460	-	115,404
Trading	4a	480,355	39,720	-	520,075	462,333	34,174	-	496,507
Charitable Activities									
Buildings	4b	444,869	65,905	-	510,774	474,316	33,692	-	508,008
Collections	4b	293,594	144,633	-	438,227	186,973	332,757	-	519,730
Visitor services	4b	881,009	492,856	-	1,373,865	934,513	326,001	-	1,260,514
TOTAL	4	2,432,245	815,015	-	3,247,260	2,361,378	760,077	-	3,121,455
NET INCOME BEFORE GAINS AND LOSSES									
		312,423	482	-	312,905	(45,858)	(200,602)	-	(246,460)
Net Gain/(Loss) on Investments	8	-	-	(591)	(591)	-	-	(1,880)	(1,880)
NET (EXPENDITURE)/INCOME		312,423	482	(591)	312,314	(45,858)	(200,602)	(1,880)	(248,340)
NET MOVEMENT IN FUNDS									
		312,423	482	(591)	312,314	(45,858)	(200,602)	(1,880)	(248,340)
RECONCILIATION OF FUNDS:									
Total funds brought forward		2,931,236	6,841,371	7,129	9,779,736	2,977,094	7,041,973	9,009	10,028,076
Total funds carried forward	13-15	3,243,659	6,841,853	6,538	10,092,050	2,931,236	6,841,371	7,129	9,779,736

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 42 to 55 form part of these financial statements.

Statement of Financial Activities for the year ended 31 March 2020 (Museum Only)

	Note	2020 Unrestricted Funds	2020 Restricted Funds	2020 Endowment Funds	2020 Total Funds	2019 Unrestricted Funds	2019 Restricted Funds	2019 Endowment Funds	2019 Total Funds
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:									
Donations and Legacies									
Grant-In-Aid from Department for Digital, Culture, Media and Sport	2	1,087,000	165,000	-	1,252,000	1,032,000	-	-	1,032,000
Other donations and legacies	3a	870,138	-	-	870,138	511,236	-	-	511,236
Charitable Activities									
Visitors		21,417	-	-	21,417	21,418	-	-	21,418
Grants	3b	-	650,497	-	650,497	-	559,475	-	559,475
Other Trading Activities									
Gift Aid Receivable from Subsidiary	20	100,000	-	-	100,000	186,550	-	-	186,550
Other Income Receivable from Subsidiary		65,054	-	-	65,054	55,145	-	-	55,145
Patrons - Benefits		27,958	-	-	27,958	22,643	-	-	22,643
Investments									
Other	3c	919	-	-	919	757	-	-	757
		20,022	-	-	20,022	28,183	-	-	28,183
TOTAL		2,192,508	815,497	-	3,008,005	1,857,932	559,475	-	2,417,407
EXPENDITURE ON:									
Raising Funds									
Development and fundraising	4a	230,766	45,411	-	276,177	195,299	25,993	-	221,292
Communications	4a	101,652	26,490	-	128,142	107,944	7,460	-	115,404
Trading	4a	3,561	39,720	-	43,281	4,745	34,174	-	38,919
Charitable activities									
Buildings		444,869	65,905	-	510,774	474,316	33,692	-	508,008
Collections		293,594	144,633	-	438,227	186,973	332,757	-	519,730
Visitor services		881,009	492,856	-	1,373,865	934,513	326,001	-	1,260,514
TOTAL		1,955,451	815,015	-	2,770,466	1,903,790	760,077	-	2,663,867
NET INCOME BEFORE GAINS AND LOSSES		237,057	482	-	237,539	(45,858)	(200,602)	-	(246,460)
Net Gain/(Loss) on Investments	8	-	-	(591)	(591)	-	-	(1,880)	(1,880)
NET (EXPENDITURE)/INCOME		237,057	482	(591)	236,948	(45,858)	(200,602)	(1,880)	(248,340)
NET MOVEMENT IN FUNDS		237,057	482	(591)	236,948	(45,858)	(200,602)	(1,880)	(248,340)
RECONCILIATION OF FUNDS:									
Total funds brought forward		2,931,236	6,841,371	7,129	9,779,736	2,977,094	7,041,973	9,009	10,028,076
Total funds carried forward	13-15	3,168,293	6,841,853	6,538	10,016,684	2,931,236	6,841,371	7,129	9,779,736

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 42 to 55 form part of these financial statements.

