

Registered Charity No: 1139250

MUSEUM OF LONDON

**Governors' Report and
Financial Statements for the year ended
31 March 2023**

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CHAIR'S STATEMENT

Throughout the year I have been reminded that transformation takes time, and requires deep reserves of patience. As the world emerged from a pandemic, struggled with a cost of living crisis and navigated everything from war to the climate emergency, delivering something boundary-pushing can seem an insurmountable challenge. But that's exactly what we're committed to doing with the new London Museum in Smithfield.

Our persistence, clear vision and passion for this project is entirely matched by our partners at the City of London Corporation and the Greater London Authority, whom I thank unreservedly for their ongoing support. Additionally, renewed Arts Council England National Portfolio Organisation funding for the next three years has been significant in building further momentum around the London Museum in Smithfield.

The Project site is now almost entirely unrecognisable compared to a year ago, a tantalising glimpse of what the future holds. This year provided another in a series of milestones in its development: the unanimous approval of our re-submitted planning application that gave the green light to this once-in-a-generation opportunity.

It is hugely gratifying that everyone can see the huge potential behind our vision for the London Museum. Investors like Bloomberg Philanthropies have contributed £1m via their Digital Accelerator for Arts and Culture programme to develop a best-in-class, truly transformative digital experience for our future audiences.

We ended the 2022/23 financial year with our Capital Campaign total standing at £37m; including a £1m donation from the Wolfson Foundation and a £500k donation from another individual donor (who wishes to remain anonymous). This has brought our fundraising to 93% of the £40m target for the General Market. There's more to do, but we are well on the way!

I would like to thank all my fellow Governors for their invaluable contributions and commitment as part of the Museum's Board, particularly Evan Davis, Milyae Park and Gail Tolley whose terms of appointment ended this year. Indeed the last twelve months saw considerable change in membership, as we welcomed seven new appointments to the Board: Alderman Gregory Jones KC, Prof Sir David Cannadine, Alice Black, Paul Fuller, Ijeoma Okoli, Simon Morris, Charlotte Twynning (approximately 40% change). My extended thanks to David Camp and Prof Sir Rick Trainor, former governors who continue to lend their expertise chairing the New Museum Project Board and the Academic Panel respectively.

On behalf of all the Board of Governors, I congratulate Director Sharon Ament and her whole team for their dedication to ensure that the Museum continues in its quest to transform itself and, in doing so, reconfigure how a city museum interacts with the world. This is no small feat.

With the advent of a new Strategic Plan for the next five years to refresh and sharpen our focus, I look forward to continued collaboration over the course of the next year, in dialogue with our audiences, stakeholders and the remarkable team at the Museum.

Clive Bannister,
Chair, Museum of London Board of Governors

FOREWORD BY SHARON AMENT, MUSEUM DIRECTOR

I have no doubt that 2022/23 will go down as one of the most significant years in the life of the Museum of London. After 46 years of welcoming over 21.5 million people to 150 London Wall, we closed the site as a visitor attraction and bid farewell to the Museum of London as our visitors know it.

The task of closing the Museum of London in December 2022 was a huge endeavour taken on fearlessly by our entire team. The final six-month events programme culminated in two of the Museum's busiest weekends ever, seeing us welcome a total of 24,000 people through our doors, deliver our first ever 24-hour opening and take record-breaking shop sales.

At the conclusion of these festivities, we hosted a party to thank Museum of Londoners past and present for the indelible role they played in London Wall's success. I'll never forget the energy and emotion that last weekend, as hundreds of colleagues and friends from many years reconnected and paid their respects to the building and displays that they knew so well.

Never one to rest on our laurels, the careful decant of the objects from the London Wall galleries began immediately in January 2023. It is a hugely complex undertaking and excellent progress is already being made. By the end of the financial year, approximately 25% of the objects previously on display in galleries at London Wall had been removed and audited, ready to be moved to a new home.

We have transformed into a new mode of being as a one-museum organisation, with Museum of London Docklands taking centre stage. Docklands has taken on the mantle with great energy and phenomenal visitor numbers in its 20th anniversary year, bolstered by sold-out family festivals and the sustained success of the Mudlarks gallery, especially amongst neighbouring communities. Furthermore these activities benefitted from the rejuvenating leadership of Douglas Gilmore, Managing Director of Museum of London Docklands, who joined the Executive Team in April 2023.

No year ever runs entirely smoothly however, and while the highs were unforgettable, we also encountered some bumps along the way. Executions, our first paid-for exhibition at Museum of London Docklands in over a decade, had a challenging run. Despite attracting many new visitors to the Museum, overall numbers were not as strong as we would have hoped, hampered in part by the cost of living crisis. Elsewhere an emergency arose from an influx of sewage into the galleries in London Wall as a result of increasingly decrepit buildings, threatening the state of our Collection. Consistently, it is the tenacity and creativity of the Museum team that has kept the organisation moving forward, whatever is thrown at us.

A wide range of activity is outlined in this annual report, it gives a unique and comprehensive indication of the extraordinary diverse nature of our business. There's a surfeit of innovative examples that illustrate how we are impacting the lives of people and how we are engaging with London through our content, communications, learning and digital channels. I am inordinately proud of what the whole Museum team has accomplished.

Before you dig in to the story of the Museum over the last twelve months, I'd like to say a heartfelt thank you to everyone who continues to share in this great collective endeavour: my colleagues, the City of London Corporation, the Greater London Authority, Arts Council England, and all our supporters, our volunteers, our Academic Panel and the many, many people who lend their advice and expertise such as those who sit on our London Sugar & Slavery gallery Advisory Group.

As a CEO I know the importance of great governance which we have in spades with the Museum's Board of Governors and our Chair, Clive Bannister. Thank you all for your collaboration, curiosity and deep knowledge. As we launch our Strategic Plan for 2023/24 - 2027/28 and embark on a new year of transformative changes and stretching targets, I am grateful for the terrific team we've got around us and excited about what the future holds.

Sharon Ament
Director, Museum of London

GOVERNORS' ANNUAL REPORT

GOVERNING OBJECTS AND PUBLIC BENEFIT

Our principal governing document is the Museum of London Act 1965 (as subsequently amended). This requires the Board of Governors to:

- (a) care for, preserve and add to the objects in their collections;
- (b) ensure that those objects are exhibited to the public and made available to persons seeking to inspect them in connection with study or research;
- (c) generally promote understanding and appreciation of historic and contemporary London and of its society and culture, both by means of their collections and by such other means as they consider appropriate; and
- (d) take any action as they think necessary or expedient to fulfil the aims and objectives of the museum as set out in legislation.

The Charities Act 2011 ("the Act") requires charities to publish details of the public benefit they deliver. The Governors believe that the museum delivers charitable benefits under two of the headings allowed by the Act; firstly and primarily through the advancement of the arts, culture, heritage or science and secondly through the advancement of education.

As entrance to Museum of London Docklands is unrestricted and is free, the Governors believe that there are no unreasonable restrictions on access to the benefits which are therefore available to the public in accordance with the definition of the Act.

However, in order to facilitate the considerable amount of work needed to move to the London Museum's new site in Smithfield, including the dismantling and conserving of objects previously displayed at London Wall, the Governors agreed to close the London Wall site to the public in December 2022, after 46 years.

This decision was quickly communicated to the Department of Culture, Media and Sport (DCMS), outlining potential changes to Museum of London's offering in regards to free admissions. DCMS confirmed that it is content under Section 33A of the VAT Act 1994 (the VAT refund scheme supporting the provision of free access to museums and galleries in the UK) to allow organisations to continue to reclaim VAT during such capital works, so long as the closure is due to something temporary and planned, with a definite date of re-opening or relocation, and that they continue to have the intention to fulfil the rest of the criteria.

With this confirmation received, the Governors believe that the remaining requirements of disclosure placed on charities by the Act are met within the Governors' Report set out below.

STRATEGIC OBJECTIVES

The objectives in our Strategic Plan (2018-2023) provide the framework for all that we did. These were to:

- Reach more people
- Become better known
- Stretch thinking
- Engage every schoolchild
- Stand on our own two feet

In 2022/23 we have delivered our objectives through:

Welcoming visitors to our museums and offering compelling content and programming

- This year, 321,605 visits were made to the Museum of London (London Wall) between April – December 2022, including continuing corporate hire visits to March (+17% target, and 68% of 2019/20 pre-pandemic figures across the same April – December period)
- Museum of London Docklands welcomed 266,967 visits across the full financial year (+30% target, 89% of pre-pandemic 2019/20 figures)
- The momentous closing weekend of the Museum of London's London Wall site broke records: including the most visitors in one day (7,422) and the greatest number of visitors over a weekend (12,980). The final *London's Greatest Weekends* festival also included the Museum's first ever 24-hour opening where we welcomed 1,704 overnight visitors (5pm-10am)
- At London Wall, *Harry Kane: I want to play football*, a display celebrating world-leading striker and England captain Harry Kane and *Grime stories: from the corner to the mainstream*, which honoured the music, people and places central to the Grime scene, both brought new, diverse and inspired audiences into Museum of London
- *Executions* opened on 14 October 2022, the first charged-for major exhibition to be hosted at the Museum of London Docklands for over a decade. Exploring the phenomenon of public execution in London's history over 700 years through the stories, objects and legacies of those that lived, died and witnessed the events, the exhibition had welcomed 25,456 visitors by the end of financial year
- Our youngest visitors have been enjoying time in our dedicated family's space, *Mudlarks*, which continued to be a key community asset for local families, evidenced by over 80,484 visits this year
- In the *London, Sugar & Slavery* gallery our community-led *Feeding Black* exhibition closed, which explored the role food plays in Black enterprise and identity in South East London. We collaborated with Black-owned businesses for this display, as part of a year-long pan-London collecting project on the topic of food
- Confirming Museum of London Docklands' successful engagement with families, we were once again shortlisted for the Kids in Museums Award and were highly commended by the families on the judging panel. We also received our third consecutive Sandford Award, which acknowledged the 'imagination and sensitivity' of the Museum's Learning offer.

Connecting with many more people beyond our walls through digital and media activity

- Just under 2.2m people visited Museum of London's website over the course of the year. Our social media audiences for the year ended 31 March 2023 were:
 - Twitter followers: 137,207 (+3.6% growth YoY)
 - Facebook followers: 184,601 (+3.6% growth YoY)
 - Instagram followers: 108,838 (+10.9% growth YoY)
 - TikTok followers: 28,900 (+2.42% growth YoY)
- Overall, we saw audience growth across all of our social channels, despite the challenging climate. Instagram was particularly impressive, surpassing targets by over 3,000 followers

- We saw 2,198,041 total visits to our website (down 24% on 2021/22 figures) a decrease due to various factors, including the end of General Admission ticketing, London Wall's closure to visitors and our new, vitally necessary CookieBot implementation, which will give us better understanding of 'engaged' user as opposed to those who clicked on our website by mistake
- Our Discover blog gained over 445,000 page views with online audiences, amounting to 6.65% of all Museum of London website traffic. Pearly Kings & Queens, Suffragettes and the Great Fire continued to be the most popular topics. Discover was named one of Feedspot's 20 Best London History Blogs and Websites in January 2023, a fitting recognition of its quality content
- Museum of London featured in 3,039 pieces of media coverage across the year. Notable stories included a live interview with Curator Zeynep Kussan on Sky Sports Breakfast (alongside ex-professional footballers Trevor Steven, and Clive Allen) to support *Harry Kane: I Want to Play Football*, the announcement of fabric as the new museum's 'nightclub in residence', the announcement of approved planning permission for the New Museum Project's re-submitted and updated plans, and testing of the Trump Baby blimp ahead of its accession into the London Collection

Adapting our organisation, transforming ourselves and responding to challenges and opportunities

- A new three year strategy for Museum of London Docklands was developed, *Moving Centre Stage*, that aims to extend Docklands' successes, change audience perceptions of the museum, establish it as a leader in the developing east London cultural milieu, increase its importance, beyond London and the UK, and improve its social, economic and environmental impact
- Museum of London Transforms moved from being a high-level strategic idea to a clear programme of change. We identified nine different areas and associated activities that will enable us to transform ourselves long-term into the very best city museum in the world
- Managing an aging estate and associated infrastructure has been challenging this year, with a high number of reactive works and unplanned expenditure, including replacing small plant and failed lift components, as well as replacing the local air conditioning units to server rooms. Two major leaks to London Wall and Docklands have caused significant disruption and exposed inherent vulnerabilities with shared services to Bastion House also on London Wall
- The launch of the Elizabeth Line in May 2022 ensured that, physically, our current and future sites are the best-connected museums in London. Indeed, both our museums are now just a few stops from every London airport and, via St Pancras International Station to Paris and the rest of Europe, opening up huge potential for increased domestic and international visitor engagement
- Overall our shops, cafes, restaurants and venue hire business generated income of £1.7m which was in line with target and marked an encouraging return to pre-pandemic numbers
- The component parts of our dynamic, boundary-pushing new London Museum brand were formally signed off by the museum at the end of the financial year, along with a decision to launch our new visual identity – and our new name - in summer 2024
- The Lunar Weekend Festival in January 2023 broke retail records at Museum of London Docklands and was followed by our busiest ever February half term week for shop sales. Similarly, after the conclusion of our final weekend at London Wall, the shop barely had anything left on its shelves, with queues of customers still snaking round the museum long past closing
- Museum of London Docklands made great strides in its aim to increase accessibility to all audiences, through infrastructural improvements like a Changing Places toilet facility, Quiet Room and Faith Room, guided and multi-sensory tours, improved Access Awareness training for the team and the introduction of quiet times each Monday from 3pm
- Continuing our commitment to deep-rooted innovation and best-in-sector digital systems, we secured £1.5m from external funders including Bloomberg Philanthropies via its Digital Accelerator for Arts and Culture programme, to help deliver the foundation phase of our digital roadmap. As a result we have appointed

excellent design and technical agency partners - Bureau for Visual Affairs and Torchbox - to deliver a new website, purchase path (the way in which visitors can buy products) and online collection

- As part of our drive to become a more equal, diverse and inclusive museum, we concluded the consultation phase of our collaborative *Advancing Equity* research project. Resulting outputs include developing and distributing a tool for culture change, alongside a Race Equity Action Plan (REAP) which will become a component part of our new Equity, Diversity and Inclusion (EDI) Strategy
- In June 2022 we were awarded a Bronze in the MIND Wellbeing Index, which celebrates the good work that employers do to promote positive mental health, a remarkable achievement for a first time submission
- Towards the end of the year, we collaborated with our colleagues at the GLA on the announcement of a landmark memorial in the capital for the victims of the transatlantic slave trade. It will be located near the Museum of London Docklands and will be accompanied by a number of 'satellite sites' that will connect with different stories of slavery across the city

Creating compelling programming with distinctive content about London and its people

A rich and varied programme was on offer as we thrilled audiences this year, with imaginative exhibitions and events designed to appeal to the interests of our many different visitors. Every year is different and highlights from 2022/23 are captured below.

DISPLAY

HARRY KANE: I WANT TO PLAY FOOTBALL

Museum of London celebrated one of the city's sporting heroes with a new display focusing on world-leading striker and England captain Harry Kane. Harry's story of persistence, hard work, resilience, and sporting achievement was a huge draw for audiences visiting the Museum for the first time.

21 May – 4 Dec 2023

DISPLAY

GRIME STORIES: FROM THE CORNER TO THE MAINSTREAM

Co-curated by Rooney 'RiskyRoadz' Keefe, Grime Stories was a free display that honoured the history of the genre, the community at its heart and its roots in East London.

17 Jun – 4 Dec 2023

EXHIBITION

EXECUTIONS

This major Museum of London Docklands exhibition showcased a range of fascinating objects, paintings and projections, including the vest said to have been worn by King Charles I when he was executed, a recreation of the Tyburn gallows and much more.

14 Oct 2022 – 16 Apr 2023

FAMILY FESTIVAL

LUNAR NEW YEAR

Working closely with its neighbouring communities, Museum of London Docklands once again hosted a Lunar New Year Festival, including a range of free activities for the whole family that welcomed a record-breaking 6,288 visitors over the weekend.

21-22 Jan 2023

SPECIAL EVENT
LONDON'S GREATEST WEEKENDS

Marking the closure of the London Wall site after 46 years, London's Greatest Weekends were two spectacular free weekend festivals which included DJ sets, immersive theatre, and late-night cinema. For the first time in its history, the Museum remained open for 24 hours, allowing visitors a last chance to see its galleries and collections.

26-27 Nov & 3-4 Dec 2023

FAMILY EVENT
DODGER TRAIL

At Docklands, the Museum launched a brand-new, immersive family trail based on the BAFTA-winning BBC series *Dodger*. This activity was created in collaboration with Universal International Studios and the BBC.

11 Feb 2023

HYBRID EVENT
WOMEN: WITCHES AND WENCHES

Museum of London Docklands hosted a special, sold-out event on International Women's Day that explored stories of accused women, marginalised 'magic' and subsequent experiences of public punishment in the capital.