Sir John Soane's Museum
Consolidated and Museum Balance Sheet as at 31 March 2020

	Note	2020 £	2020 £	2019 £	2019 £
		MUSEUM	GROUP	MUSEUM	GROUP
Fixed Assets					
Intangible assets	7	64,885	64,885	126,339	126,339
Heritage assets	6b	8,555,829	8,555,829	8,578,402	8,578,402
Tangible assets	6a	558,112	558,112	588,205	588,205
Investments	8	6,538	6,538	7,129	7,129
		<u>9,185,364</u>	<u>9,185,364</u>	<u>9,300,075</u>	<u>9,300,075</u>
Current Assets					
Stock		6,725	115,903	7,561	103,809
Debtors	9	619,214	543,186	419,070	242,878
Cash at bank and in hand	10	392,191	496,908	257,922	377,223
		<u>1,018,130</u>	<u>1,155,997</u>	<u>684,553</u>	<u>723,910</u>
Liabilities					
Amounts falling due within one year	11	<u>(186,810)</u>	<u>(249,311)</u>	<u>(204,892)</u>	<u>(244,249)</u>
Net Current Assets		<u>831,320</u>	<u>906,686</u>	<u>479,661</u>	<u>479,661</u>
NET ASSETS		<u><u>10,016,684</u></u>	<u><u>10,092,050</u></u>	<u><u>9,779,736</u></u>	<u><u>9,779,736</u></u>
UNRESTRICTED FUNDS					
General fund		668,855	744,221	407,085	407,085
Designated fund, heritage property		2,499,438	2,499,438	2,524,151	2,524,151
Total unrestricted funds		<u>3,168,293</u>	<u>3,243,659</u>	<u>2,931,236</u>	<u>2,931,236</u>
RESTRICTED FUNDS	14	6,841,853	6,841,853	6,841,371	6,841,371
ENDOWMENT FUND	15	6,538	6,538	7,129	7,129
TOTAL FUNDS		<u><u>10,016,684</u></u>	<u><u>10,092,050</u></u>	<u><u>9,779,736</u></u>	<u><u>9,779,736</u></u>

The notes on pages 42 to 55 form part of these financial statements.

Approved by the Trustees on 21 October 2020

Guy Elliott
Chairman of Trustees

Bruce Boucher
Deborah Loeb Brice Director and Accounting Officer

Consolidated Statement of Cash Flows for the year ended 31 March 2020

	Note	2020 £	2019 £
Cash Flows From Operating Activities			
Net Cash (Expended)/Provided By Operating Activities		<u>339,489</u>	<u>111,788</u>
Cash Flows From Investing Activities			
Dividends, interest and rents from investments		919	757
Purchase of property, plant and equipment	6a, 6b & 7	<u>(220,723)</u>	<u>(97,438)</u>
Net Cash Used In Investing Activities		<u>(219,804)</u>	<u>(96,681)</u>
Change in Cash and Cash Equivalents In the Reporting Period		<u>119,685</u>	<u>15,107</u>
Cash and Cash Equivalents At Beginning of the Reporting Period		377,223	362,116
Cash and Cash Equivalents At End of the Reporting Period		<u>496,908</u>	<u>377,223</u>

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

		2020 £	2020 £	2019 £	2019 £
Net (Expenditure)/Income For The Reporting Period (As per SOFA)			312,314		(248,340)
Adjustments For:					
Loss on Investments	8	591		1,880	
Dividends, interest and rents from investments		(919)		(757)	
Depreciation Charges - tangible and heritage assets	6	262,353		247,293	
Amortisation Charges - intangible assets	7	72,490		73,665	
(Increase)/Decrease in stock		(12,094)		29,518	
Increase in debtors	9	(300,308)		(13,509)	
Increase in creditors	11	<u>5,062</u>		<u>22,038</u>	
			27,175		360,128
Net Cash (Expended)/Provided By Operating Activities			<u>339,489</u>		<u>111,788</u>

The notes on pages 42 to 55 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 Digital, Culture, Media and Sport, with the approval of HM Treasury, a copy of which can be obtained from the Museum.