8 Mar 2023

DEVELOPMENT EVENT
**DRINKS RECEPTION AT
THE GOLDSMITHS' HALL**

As part of our closing events a drinks reception was held at the Goldsmiths' Hall. 77 guests attended and heard speeches from the Goldsmiths' Company Prime Warden, Lord Mark Bridges KCVO, Museum Chair Clive Bannister and Deputy Mayor for Culture & the Creative Industries, Justine Simons OBE.

30 Nov 2022

Developing our relationship with Londoners and shaping the new museum

- 328 volunteers contributed their time and skills with us in many different ways over the year. We achieved our Investing in Volunteers re-accreditation in March 2023, which is the UK quality standard for good practice in volunteer management
- We appointed a wide-ranging expert panel of advisors to act as critical friends for our *London, Sugar & Slavery* gallery. Their appointment will continue to inform and challenge our work and enable us to reflect contemporary research and discussions in the gallery, stewarded by our newly appointed Senior Curator (Docklands History and Legacies), Jean-François Manicom
- In early 2022/23 brand strategists Something More Near and design agency Uncommon captured inspiration for our new brand from various different external groups; through workshops with schoolchildren, a foyer wall installation at London Wall and through a consultation group called the "Book of Boroughs" - a collection of individuals and organisations from each of the capital's 32 Boroughs and the City of London who have 'made their mark on London'
- The 2022/23 ACE-funded *Curating London* collecting project focused on sport – what it looks like in London today, and what it means to Londoners, both as participants and as fans. A series of mini-projects engaged collaborators and community partners across London, with the aim of identifying and collecting items that convey Londoners' lived experiences
- The *Listening to London* project, supported by The Esmée Fairbairn Collections Fund and delivered by the Museums Association, was completed at the beginning of the year. It offered communities the opportunity to engage with our rich oral history collection, the first of many future projects that will enable Londoners to work with our collections and add their knowledge to ours
- *The University of Repair*, a year-long collaboration with Decolonising the Archive that reinvigorated our approach to the *London, Sugar & Slavery* gallery, also drew to a close this year. Masterclasses and a

conference that focused on affirmative approaches to undocumented, challenging histories took place at the Museum of London Docklands in April and May 2022

- In early December 2022 we hosted our annual Engagement Winter Party, where we welcomed 225 community partners and project participants to celebrate their work with the Museum over the last year. The evening included speeches and performances from partners and our cohort of Black Heritage London Young Producers, celebrating and deepening the relationships we have with London's diverse communities

Connecting young Londoners to their city and each other through our creative offer for schools and families

- Almost 115,000 people took part in our schools and family programmes over the course of the year, reflecting a major step towards returning to pre-pandemic levels of demand. We provided work experience placements at London Wall and Docklands to 30 students, aged between 15 and 17, from the City of London Family of Schools
- Thanks to support from the Kusuma Trust, and in collaboration with BBC100, we ran the *My London Story* programme throughout 2022/23, engaging 1,335 pupils in performances, workshops and museum visits exploring the concepts of belonging and identity. As a result we have created 36 video histories from individual pupils for the London Collection, capturing a snapshot of the diverse lived experiences of children and their relationship with their city
- We worked in partnership with the University of Leicester to deliver the AHRC (Arts and Humanities Research Council) funded *Reimagining the Restoration* project, developing more inclusive ways of teaching. This included five workshops in three London schools for D/deaf children focusing on the Great Fire of London and the deaf Londoners described in Samuel Pepys' diary
- The Culture Mile Learning team brought 11 schools from the City of London Family of Schools and illustrator Lauren Veevers together to create work for the digital artwork, [Through Our Eyes](#). This shows London through the eyes of school students and is made up of landmarks of importance drawn by over 800 pupils
- The Culture Mile Learning team also assessed 272 applications to the Culture Mile School Visits fund. The fund provides grants to schools in disadvantaged areas of London enabling class visits to the cultural venues supported by the City of London Corporation
- We worked with [Spread the Word](#), London's writer development agency, to host a collection of performative interventions, [Freedom Seekers of London](#), as part of community consultation around the *London Sugar & Slavery* gallery
- We ran two Arts Council England funded Black Heritage London Young Producers projects in partnership with Numbi Arts and Languid Hands. The projects involved eight Young Producers aged 16-24 and were designed to equip young people with the skills, experience and training needed to open up routes into employment in the cultural sector

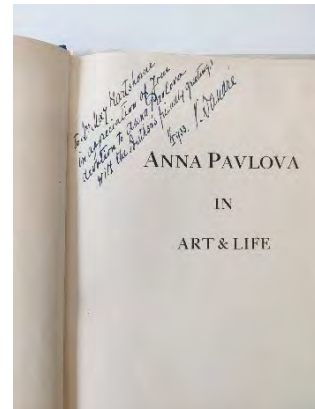
Building the London Collection and telling London's stories

- During the year we answered over 2,200 public enquiries about our collections, enabling public access to and engagement with our content
- We were successful in our bid for continued Arts Council England National Portfolio Organisation (NPO) status. This funding will enable us to embark on a major collecting project with 1,000 young Londoners, create new opportunities for digital access to our collections and launch a major initiative to capture Londoners responses to the climate crisis
- This year the London Collection was increased by 100 new acquisitions, representing a total of 545 individual objects. Exciting new objects and stories include:

A **bridesmaid's dress** for a Jewish wedding in the 1950s by Jill Fulcher, who worked for the fashion house Rahvis. Although Rahvis was a well-known brand, there are very few Rahvis designs in museum collections, and they rarely come up for sale. This acquisition forms part of ongoing research into Jewish couturiers and fashion-makers in London for an exhibition at Museum of London Docklands in 2023/24.



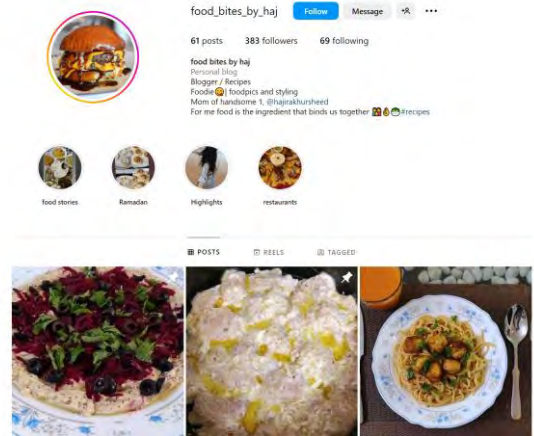
Letters and documents relating to the life of the dancer Anna Pavlova, whose costume and dress items are highlights of the Dress and Textiles collection. The new acquisition includes an apparently unique contemporary narrative of her death by Pavlova's partner/husband Victor Dandré.



A set of costumes worn by the iconic EastEnders character Dot Cotton (played by June Brown), including her famous trench coat and launderette outfits.



A group of six Instagram stories by the social media influencer @haj_bites, who posts content about Halal food in London – the six stories focus on luxury burger outlets. This acquisition was part of the London Eats collecting programme.



In addition, our Sport collecting programme provided several acquisition highlights:

A film about Barakah LDN, a group created by three young Muslim Londoners for Muslim women in Fulham. The film documents what the Barakah LDN community means to them and documents it is actively changing the lives of women and girls through sport.



A set of dominoes from Ernest Theophile, a member of a group that has played dominoes in Maida Hill market square in north-west London for over a decade. In 2022, Theophile won a court.