The Museum's financial statements consolidate the results of Sir John Soane's Museum and its wholly-owned subsidiary Soane Museum Enterprises Limited (company number 08171280). SME began trading on 27 January 2014. A separate statement of financial activities is presented for each of the Museum and the Group. 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 of SME 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) Income

Grant-in-aid from the Department for Digital, 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. No income has been included net of expense.

Income is recognised when there is evidence of entitlement, receipt is probable and its amount can be reliably measured.

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.

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

c) Expenditure

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 raising funds are those costs concerned with fundraising and trading, see Note 4a.

To provide more useful information to users of the financial statements, expenditure is, as required by SORP FRS 102, classified by the main charitable objects of the Museum, as 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 and are therefore allocated to activities on a basis consistent with the use of the resources, primarily staff time, see Note 4b.

Governance costs are those incurred in the governance of the Museum and are primarily associated with constitutional and statutory requirements, see Note 4d.

d) Taxation

The Museum is exempt under section 505 of the Income and Corporation Taxes Act 1988 from taxes on income arising from the pursuit of its charitable objectives. The taxable profits of Soane Museum Enterprises Limited are distributed to the Museum under Gift Aid rules and no tax liability is expected for the year ended 31 March 2020.

1 Accounting Policies (continued)**e) VAT**

The Museum is currently able to reclaim all input VAT which it incurs.

f) 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 heritage and 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
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. No valuation has been included in the accounts for these assets as appropriate and relevant valuation information is not available; the Trustees do not consider that the cost of valuing them is commensurate with the benefits to the users of the financial statements. The 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.

g) 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. The investments held by the Museum as disclosed in Note 8 are classed as an available-for-sale financial asset.

h) Stock

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

i) Debtors and Creditors

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

1 Accounting Policies (continued)

j) Fund Accounting

Funds are generally not held for grant-making purposes. Unrestricted funds comprise general funds and designated funds, see Note 13. 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 14. The endowment fund represents capital funds which have been donated to the Museum to be held on a permanent basis, see Note 15. 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.

k) Going Concern

These accounts have been prepared on a going concern basis, which the Trustees consider to be appropriate for the following reasons.

The Museum has prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, including the impact of the COVID-19 pandemic, the Museum, in terms of both the parent and the group, will have sufficient funds, through funding from its sponsor department (DCMS), as well as continued fundraising receipts, to meet its liabilities as they fall due for that period.

Whilst it is not possible at this stage to accurately estimate the full financial impacts of the COVID-19 pandemic, the trustees note that the economic uncertainty stemming from measures taken to limit the impact of the pandemic is significantly affecting the Museum's ability to operate normally in the current financial year, which has had a particularly detrimental impact on the revenue generating activities of its trading subsidiary, Soane Museum Enterprises Ltd. The Museum closed to visitors on 18 March 2020 and reopened on 1 October 2020; initially with reduced opening hours. The further lockdown meant that the Museum closed again from 5 November 2020, with plans to reopen as soon as government guidance allowed. In order to mitigate the financial impacts of the pandemic, the trustees have implemented various cost saving measures, appealed to donors and supporters and, with DCMS permission, made use of the Coronavirus Job Retention Scheme. The trustees continue to monitor operations for potential impacts and to manage the associated risks.

Consequently, the trustees are confident that the Museum, as both parent and group, will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

l) Foreign Currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are valued at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

m) 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.

2 Grant-In-Aid from the Department for Digital, Culture, Media and Sport (DCMS)	2020	2019
	£	£
Grant-In-Aid - Resource, unrestricted income	1,058,000	1,003,000
Grant-In-Aid - Capital, unrestricted income	29,000	29,000
Grant-In-Aid - Capital, restricted income	165,000	-
	<u>1,252,000</u>	<u>1,032,000</u>

Resource 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 capital works. DCMS is a related party, see Note 19.