Progressing our plans to create a new museum for London

- Throughout the year we maintained the momentum needed to achieve our staged opening of a new London Museum in Smithfield, with a major milestones reached when our updated planning application received unanimous approval in November 2022
- The decant of the objects from the London Wall galleries began in January 2023 – a hugely complex undertaking – and excellent progress is being made. At the end of the financial year, approximately 25% of the objects previously on display at London Wall had been removed and audited. Of the objects planned to go into new museum gallery space *Past Time*, 75% have been treated by Conservation and approximately 1,000 objects have been photographed
- Sir Robert McAlpine Ltd was appointed as the Construction Management company in late 2022, partnering with the Museum to deliver the approximately 85 trade packages that will make up the Main Works and deliver the base build for the new museum in Smithfield

- Looking at the fabric of the new building itself, this year saw the development of the huge layered stair that connects *Our Time* to *Past Time*, a stunning architectural feature. The project confirmed that it was on track to achieve BREEAM Outstanding upon practical completion, the highest rating available
- Reflecting the diversity of London stories and voices at our new site, we also collaborated with a collection of internationally recognised writers, including Inua Ellams, Michael Rosen and Amy Sackville, to co-develop the interpretation panels within the *Past Time* gallery spaces
- The Capital Campaign total stands at £37m, including a £1m donation from the Wolfson Foundation and a £500k donation from an individual donor. This has brought our fundraising to 93% of the £40m target for the first stage of project focused on the General Market in Smithfield
- Over the course of the last financial year, ground work has been laid for many significant donor applications including a £20m and a £5m application which were submitted in 2022/23. Of which, £5m has been confirmed and we are currently awaiting a decision on the £20m. During this period 404 people attended development events, 119 donor meetings were held and 92 site tours were conducted

2022/23 KEY PERFORMANCE INDICATORS

Area of activity	2021/22 Actual	2022/23 Target	2022/23 Actual
Visits made to Museum of London (London Wall) ^[1]	206,270 (reopened on 19 May 2021)	275,000	321,605 (+17% target)
Visits made to Museum of London Docklands	103,891 (reopened on 19 May 2021)	205,000	266,967 (+30% target)
Visits to the <i>Executions</i> exhibition ^[2]	n/a	60,443 (14 Oct – 31 Mar 23)	25,456 (14 Oct 2022 – 31 Mar 2023, -58% target)
Visits to the <i>London: Port City</i> exhibition ^[3]	17,319	4,286	6,497 (+51% target)
Schoolchildren visiting the museum or taking part in our schools programme	50,476	55,000	78,117 (+42% target)
People taking part in family events and activities	16,302	18,000	36,610 (+103% target)
Visits to the museum website	2.9m	3.6m	2.2m (-39% target)
Media articles generated	1,854	4,830	3,039 (2,568 LW + 471 Docks, -37% target)
Trading income generated	£1.1m	£1.7m	£1.7m (on target)

^[1] London Wall site was open to visitors 01 April to 04 December 2022.

^[2] Executions exhibition ran 14 October 2022 to 16 April 2023.

^[3] London: Port City exhibition open until 8 May 2022.

FUTURE PLANS

- 2023/24 is the first year of our new Strategic Plan and a new chapter for the Museum of London. Our overarching vision and direction has been set and we are now in a position to add greater definition and momentum to our forward plans with the following strategic objectives:
 - **Build our new future**
 - **Reach more people, than ever before**
 - **Stretch thinking**
 - **Engage all young Londoners**
 - **Transform ourselves, for a better world**
- Despite having closed our doors to visitors at our London Wall building, the site will continue to be the engine room for the creation of an entirely new museum. We will be busier than ever before with the business of being a museum, producing outstanding content, preparing and planning for the long term future of the London Collection and realising a completely new set of operations. This endeavour is of a colossal scale, harnessing the collective efforts of thousands of people from Londoners to our funders and partners to our teams of staff and volunteers.
- Focusing on the New Museum Project in 2023/24, all of the Early Works and Structural Works currently onsite will be completed over the course of the next year, as will design for the *Our Time* gallery space. We will appoint an exhibition build contractor for *Past Time*, and begin the production of key exhibition elements such as showcases for the new, world-class permanent galleries.
- This year is a significant 'step change' for the organisation, as we ramp up activity through focusing on the New Museum Project delivery, our ambitious Museum of London Docklands Strategy and our new Arts Council England (ACE) National Portfolio Organisation 2023 – 2026 Programme. There will be an emphasis on further strategy development and progression across a number of key areas, from Equity, Diversity and Inclusion (EDI) to Fundraising. Collectively, this work forms a wide-ranging programme of transformation as we prepare to become a new organisation that is ready to inhabit Smithfield, a shared place in the middle of it all, where London's stories cross and collide.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Incorporation and status

The Museum of London was established by the Museum of London Act 1965 and was opened in 1976. It is governed by the Museum of London Act 1965 (as subsequently amended) and the Greater London Authority (GLA) Act 2007. Since December 2010 it has been a registered charity, number 1139250.

As at 31 March 2023 the museum had 4 subsidiaries: Museum of London (Trading) Limited, and the London Museum, Joicey and Mackenzie Bell Trust Funds and therefore presents consolidated financial statements.

The reference and administrative details on pages 59 to 60 form part of this report.

Governor recruitment, appointment and induction

Governors (who are also the Trustees under charity law) are appointed in equal number by the GLA and the City of London Corporation in accordance with the requirements of the Museum of London Act 1965 (as subsequently amended) and guidance issued by the Commissioner for Public Appointments. The Governors serve for up to four years and are eligible for re-appointment by their sponsoring body.

The Chair is recruited in line with best practice Charity Commission guidelines and is appointed by the Board and the term is in line with the office of a Governor. When Board vacancies arise, the Chair of the Board is responsible for advising the GLA and the City of London Corporation of the needs of the museum with a view to ensuring a proper balance of expertise, including professional and financial expertise, and that the balance of GLA and City of London Corporation appointments is maintained.

Governor induction is managed by the office of the Director of the Museum of London. The standard induction procedures are that Governors receive a copy of the Museum's Code of Practice for Governors which describes the committee and management structure and the duties and responsibilities of Governors. To underline the importance of Governors' responsibilities the procedures require Governors to sign to confirm that the Code of Practice has been received and is understood. Induction procedures require that Governors also receive the Museum of London Acts together with the museum's Financial Governance Manual, Strategic and Business Plans, Annual Report and Financial Statements, the Museums Association's Code of Ethics and Charity Commission guidance documents on trusteeship, good governance, conflicts of interest, and the "hallmarks of an effective charity". The Nolan principles form the foundation of the Governors' induction.

The Director of the Museum also meets with new Governors to explain current issues and future plans, introduce them to members of the Executive Team and to offer a tour of the museum. Further ongoing training is arranged for Governors individually or the Board as a whole as needed.

Organisational structure

Museum of London is responsible for the management of Museum of London at London Wall, and Museum of London Docklands at West India Quay.

The Board of Governors sets broad strategic direction, long-term objectives and priorities for the museum. The Board, which meets four times a year, is also responsible for ensuring that the museum's management team fulfils its responsibilities for the effective, efficient and economical management of the organisation.

There are four Board committees on which Governors serve, all of which have met during the year:

- Audit and Risk Management Committee
- Finance and General Purposes Committee
- Trusts and Acquisitions Management Committee
- Remuneration Committee

In addition, there are three boards on which Governors may serve, meeting as required:

- New Museum Project Board
- Museum of London Academic Panel
- Museum of London Trading Board

Key management personnel

All Governors give of their time freely and no Governor received remuneration in the year. Details of Governors' expenses and related party transactions are disclosed in Note 10 to the accounts. The pay of the key management personnel is reviewed and benchmarked annually by the Remuneration Committee. Key management personnel are set objectives based on the museum's strategic plan. Annual performance is assessed against these objectives and is reviewed by the Remuneration Committee and used to set pay levels and any performance related bonuses. The Chairperson of the Board of Governors undertakes the performance assessment for the Director.

The Governors are key management personnel as defined by FRS 102. The Governors also consider the Executive Team members to be the key management personnel of the charity in charge of directing and controlling, running and operating the museum on a day to day basis. The management team is led by the Director of the Museum, who is appointed by the Board.

The primary functions of the museum relate to care and management of collections, lifelong learning, exhibitions and other public programmes. All are designed to inform and engage visitor interest in the history, heritage and cultures of London. To achieve its aims the museum is structured into business areas, each overseen and supported by a member of the Executive Team. The Executive Team, including the Director of the Museum, meets monthly. The Executive Team comprises of the following members:

Director of Content: Responsibility for curatorial activity (across the Archaeology Collections and History Collections teams), learning, information resources, conservation and collections care, exhibitions and design, the Museum Development regional programme and our relationship with Arts Council England.

Director of New Museum Project and Estate: Responsibility for planning and delivery of the New Museum project. The project is overseen by a separate governance structure which includes the museum's Executive Team. Responsibility for facilities and estates.

Managing Director of Museum of London Docklands: Responsibility for retail, licensing, hospitality, commercial events, front of house, security and visitor services - across museum sites – and is the lead for the strategic development of the Docklands site.

Director of External Affairs (appointed July 2023): Responsibility for capital and revenue fundraising, major campaigns and donor and supporter networks, including the Society of Londoners. Responsibility for press and marketing campaigns, communications for the museum's public programme including exhibitions, events and projects, audience development and public affairs. Responsibility for digital innovation across the museum.

Chief Financial Officer: Responsibility for museum-wide corporate services, including finance, IT, procurement, insurance and legal.

Chief Officer, People and Culture: Responsibility for human resources including learning and development, equity, diversity and inclusion (EDI) and organisational development.