3 Income and Endowments

a) Other donations and legacies	2020 Unrestricted	2020 Restricted	2020 Total	2019 Total
	£	£	£	£
Legacies	221,279	-	221,279	50,000
Other donations and Gift Aid recoverable	648,859	-	648,859	461,236
	<u>870,138</u>	<u>-</u>	<u>870,138</u>	<u>511,236</u>

b) Charitable activities	2020 Unrestricted	2020 Restricted	2020 Total	2019 Total
	£	£	£	£
Grants for salary underwriting	-	143,750	143,750	225,875
Grants for other projects	-	506,747	506,747	333,600
Visitor tours and ticketed events	112,963	-	112,963	76,612
	<u>112,963</u>	<u>650,497</u>	<u>763,460</u>	<u>636,087</u>

c) Other income

Other income of £20,022 (2018-19: £28,184) includes £13,022 in respect of donated services (2018-19: £16,600).

4 Resources Expended

a) Cost of raising funds	Group 2020	2019	Museum 2020	2019
	£	£	£	£
Direct costs, development & fundraising	44,172	18,092	44,172	18,092
Direct costs, communications	43,212	31,150	43,212	31,150
Direct costs, trading, including legal advice	111,757	76,412	13,022	16,600
Direct costs, stock for trading	142,133	157,777	-	-
Allocated staff costs	466,474	446,060	230,548	206,061
Allocated support & governance costs	116,646	103,712	116,646	103,712
	<u>924,394</u>	<u>833,203</u>	<u>447,600</u>	<u>375,615</u>

All direct costs of the Museum's trading subsidiary are included within the cost of raising funds.

The presentation adopted in the Statement of Financial Activities for these costs has been changed since the prior year. Where previously the cost of raising funds was shown as single line, it is now analysed according to three separate strands: development and fundraising; communications; and trading. The purpose of this enhanced analysis is to more clearly indicate the cost involved in fundraising, as separate from trading. Such costs are a key indicator for trusts and foundations when considering applications for grants and charitable support. Prior year figures have been similarly analysed on a consistent basis, to ensure that they are comparable.

4 Resources Expended (continued)

b) Charitable activities, including staff costs see Note 4c

	Buildings £	Collections £	Visitor Services £	2020 Total £	2019 Total £
Building projects	14,713	-	-	14,713	24,101
Building maintenance	214,439	-	-	214,439	196,567
Research, library, archive, digitisation	-	35,627	-	35,627	77,227
General conservation	-	65,045	-	65,045	48,093
Visitor services	-	-	8,945	8,945	9,353
Educational activities	-	-	59,378	59,378	66,057
Exhibitions	-	-	205,051	205,051	106,047
Allocated staff costs (see Note 4c)	216,983	269,272	843,643	1,329,898	1,367,039
Allocated support & governance costs (see Note 4e)	64,639	68,283	256,848	389,770	393,768
31 March 2020	<u>510,774</u>	<u>438,227</u>	<u>1,373,865</u>	<u>2,322,866</u>	
31 March 2019	<u>479,636</u>	<u>489,890</u>	<u>1,116,056</u>		<u>2,288,252</u>

c) Staff costs, see Note 5a

	2020 £	2019 £
Cost of raising funds	466,474	446,060
Buildings	216,983	228,317
Collections	269,272	305,454
Visitor services	843,643	833,268
	<u>1,796,372</u>	<u>1,813,099</u>

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

d) Governance, including staff costs see Note 4c

	2020 £	2019 £
Internal audit - current year	11,900	5,950
External audit - current year (Museum only)	17,000	15,500
Subsidiary audit - current year (HW Fisher & Company)	7,712	5,860
Subsidiary - tax advice (HW Fisher & Company)	600	600
Other administrative expenses	5,920	1,672
	<u>43,132</u>	<u>29,582</u>

The Comptroller and Auditor General is the external auditor of the Museum's Financial Statements. The audit fee for the work was £17,000 (2018-19: £15,500); no other non-audit work was provided.

e) Allocated support and governance costs

	2020 £	2019 £
Cost of raising funds, see Note 4a	116,646	103,712
Buildings, see Note 4b	64,639	59,023
Collections, see Note 4b	68,283	88,956
Visitor services, see Note 4b	256,848	245,789
	<u>506,416</u>	<u>497,480</u>

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

5 Employee and Trustee Information**a) Staff costs**

	2020	2019
	£	£
Salaries	1,371,667	1,451,463
Employer's national insurance	116,300	113,837
Employer's pension contributions, see Note 18	308,405	247,798
Total employment costs	<u>1,796,372</u>	<u>1,813,098</u>
Recruitment	250	1,100
Payroll services, training and other staff costs	12,403	11,343
Total staff costs	<u><u>1,809,025</u></u>	<u><u>1,825,541</u></u>

Total employment costs increased during the year due to increased employer contribution rates associated with membership of the Civil Service Pension Scheme, as detailed in the note on Pension Arrangements.

b) Staff numbers

	2020	2019
	Number	Number
The average number of persons employed (FTE), analysed by function was:		
Cost of generating funds	10.9	10.5
Buildings	6.0	6.1
Collections	6.4	7.7
Visitor services	24.0	24.6
	<u><u>47.3</u></u>	<u><u>48.9</u></u>

The average headcount, defined as the number of staff paid each month during 2019-20, was 74.0 (2018-19: 74.2). This includes casual staff members of 20.8 (2018-19: 20.8).

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:

	2020	2019
£60,001 - £70,000	1	-
£80,001 - £90,000	1	1

These employees are accruing benefits under defined benefit schemes and received no benefits-in-kind.

In 2019-20, the Senior Management Team members received total amounts of benefits (including gross salary, bonus and employer's NIC and pension contributions) of £410,537 (2018-19: £401,638, with the variance a result of the annual pay award for which all staff are eligible).

c) Compensation for loss of office

There were no 'exit packages' awarded to staff leaving during the year (2018-19: Nil) amounting to a total of £Nil. (2018-19: £Nil).

d) Trustees

The Trustees neither received nor waived any emoluments during the year (2018-19: £Nil). Claims for travel by Trustees amounted to £160 (2018-19: £Nil). Expenses paid by the Museum to 3rd parties on behalf of Trustees was £Nil (2018-19: £Nil).

6a Tangible Assets

Museum and Group

	Assets Under Construction	Office Equipment	Fixtures & Fittings	Retail Equipment	Security Equipment	Plant	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2019	-	316,602	185,585	22,066	153,699	463,182	1,141,134
Additions	9,648	5,314	57,683	-	2,148	8,463	83,256
At 31 March 2020	<u>9,648</u>	<u>321,916</u>	<u>243,268</u>	<u>22,066</u>	<u>155,847</u>	<u>471,645</u>	<u>1,224,390</u>
Depreciation							
At 1 April 2019	-	202,353	108,715	17,289	107,755	116,817	552,929
Charge for the year	-	55,934	21,862	2,388	9,582	23,583	113,349
At 31 March 2020	<u>-</u>	<u>258,287</u>	<u>130,577</u>	<u>19,677</u>	<u>117,337</u>	<u>140,400</u>	<u>666,278</u>
Net Book Value							
At 31 March 2020	<u>9,648</u>	<u>63,629</u>	<u>112,691</u>	<u>2,389</u>	<u>38,510</u>	<u>331,245</u>	<u>558,112</u>
At 1 April 2019	<u>-</u>	<u>114,249</u>	<u>76,870</u>	<u>4,777</u>	<u>45,944</u>	<u>346,365</u>	<u>588,205</u>

6b Heritage Assets

Museum and Group

	Heritage Assets	Freehold Heritage Property	Heritage Fixtures & Fittings	Total	
	£	£	£	£	
Cost					
At 1 April 2019	63,675	8,115,863	1,290,497	9,470,035	
Additions	-	-	126,431	126,431	
At 31 March 2020	<u>63,675</u>	<u>8,115,863</u>	<u>1,416,928</u>	<u>9,596,466</u>	
Depreciation					
At 1 April 2019	-	537,673	353,960	891,633	
Charge for the year	-	78,159	70,845	149,004	
At 31 March 2020	<u>-</u>	<u>615,832</u>	<u>424,805</u>	<u>1,040,637</u>	
Net Book Value					
At 31 March 2020	<u>63,675</u>	<u>7,500,031</u>	<u>992,123</u>	<u>8,555,829</u>	
At 1 April 2019	<u>63,675</u>	<u>7,578,190</u>	<u>936,537</u>	<u>8,578,402</u>	
Heritage Assets	2019-20	2018-19	2017-18	2016-17	2015-16
	£	£	£	£	£
Additions	126,431	40,708	69,663	778,533	206,756