Head of Corporate and Business Planning: Responsibility for strategic and corporate planning, reporting and performance.

Relationships with related parties

Governance is primarily exercised through the Board of Governors appointed by the museum's two principal funders. Meetings are also held with officers of the City of London Corporation and the GLA to consult on the business plan and review progress. The City of London Corporation is the museum's landlord at its premises at London Wall and Eagle Wharf Road, and supplies various services to the museum. In addition, two of its officers are appointed as the Secretary and Treasurer to the museum, as required by the Museum of London Act 1965. Note 21 to these financial statements includes details of the museum's transactions with the GLA and the City of London Corporation and other related party transactions.

Fundraising Practices

The Museum of London's Development function is strategic and is represented at the most senior management level at the Executive Team; it has a close working relationship with the Board of Governors and the Chairperson. The team conduct a range of fundraising activities which support the organisational plans and needs. No professional agents are used for fundraising, and staff fundraisers are trained to act in accordance with agreed standards and guidelines. The Board of Governors receive regular reports on all fundraising activity as part of their statutory responsibilities.

No fundraising complaints were received by the museum in the financial year 2022/23.

The museum pays the levy for, and is registered with the Fundraising Regulator, and our fundraising standards and guidelines are aligned with the Regulator's Code of Fundraising Practice. This includes treating people fairly and with respect, explaining our cause in a way which does not mislead people, and being sensitive to people who may be in vulnerable circumstances.

Human Resources

As at 31 March 2023, we employed approximately 269 staff across our three sites.

We commenced the year knowing that by the end we would look very different as an organisation due to the decision taken to close London Wall to the public in December 2022. The decision to close we knew would require changes to our operational teams, operational model and an overall reduction in headcount; the programme for which was run as the People Workstream within our Closing London Wall project. Our commitment to staff was that we would do everything in an open and transparent way, communicating throughout the process, planning for which had already begun the previous autumn. Strangely, the first change we had to make was to move back to seven days-a-week operations in April 2022, whilst also looking ahead to the final phase of closure. A carefully planned restructuring and resourcing programme took place throughout the year, which enabled us to close in December having made no direct redundancies.

At the same time as the above activity was happening, we took a strategic approach to managing change across the organisation. This included developing plans for supporting the Leadership Team in leading change and creation of an organisation-wide learning and development initiative to support individuals in dealing with change, providing training and toolkits for use as needed.

Having only returned to full onsite working under our Blended Working Policy in February 2022, this last year we have been able to fully embed this new way of working. The Policy has at its heart a framework of flexibility (a minimum of working on site two days per week), built on trust, with an overarching focus on our behaviour of *putting on a great show*; ensuring staff retain a close connection to our audiences, the museum experience and our colleagues remain at the core of how we work. We have reviewed and refined elements as the year has progressed, with focus turning to support making connections towards the end of the year.

In year we reviewed the staff benefits we provide and have introduced the provision of free sanitary products to support our focus on diversity. We also worked on plans to introduce free tea and coffee across all sites, with the pilot being set up and in place at London Wall just at the end of the year. As part of our consultation with the trade union we also agreed to look at a Buying Annual leave benefit.

Although the year had a focus on change, we still managed to make progress against areas of our People Strategy, continuing to work against five strategic objectives linked to our overall organisational objectives. Here are some of our achievements over the last year:

- **Transforming ourselves:** We recognise the need to transform ourselves – our workforce make-up, skills, structures, and ways of working. Equity, diversity and inclusion continued as a key focus with us building on our strategic objective to be a more equal, diverse and inclusive museum. As part of this we continued our collaborative research project with the University of Leicester looking at embedded whiteness. We finalised the consultation phase, analysed the data and came out with 5 areas of focus. This led to work on developing 3 deep dive research actions, which we continue to work on with the Leicester team. Alongside this we started to develop a Race Equity Action Plan that would sit beneath our Equity Diversity and Inclusion Strategy.

Even with the closure of London Wall and restructuring activity, we continued to focus on diversifying our workforce. We made good progress against our key identified areas, particularly with regard to the number of colleagues within the museum who are from Black Asian and ethnically diverse background, and those who have a disability. We also built upon the changes made to our senior leadership team as well as our executive team, bringing greater diversity to both.

- **Resourcing and retention:** We recognise that our exceptional staff and volunteers are key in bringing experience and expertise to the task of implementing our strategic plan. Having in the previous year introduced lived experience volunteering opportunities, which contributed greatly to the provision of our exhibition programme at Docklands, this year we worked on embedding this within our general volunteering programme. We were also assessed and gained reaccreditation under the Investing in Volunteers Scheme. Throughout the year we have continued to bring new talent into the museum whilst at the same time diversifying our workforce across the board. Some key senior appointments that had been a while in the planning were achieved, a number of which were related to transformation areas i.e. Managing Director of Docklands, Head of Design, Construction Director, Head of IT.
- **Development and talent management:** We want to value our people by ensuring they experience excellent line management and have access to a variety of high quality and cost-effective learning opportunities. Building on the implementation of outputs from the learning needs analysis, we made refinements to newly introduced courses i.e. Managing Remote Teams became Managing Blended Working Teams as a result of our move to onsite working. Alongside this we also brought on stream activities to support other strategic objectives, in particular the Change Management Workshops, Managing Diverse Teams and introduced our Study Sponsorship Policy.
- **Wellbeing and employee relations:** We recognise that we will perform better organisationally when our people are healthy, motivated and focused. To aid this, as noted last year, we took part in the MIND Workplace Wellbeing Index in February 2022. In June 2022 we got our result (achieving Bronze recognition) and feedback, from which we have developed an action plan. Actions to support better mental health in the workplace had already commenced with the introduction of our Mental Health Champions and again the renewal of our membership of the Calm for Business app. Our ambition is to have a culture where mental health has no stigma attached to it and we openly share and support one another. Having got back on site working, we also looked to reignite our staff social groups, as a means to help people connect more.
- **HR systems and processes:** We continued work on ensuring we have systems and processes in place that are fit for a 21st century museum to provide a secure and efficient infrastructure in which to support our people. Having launched our new HR Information system MyPlace and self-service aspects of this in the previous year, we looked at ways in which the system could further enhance our processes and support managers. This led to the introduction of system generated notifications which link to many of our staff related processes. We also developed total reward statements and moved to managing our employee relations case work on the system. Policy development work also continued throughout the year, with new and updated policies being introduced e.g. Buying Annual Leave Policy, Staff Sponsorship Policy. We also started work on updating other policies linked to Safeguarding and Social Media Usage.

FINANCIAL REVIEW

The results for the year are set out on the Statement of Financial Activities (SOFA) on page 28. Due to the significant impact on the results of non cash items of pension accounting and depreciation, it is important to review the Consolidated Cash Flow Statement on page 31 alongside the SOFA and the Balance Sheet on page 30. The table below strips out these transactions to provide an alternative view of the financial results of the Group, showing that in the year income was £11.3m higher than expenditure.

MUSEUM OF LONDON GROUP Expressed in £'000	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022	Variance to prior year
Per Group SOFA							
Total Income and Endowments	17,029	44,103	61,132	16,101	33,252	49,353	11,779
Less: Total Expenditure before gains / (losses) on investments	24,312	33,202	57,514	22,226	24,625	46,851	(10,663)
	(7,283)	10,901	3,618	(6,125)	8,627	2,502	1,116
Add back:							
Pension service cost and interest	4,420	-	4,420	4,750	-	4,750	(330)
Depreciation and disposals	3,289	-	3,289	3,127	-	3,127	162
Adjusted Results ^[1] Operating	426	10,901	11,327	1,752	8,627	10,379	948

^[1] Excluding Gains / (losses) on investments, Transfers between funds and Actuarial gain / (loss) on defined benefit pension schemes.

Total Group Incoming Resources were £61m during the year (2022: £49m). The increase from the prior year is mainly due to an increase in New Museum project grant funding and donations as the project scales up and grants for Digital transformation work.

The museum's main sources of funding were the Greater London Authority and the City of London Corporation, which together contributed 81% of the group's donations, grants and legacies revenue funding (2022: 86%). Other grants and donations included £1.4m from Arts Council England (2022: £1.4m). Group expenditure on raising funds and charitable activities was £2.2m higher than the prior year across various areas and includes £4.4m on pension service costs (2022: £4.8m) and £3.3m on depreciation (2022: £3.1m). The pension service cost is essentially the estimated cost to the employer of the benefits accruing over the accounting period, based on actuarial assumptions.