6b Heritage Assets (continued)

Museum and Group

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 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 £1,791,280 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. 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 1f, 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.

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 OUTF and Capital Works Projects, have been capitalised and recognised on the Balance Sheet.

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. 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.

Acquisition and Disposal

As a closed collection, the Museum has no programme of acquisition, although some small gifts of books, drawings or letters 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. There have been two cases, historically, where items from the collection have been donated to other charitable institutions with aligned objectives. In these cases any necessary approvals were sought and received prior to disposal. The value of the items had not been included on the Balance Sheet, so there was adjustment to the reported value of heritage assets.

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.

7 Intangible Assets

Museum and Group

Cost	£
At 1 April 2019	409,973
Additions and improvements	11,036
At 31 March 2020	<u>421,009</u>
Amortisation	
At 1 April 2019	283,634
Charge for the year	72,490
At 31 March 2020	<u>356,124</u>
Net Book Value	
At 31 March 2020	<u><u>64,885</u></u>
At 31 March 2019	<u><u>126,339</u></u>

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

Amortisation charges are included in, and apportioned across, Expenditure on Raising Funds and Charitable Activities (excluding Donations).

8 Investments

Museum and Group	2020	2019
	£	£
Market value at 1 April	7,129	9,009
Net gain/(loss) on investment	(591)	(1,880)
Market value at 31 March	<u>6,538</u>	<u>7,129</u>
Historic cost at 31 March	<u>28,920</u>	<u>28,920</u>

The investment is 5,250 Man Group plc ordinary shares of 3 3/7 US Cents each and is listed on a recognised UK Stock Exchange.

9 Debtors

	2020	2020	2019	2019
	MUSEUM	GROUP	MUSEUM	GROUP
	£	£	£	£
Prepayments and accrued income	365,169	370,723	98,550	104,726
Amounts owed by Subsidiary	106,920	-	246,657	-
VAT recoverable	22,685	22,685	18,227	18,227
Other debtors, including Gift Aid recoverable	124,440	149,778	55,636	119,925
	<u>619,214</u>	<u>543,186</u>	<u>419,070</u>	<u>242,878</u>

The Group's trade debtors balance is disclosed net of a provision for bad and doubtful debts of £7,879 (2019: nil).

The Museum's trade debtors balance does not include any such provision (2019: nil).

10 Cash at bank and in hand

	2020	2020	2019	2019
	MUSEUM	GROUP	MUSEUM	GROUP
	£	£	£	£
Cash at bank	390,632	495,250	257,576	376,777
Cash in hand	1,559	1,658	346	446
	<u>392,191</u>	<u>496,908</u>	<u>257,922</u>	<u>377,223</u>

11 Creditors: amounts falling due within one year	2020		2019	
	MUSEUM	GROUP	MUSEUM	GROUP
	£	£	£	£
Trade creditors	50,860	53,358	48,805	54,232
Taxation, social security and pensions	61,193	56,928	54,802	61,156
Accruals	49,282	77,647	87,702	93,702
Deferred income	25,475	61,378	13,583	35,159
	186,810	249,311	204,892	244,249

£13,583 of Deferred Income was released and £25,475 added during 2019-20.

Deferred Income is in respect of services paid for in 2019-20 but to be supplied in 2020-21.

The Deferred Income balance at 31 March 2020 is due within one year.