Trading activities, which includes venue hire and catering, events and two retail outlets, was £0.4m higher than the prior year as events income continued to grow. Revenue was £2.0m (2022: £1.6m). All commercial trading is carried out through the museum's trading subsidiary, The Museum of London (Trading) Limited.

The Museum of London recorded an operating surplus (excluding depreciation and pension costs, and before transfers) on its unrestricted free reserves (general fund) of £0.1m (Note 18A "General Reserves – Museum of London") (2022: £1.3m).

The Governors reviewed the museum's financial plans in March 2023 as part of their normal annual review and budget setting process, as well as our principal financial risks. At that time, the Governors were satisfied that the museum had sufficient resources to continue operating for the foreseeable future and accounts have been prepared in the knowledge that the museum is a financially viable organisation.

Financial reserves

After transfers from restricted and designated funds and other gains and losses, the Museum of London's total general reserves were £7.9m at 31 March 2023 (2022: £8.5m). The group's restricted funds were £29.7m at 31 March 2023 (2022: £18.9m) and the group's designated funds, excluding the Defined Benefit Pension Reserve, were £19.3m at 31 March 2023 (2022: £21.5m). The designated funds are largely comprised of the Fixed Assets Fund, which is being used to fund future depreciation of those assets acquired from unrestricted funds. The group's cash balances and cash flow forecast remain adequate for its needs. However, the Governors are aware that the current economic climate and future uncertainty in relation to all income streams require this assessment to remain under review.

Total group funds, carried forward at 31 March 2023 were positive £53.5m (2022: negative £3.5m). The results have been impacted significantly by the accounting valuation of the Pension Fund that has seen a reduction in the Pension Deficit of £49.0m (2022: reduction of £8.9m). This is further explained below and in Note 22. An alternative balance sheet view is included below that removes the Pension Fund deficit as this is not indicative of any pension liability that is expected to crystallise in the short term as it represents the accounting valuation of the scheme under FRS 102 rather than the level of future contributions to be paid.

The Governors are satisfied that the pension deficit is an accounting deficit and does not represent the actual fund value, and that the fund deficit is scheduled to be extinguished within 11 years.

Expressed in £'000	MUSEUM OF LONDON GROUP		MUSEUM OF LONDON	
	2023	2022	2023	2022
Total Funds per the Balance Sheet	53,508	(3,454)	49,020	(7,925)
Less: Pension Deficit	5,409	54,375	5,409	54,375
Total Funds excluding the pension deficit	58,917	50,921	54,429	46,450

The Museum of London's pension scheme is part of the City of London Corporation's scheme and the Museum of London's deficit is largely proportional with its share of total assets in the fund (approximately 6.59%). The museum's pension contribution rates are reviewed every three years, after an actuarial valuation in which the surpluses and deficits may be measured differently to the FRS 102 valuation, in accordance with the museum's accounting policy as described in Note 1 (J). The triennial funding valuation is used to set the required level of contributions to be paid and reflects a longer term view of the level of employer contributions required to ensure the assets are sufficient to meet the liabilities. The funding valuation in 2022 has set the contributions rates from April 2023 at a level to meet the deficit in 11 years (i.e. 20 years set in 2013, less 9 years of contributions made as at 2022).

The Museum accounts for the pension fund under the Financial Reporting Standard 102 (FRS102) accounting standard, which requires liabilities to be valued using a discount rate assumption set with reference to yields on "high quality" corporate bonds. As a result, accounting deficits are usually larger than funding deficits and are more volatile as they have to use a prescribed discount rate, which does not reflect future expected returns from the actual investment strategy. As the actual contribution rates required by employers for each Fund are calculated using assumptions set by the Fund Actuary, the contribution rates paid by employers are not affected by the accounting results.

Accounting valuations per Actuarial FRS102 Reports for the Museum of London

Expressed in £'000	31 March 2023	31 March 2022	<i>Variance</i>
Assets	90,636	92,161	(1,525)
Liabilities	(96,045)	(146,536)	50,491
Net Pension Deficit	(5,409)	(54,375)	48,966

As can be seen in the table above, the reduction in the accounting deficit comprised primarily of a decrease in the value of the liabilities offset by the smaller decrease in the value of assets.

As explained previously the Accounting Valuation does not reflect the real liability. Our liability is the employer contributions we pay and budget for each year. These contributions are certified at triennial funding valuations and were set at the last triennial valuation (as at 31 March 2022) at 16.1% of salaries and will remain at 16.1% until 31 March 2026. The Actuary's funding model aims to keep employer contributions as stable as possible by looking at a more sensible long term cost assessment rather than the artificial and very short term assessment required under the accounting standard.

A report was commissioned from the Actuary in June 2022 to compare an estimated funding valuation with the accounting valuation at 31 March 2022. This compared the accounting valuation of a pension deficit of £54.4m (at 31 March 2022) with an estimated funding valuation of a surplus of £2.17m (at 31 March 2022). The deficit reduction plan remains in place and aims to eliminate the funding deficit over the next 11 years.

Investment policy and performance

The capital funds of the Trust Funds are invested in Blackrock Charities UK Equity Fund. Targets are not set but the Trustees of the funds periodically review the performance of the investments to ensure the returns are satisfactory. During the year to 31 March 2023 there was a decrease in carrying values. Total income received over the year was in line with receipts in previous years. Available cash balances held by the Museum of London and its subsidiary undertakings are placed within the City of London Corporation's account and with Lloyds Bank.

Going Concern

The accounts are prepared on the going concern basis as financial projections show the museum is able to meet its liabilities as they fall due for the foreseeable future. In reaching the conclusion on the ability of the museum to remain a going concern, the Governors have carefully considered the longer term impact of the Covid-19 pandemic and reviewed the forward financial projections to 31 March 2025.

Governors believe that the museum has put in place a robust structure that, in conjunction with the prudent reserves policy, will allow it to manage the foreseeable risks to the organisation. The accounts are therefore prepared on the going concern basis as financial projections show the museum is able to meet its liabilities as they fall due for the foreseeable future.

The principal uncertainties currently facing the organisation are the prolonged uncertainty of visitor numbers, security of future funding and inflationary pressures on operational costs. The Governors and Executive Team continue to closely monitor the impacts, and believe that the organisation is in a financial position to help manage these risks.

The New Museum project is a significant investment of £337m, with a key milestone being the London Wall museum closure in December 2022 which was required to allow for the transition of artefacts. The project is currently funded by drawdowns in advance from the City of London Corporation. The cash outflows over the coming two years from April 2023 are expected to be circa £200m (although these are dependent on the programme and may change), matched against a combination of grant income from the City of London Corporation and the Greater London Authority, and the museum's fundraising campaign. Given the current economic environment facing potential donors, uncertainty exists over these amounts. We are also reliant on the project being closely managed during this period to prevent delays and increases to the cost base for the project. Controls are in place to mitigate these risks.

In addition to the above funding model, where we act as lead charity within the terms of a Design Services Agreement with the City of London Corporation, income is received from the City of London Corporation in the month that the consultants are paid. As lead charity we have procured and contracted with suppliers to provide design and other services relating to the New Museum project which are then recharged to the City of London Corporation as set out in note 5 to the financial statements.

The key factors in our going concern assessment are:

- The museum has confirmed funding from our statutory grant funders until March 2024, although the position after that is less clear. The funders have a statutory obligation to fund the Museum beyond March 2024 and grants have not been reduced in the past, and have increased in 2023/24 by 3% in response to the higher inflation. The museum is forecasting 2024/25 funding of at least equivalent to 2023/24 grants, however the quantum of the grants post 31 March 2024 is yet to be fully confirmed.
- The Docklands museum will be open to the public 7 days per week, from 10am to 5pm.
- ACE funding of £1.1m per annum for National Portfolio Organisation funding has been confirmed for the three years from 2023 to 2026. ACE Sector Support Organisation funding has been extended for another year to 2023/24 and a new application for funding from 2024 to 2026 was submitted in July 2023.
- The museum has invested in its management capability and has a Board of Governors that brings in additional expertise.
- The museum has robust financial modelling procedures that allow it to deal with changing assumptions.
- The museum's five year Strategic Plan contains a key objective to move to the West Smithfield site where the opportunities for growth in visitors and self-generated income will be greater after opening a larger site across two market buildings.
- The City of London Corporation and GLA have confirmed their commitment to the New Museum project through budgets approved by the Court of Common Council and Policy and Resources Committee, and funding is drawn down in advance against these approved budgets. Other factors of note are:

- i. The forecast project spend from April 2023 to 31 March 2025 is circa £200m (dependent on the programme) and is within budget and overall funding commitments. The next application to draw down from the committed funding is being prepared for submission in the second half of 2023/24.
- ii. We are managing our commitments within the approved funding levels.
- iii. The going concern assessment period largely covers RIBA Stage 5 of the project and break clauses are in place for the construction contracts to manage cashflow if funding levels changed.
- iv. None of the philanthropic funders have withdrawn pledges.
- v. We have not drawn down or will not draw down funding that is philanthropically raised until the latter stages of the project, thus we will never be in the position of having to pay back donors' money should the project fail.