12 Analysis of net assets Group	Restricted Funds	General Fund	Designated Fund	Endowment Fund	Total Funds
	£	£	£	£	£
Represented by:					
Intangible Fixed Assets	64,885	-	-	-	64,885
Heritage Fixed Assets	6,056,391	-	2,499,438	-	8,555,829
Tangible Fixed Assets	558,112	-	-	-	558,112
Investments	-	-	-	6,538	6,538
Current Assets	162,465	993,532	-	-	1,155,997
Liabilities	-	(249,311)	-	-	(249,311)
Balances as at 31 March 2020	6,841,853	744,221	2,499,438	6,538	10,092,050

13 Unrestricted Funds

Museum and Group

	General Fund	Designated Fund	Total
	£	£	£
Balances at 1 April 2019	407,085	2,524,151	2,931,236
Income	2,744,668	-	2,744,668
Expenditure	(2,432,245)	-	(2,432,245)
Transfers (see below)	24,713	(24,713)	-
Balances at 31 March 2020	744,221	2,499,438	3,243,659

The Designated Fund relates to No.14 Lincoln's Inn Fields and represents the value of the property donated to the Museum in 2004 of £980,000, together with monies spent subsequently on its restoration £1,791,280 less subsequent annual depreciation of £24,713 (as represented by the annual transfer from the Designated Fund to the General Fund).

14 Restricted Funds

Museum and Group	Balances at 1.4.2019 £	Income £	Expenditure £	Transfers £	Balances at 31.3.2020 £
Acquisition Fund	42,620	-	-	-	42,620
Conservation Fund	21,840	-	(10,000)	-	11,840
Exhibition Fund	93,038	271,795	(218,351)	-	146,482
Library Fund	48,113	-	-	-	48,113
Education Fund	45,180	74,091	(73,701)	-	45,570
Masterplan Construction Fund	5,925,401	-	(143,860)	-	5,781,541
Other Restricted Projects Fund	83,394	304,611	(229,243)	-	158,762
Capital Works (DCMS)	581,785	165,000	(139,860)	-	606,925
Total	6,841,371	815,497	(815,015)	-	6,841,853

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 Construction Fund relates to expenditure on the development phase of OUTS;
the Other Restricted Projects Fund relates to funds raised to support specific projects identified by the Museum; and
the Capital Works Fund relates to expenditure on capital projects funded by DCMS Capital Grant received in 2016-17.

15 Endowment Fund

Museum and Group	Total £
Balance at 1 April 2019	7,129
Net loss on investment assets	(591)
Balance at 31 March 2020	6,538

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.

16 Capital Commitments

At the balance sheet date the Museum was contractually committed to the sum of £9,498 for all capital projects (2019: £Nil).

17 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.

18 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 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 2019-20, employer's contributions of £298,093 were payable to PCSPS (2018-19: £238,112) by 48 members (2018-19: 49) at one of four rates in the range 26.6% to 30.3% (2018-19: 20.0% to 24.5%) of pensionable pay, based on salary bands and £9,799 to non-PCSPS schemes for non-PCSPS members (2018-19: £16,009). The PCSPS's Actuary reviews employer contributions every four years following a full scheme valuation. From 2019-20, the contributions based on salary bands are in the range of 26.6% to 30.3%. The contribution rates are set to meet the cost of the benefits accruing during each year to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

19 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 DCMS. These transactions are shown in Note 2.

An independent charitable company Sir John Soane's Museum Trust (SJSMT Trust) was set up in February 2012, of which the Director and one Trustee of the Museum (Basil Postan), are Trustees. Four of the six Trustees in addition to the Director and one Trustee of the Museum, are independent. As the representatives of the Museum (i.e. the Director and the one Trustee) are in a minority and routinely recuse themselves by formally abstaining from Board decisions referring to the Trust's relationship to the Museum, including grant-giving and other matters, 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 £7,000 (2018-19: £7,000) for fundraising and administrative services. In 2019-20 the Museum applied for and received unrestricted donations of £235,000 (2018-19: £200,000) from the Trust's Catalyst Endowment Fund for general purposes.

The Director, Deputy Director, Director of Commercial & Operations, 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 2019-20, the Museum received donations of £288,861.74 from the Foundation for various projects (2018-19: £262,837).

During the year the Group provided a net credit against commercial services previously billed to Trustees and their related parties of £315 (2018-19: payments totalling £8,819). The Group purchased services from the related parties of Trustees for payments totalling £1,978 (2018-19: £330).