On the basis of the above and the assumption that grant in aid from our statutory funders (the City of London Corporation and the GLA) will be at least in line with 2023/24, Governors believe that the museum's robust structure, in conjunction with the prudent reserves policy explained below, will allow it to manage the foreseeable risks to the organisation. There is a risk that the Museum could require further funding due to an unplanned decline in visitor numbers to Museum of London Docklands and uncertainty over grant in aid. However, the Board has reviewed the Museum's cash flow forecasts and believes it has sufficient cash flows for the next twelve months and there is no material uncertainty. As such, the Governors continue to adopt the going concern basis of accounting in preparing the annual financial statements. Further detail is included in Note 1a to the accounts.

Reserves policy

The Reserves Policy underpins the Museum's Strategic Plan and establishes the financial parameters within which the long-term delivery of our mission and objectives can be achieved.

The Board has adopted a Reserves Policy which is based on the evaluation of major risks facing the museum and which is reviewed by the Board annually. The objective is to provide a level of unrestricted reserves that will minimise the impact to museum services, should any of the risks materialise, but that does not fully cover all of the main risks as the Board believes that this would provide an unreasonable level of excess reserves. The Board has identified the following as its main risks.

The museum:

- Fails to generate satisfactory revenues from its activities to cover increases in operational costs.
- Fails to secure sufficient grant income as a result of continued cuts in government spending.
- Suffers a sudden failure of building structure or major plant requiring immediate attention in order to continue operations.
- Requires further restructuring of operations should grant in aid be substantially reduced.
- Suffers loss of assets as a result of fraud, theft or cybercrime.
- Fails to respond appropriately to an act of terrorism or major emergency at all/any of the Group sites, causing a fall in income and/or loss of reputation.

Accordingly, the Board holds reserves to mitigate the effect of the above risks in the following way:

- Approximately £7m to cover normal operating expenditure for at least 4 months (this excludes discretionary spend such as projects),
- Approximately £1m to cover emergency building repairs, restructuring costs and short term cash flow fluctuations which may arise during the year.

As at 31 March 2023 the balance on the Museum of London's general funds (as shown in Note 18 – Total General Funds) stood at £7.9m (excluding designated fixed asset and pension reserves) (2022: £8.5m). While the net asset position (excluding the accounting valuation of the Pension Deficit) is strong, this is predominantly in fixed assets, restricted funds, restricted endowment funds or designated funds. Therefore, the Reserves Policy and the level of general funds held is vital to protect the museum from the risks and issues noted above and enables the museum to continue to deliver our mission and objectives. The current risks concerning increased uncertainty over visitor income and grant funding, are examples of why we hold such levels of general reserves and these will be used accordingly to ensure that the museum remains a going concern.

The Museum has a designated Fixed Asset Reserve equating to the net book amount of tangible fixed assets that have not been funded by loans, to reflect the fact that some unrestricted funds are utilised to finance fixed assets and are thus unavailable for working capital.

Risk management and internal control

Purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate the risk of failure to achieve policies, aims and objectives. The system 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 principal risks to the achievement of museum's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the Museum of London and its subsidiary undertakings during the year ended 31 March 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Museum of London has a structured risk management process as detailed in the *Risk Management Policy and Strategy*. The Director has the ultimate responsibility for promoting and embedding this policy and strategy.

Each Executive Team member has responsibility for the identification and assessment of risks within their area and for ensuring that these are managed appropriately.

The Chief Financial Officer provides advice and support to the museum on the risk management strategy, policy, framework and processes. The museum uses the internal audit unit of the City of London Corporation, which operates in accordance with local government internal audit standards as laid down in the CIPFA code of practice. The work of the internal audit unit is informed by an analysis of the risk to which the museum is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the museum's Audit and Risk Management Committee. At least annually, the Head of Internal Audit provides the Audit and Risk Management Committee with a report on internal audit activity in the museum. The report includes the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the museum's systems of risk management, internal control and corporate governance.

Risk and Control Framework

The museum's Risk Management Policy and Strategy explains the organisation's approach to risk management; provides risk definitions; raises awareness of the principles and benefits involved in the risk management process; identifies the main reporting procedures and promotes good risk management. Embedding of risk management is generally sound but continues to progress. Further work is always required, when personnel and priorities change, to ensure that this continues to be part of all the operations of the organisation.

The *Risk Management Policy and Strategy* sets out the risk assessment process whereby risks are identified and included within the risk register according to the category of risk and the likelihood and impact of the risk event occurring.

These identified risks are controlled through the system of internal control which is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- an organisational structure with clear accountability and levels of authority, from the Governors overall responsibility down to the individual staff member;
- comprehensive budgeting systems with an annual budget and five year rolling financial plan that are reviewed and agreed by the Board of Governors;
- regular reviews by the Board of Governors of periodic and annual financial reports which indicate financial and operational performance against plans and forecasts;
- setting targets to measure financial and other performance;
- clearly defined review procedures for proposed capital investments;

- as appropriate, formal project management disciplines;
- codes of conduct for Governors and staff; and
- annual signoffs by senior management that they have complied with their responsibilities.

The risk reporting programme agreed with the Audit and Risk Management Committee is as follows:

- Strategic and major operational risks are reported to and reviewed by the Board of Governors at least once per year and quarterly by the Audit and Risk Management Committee and Directorate.
- Departmental operational risks are regularly reviewed by the Directorate (at least twice per year) and heads of department, project managers and other senior managers as appropriate.

Review of effectiveness

The effectiveness of the system of internal control is reviewed by the Audit and Risk Management Committee who meet at least twice a year and report their findings to the full Board. Their work is informed by the work of the internal auditors, the executive managers within the museum who have responsibility for the development and maintenance of the control framework, and comments made by the external auditors in their management letter and other reports.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to Auditor

The Governors confirm that as far as they are aware there is no relevant audit information that has not been brought to the attention of the group's auditor, and that they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Adoption of report and financial statements

Adopted and signed for and on behalf of the Board of Governors.

Clive Bannister

Chair of the Board of Governors
of the Museum of London

Ijeoma Ekwueme-Okoli

Governor of the Museum of London

Date: 11 October 2023

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF MUSEUM OF LONDON

OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of Museum of London ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the Museum of London statement of financial activities, the group and museum balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We remain independent of the Group and the Parent Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATED TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The Governors are responsible for the other information. The other information comprises the information included in the Governors' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion;

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF GOVERNORS

As explained more fully in the Statement of Governors' Responsibilities, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management, internal audit and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, Trust law, employment law and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management, internal audit and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be journals and key estimates and judgements.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates and judgements made by management for bias, including the defined benefit pension scheme assumptions and the useful life of fixed assets.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP, statutory auditor
London, UK
Date:

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

MUSEUM OF LONDON GROUP CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Expressed in £'000	Notes	2023			2022 Total Funds
		Unrestricted Funds	Restricted Funds	Endow- -ent Fund	
INCOME AND ENDOWMENTS					
Donations, grants and legacies	3	14,630	2,390	-	17,020
Other trading activities	4	1,971	32	-	2,003
New Museum project	5	-	41,494	-	41,494
Investment income	6	76	155	-	231
Income from charitable activities	7	352	32	-	384
Total Income and Endowments		17,029	44,103	-	61,132
EXPENDITURE ON					
Raising funds	8	2,991	-	-	2,991
Charitable activities	8	21,321	2,016	-	23,337
New Museum project	8	-	31,186	-	31,186
Total Expenditure before (loss/gain on investments)		24,312	33,202	-	57,514
(Loss)/gain on investments	14	-	(20)	(22)	(42)
Net (expenditure) / income before transfers		(7,283)	10,881	(22)	3,576
Transfers between funds	18 (A)	43	(43)	-	-
Net (expenditure) / income before other recognised gains and losses		(7,240)	10,838	(22)	3,576
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes	22	53,386	-	-	53,386
Net movement in funds		46,146	10,838	(22)	56,962
Reconciliation of funds in 2023					
Funds brought forward at 1 April		(24,376)	18,866	2,056	(3,454)
Net movement in funds		46,146	10,838	(22)	56,962
Funds carried forward	18 (A)	21,770	29,704	2,034	(3,454)
Reconciliation of funds in prior year					
Funds brought forward		(32,005)	10,192	1,909	(19,904)
Net movement in funds		7,629	8,674	147	16,450
Funds carried forward	18 (A)	(24,376)	18,866	2,056	(3,454)

There are no other gains or losses other than those recognised above and therefore no separate statement of total gains and losses has been prepared. All activities derive from continuing operations.