A number of Trustees and their related parties, or related parties of SME Directors, are members of the Museum's Patrons' Circle or the Inspectress's Fund. The amounts paid in 2019-20 in respect of the benefits provided to these members totalled £6,750, of which £1,250 relates to future periods.

Please refer to the Remuneration Report and Note 5 for details of remuneration for key management personnel.

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

7 Trustees (2018-19: 4) donated a total of £93,850 (2018-19: £46,250) to the Museum for various fundraising campaigns.

Balances of £108 were owed by the Group to related parties as at 31 March 2020 (31 March 2019: £nil). There were no outstanding balances due from related parties as at 31 March 2020 (As at 31 March 2019: £Nil).

20 Trading Subsidiary

The Museum's trading Subsidiary, Soane Museum Enterprises Limited (SME Ltd), 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 1a for further information on its constitution. A summary of the results of the subsidiary are shown below:

	2020	2019
	£	£
SME Ltd: Profit and Loss Account		
Turnover:		
Room Hire/Filming & Reproduction Fees/Licensing/Retails Sales	625,668	644,090
Visitors	91,546	55,194
	717,214	699,284
Cost of Sales	(197,928)	(192,977)
Gross Profit	519,286	506,307
Administrative Expenses	(326,242)	(319,757)
Trading Profit, Profit on Ordinary Activities before taxation	193,044	186,550
Taxation	(17,678)	-
Profit on Ordinary Activities after taxation	175,366	186,550
Payable under gift aid to Museum	(100,000)	(186,550)
Retained Profits in Subsidiary	75,366	-
SME Ltd: Balance Sheet		
Tangible Fixed Assets	-	-
Current Assets	249,051	286,015
Current Liabilities	(73,683)	(99,463)
Provision: Payable under gift aid to Museum	(100,000)	(186,550)
Net Assets	75,368	2
Share Capital	2	2
Reserves	75,366	-
Total Funds	75,368	2
Reconciliation from the SME Ltd P&L Account to the Consolidated SoFA		
Income included in Consolidated SoFA		
SME Ltd Turnover (Room Hire/Filming & Reproduction Fees/Licensing/Retails Sales)	625,668	644,090
Plus: Museum Trading Income	27,958	22,643
Total Income from Other Trading Activities	653,626	666,733
Income included in Consolidated SoFA		
SME Ltd Turnover (Visitors)	91,546	55,194
Plus: Museum Unrestricted Charitable Income	21,417	21,418
Total Unrestricted Income from Charitable Activities	112,963	76,612
Trading costs included in Consolidated SoFA		
SME Ltd Cost of Sales	197,928	192,977
SME Ltd Administrative expenses	326,242	319,757
SME Ltd Taxation	17,678	-
Plus: Museum Development Fundraising and Trading costs	447,600	375,615
Less: Costs Recharged to SME by the Museum	(65,054)	(55,146)
Total Expenditure on Raising Funds	924,394	833,203

The gift aid payable of the Subsidiary's trading profit to the Museum, as agreed by the Directors of the Subsidiary, has been included in the Subsidiary as a Profit and Loss Account Reserve Movement in line with best accounting practice.

21 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 44% of the Museum's unrestricted income is provided as Grant-in-aid from the Department for Digital, Culture, Media and Sport (DCMS). 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 debtors, excluding amounts due from its subsidiary, 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 (2018: £Nil). The Group's trade debtors balance is disclosed net of a provision for bad and doubtful debts of £7,879 (2019: £Nil), which relates to amounts due from subsidiary licensees.

Interest Rate Risk

The Museum is not exposed to significant interest rate risk as it earned less than £1,000 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 for receipt and then timely conversion to the GB pounds sterling bank account.

Investment Risk

The investment 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 owing to their immateriality and therefore, a fall in dividends is not considered a risk.

22 Post-Balance Sheet Events

The annual report and accounts were authorised for issue by the Accounting Officer and Trustees on the date they were certified by the Comptroller and Auditor General. There were no reportable events between 31 March 2020 and the date the accounts were authorised for issue.