The notes on pages 32 to 58 form part of these financial statements.

**MUSEUM OF LONDON
STATEMENT OF FINANCIAL ACTIVITIES**

Expressed in £'000	Notes	2023			2022
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
INCOME AND ENDOWMENTS					
Donations, grants and legacies	3	14,867	2,390	17,257	16,629
Other trading activities	4	1,163	-	1,163	631
New Museum project	5	-	41,469	41,469	31,443
Investment income	6	44	46	90	-
Income from charitable activities	7	363	21	384	108
Total Income and Endowments		16,437	43,926	60,363	48,811
EXPENDITURE ON					
Raising funds		2,298	-	2,298	2,315
Charitable activities		21,377	1,943	23,320	21,276
New Museum project		-	31,186	31,186	22,790
Total Expenditure	8	23,675	33,129	56,804	46,381
Net (expenditure) / income before transfers		(7,238)	10,797	3,559	2,430
Transfers between funds	18 (A)	8	(8)	-	-
Net (expenditure) / income before other recognised gains and losses		(7,230)	10,789	3,559	2,430
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes	22	53,386	-	53,386	13,664
Net movement in funds		46,156	10,789	56,945	16,094
Reconciliation of funds in 2023					
Funds brought forward at 1 April		(24,106)	16,181	(7,925)	(24,019)
Net movement in funds		46,156	10,789	56,945	16,094
Funds carried forward		22,050	26,970	49,020	(7,925)
Reconciliation of funds in prior year					
Funds brought forward		(32,024)	8,005	(24,019)	
Net movement in funds		7,918	8,176	16,094	
Funds carried forward		(24,106)	16,181	(7,925)	

There are no other gains or losses other than those recognised above and therefore no separate statement of total gains and losses has been prepared. All activities derive from continuing operations.

The notes on pages 32 to 58 form part of these financial statements.

**MUSEUM OF LONDON
GROUP AND MUSEUM BALANCE SHEETS**

Expressed in £'000	Notes	Group		Museum	
		2023	2022	2023	2022
Fixed assets					
Heritage assets	12 A & 13	4,650	4,886	4,650	4,886
Intangible assets	12 C	364	508	364	508
Other tangible assets	12 B	22,629	25,000	22,629	25,000
		27,643	30,394	27,643	30,394
Investments	14	3,932	3,974	-	-
Total fixed assets		31,575	34,368	27,643	30,394
Current assets					
Stock		68	133	-	-
Debtors	15	13,137	7,086	14,620	9,047
Investments		4,000	-	4,000	-
Cash at bank and in hand		25,650	22,537	23,507	19,874
Total current assets		42,855	29,756	42,127	28,921
Current liabilities					
Creditors - amounts falling due within one year	16	(10,278)	(7,503)	(10,106)	(7,165)
Net current assets		32,577	22,253	32,021	21,756
Total assets less current liabilities		64,152	56,621	59,664	52,150
Creditors - amounts falling due after one year					
City of London Corporation	21 B	(5,235)	(5,700)	(5,235)	(5,700)
Net assets excluding pension liability		58,917	50,921	54,429	46,450
Defined benefit pension liability	22	(5,409)	(54,375)	(5,409)	(54,375)
Net assets including pension liability		53,508	(3,454)	49,020	(7,925)
The funds of the charity	18 & 19				
Restricted Endowment funds		2,034	2,056	-	-
Restricted income funds		29,704	18,866	26,970	16,181
Designated funds		19,301	21,466	19,289	21,454
Defined benefit pension reserve		(5,409)	(54,375)	(5,409)	(54,375)
General reserves		7,878	8,533	8,170	8,815
Total funds and reserves		53,508	(3,454)	49,020	(7,925)

The notes on pages 32 to 58 form part of these financial statements.

The financial statements were approved by the Board of Governors on 11 Oct 2023.

Signed on its behalf by:

Clive Bannister

Chair of the Board of Governors of the
Museum of London

Ijeoma Ekwueme-Okoli

Governor of the Museum of London

CONSOLIDATED CASH FLOW STATEMENT

Expressed in £'000	Notes	2023	2022
Cash flows from operating activities:			
Net cash flow provided by operating activities	B	<u>8,275</u>	<u>7,233</u>
Cash flows from investing activities:			
Interest and dividends received		231	119
Payments to acquire investments		(4,000)	-
Payments to acquire tangible fixed assets		(821)	(990)
Net cash flow (used in) investing activities		<u>(4,590)</u>	<u>(871)</u>
Cash flows from financing activities:			
Interest paid		(80)	(95)
Financing - Repayments of long-term borrowing	A	(492)	(505)
Net cash flow (used in) financing activities		<u>(572)</u>	<u>(600)</u>
Increase in cash and cash equivalents in the year	A	<u>3,113</u>	<u>5,762</u>

A) Analysis of changes in net debt (Group)

Expressed in £'000	Balance 1 Apr 2022	Cashflows	Balance 31 Mar 2023
Cash and cash equivalents			
Cash at bank	22,537	(8,906)	13,631
Cash held in escrow	-	19	19
Cash on deposit (3 months or less)	-	12,000	12,000
	<u>22,537</u>	3,113	<u>25,650</u>
Borrowings			
Debt due within one year	(492)	27	(465)
Debt due after one year	(5,700)	465	(5,235)
	<u>(6,192)</u>	492	<u>(5,700)</u>
Total	<u>16,345</u>	3,605	<u>19,950</u>

B) Reconciliation of net expenditure to net cash inflow from operating activities

EXPRESSED IN £'000	2023	2022
Net expenditure before other recognised gains and losses	<u>3,576</u>	<u>2,786</u>
Interest and dividends receivable	(231)	(119)
Interest payable	80	95
Loss/(gains) on investments	42	(284)
Pension costs – see Note 22	4,420	4,750
Fixed assets disposed / written off	-	1
Depreciation	3,572	3,374
Net Operating Income	<u>11,459</u>	<u>10,603</u>
Decrease in stock	65	46
(Increase) in debtors and long term contracts	(6,051)	(3,919)
Increase in creditors (excluding loans/overdrafts)	<u>2,802</u>	<u>503</u>
Net cash flow provided by operating activities	<u>8,275</u>	<u>7,233</u>

NOTES TO THE FINANCIAL STATEMENTS

1) ACCOUNTING POLICIES

A) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared, on a going concern basis as detailed on pages 20 to 21 and below, under the historical cost accounting convention, with the exception of investments which have been included at market value, and comply with the Charities Act 2011, the Statement of Recommended Practice Accounting and Reporting by Charities SORP (FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland) and applicable accounting standards in the United Kingdom. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn. The Museum of London is a public benefit entity under FRS 102.

Going Concern

The accounts are prepared on the going concern basis as financial projections show the museum is able to meet its liabilities as they fall due for the foreseeable future. In reaching the conclusion on the ability of the museum to remain a going concern, the Governors have carefully considered the longer term impact of the Covid-19 pandemic and reviewed the forward financial projections to 31 March 2025.

Governors believe that the museum has put in place a robust structure that, in conjunction with the prudent reserves policy, will allow it to manage the foreseeable risks to the organisation. The accounts are therefore prepared on the going concern basis as financial projections show the museum is able to meet its liabilities as they fall due for the foreseeable future.

The principal uncertainties currently facing the organisation are the prolonged uncertainty of visitor numbers, security of future funding and inflationary pressures on operational costs. The Governors and Executive Team continue to closely monitor the impacts, and believe that the organisation is in a financial position to help manage these risks.

The New Museum project is a significant investment of £337m, with a key milestone being the London Wall museum closure in December 2022 which was required to allow for the transition of artefacts. The project is currently funded by drawdowns in advance from the City of London Corporation. The cash outflows over the coming two years from April 2023 are expected to be circa £200m (although these are dependent on the programme and may change), matched against a combination of grant income from the City of London Corporation and the Greater London Authority, and the museum's fundraising campaign. Given the current economic environment facing potential donors, uncertainty exists over these amounts. We are also reliant on the project being closely managed during this period to prevent delays and increases to the cost base for the project. Controls are in place to mitigate these risks.

In addition to the above funding model, where we act as lead charity within the terms of a Design Services Agreement with the City of London Corporation, income is received from the City of London Corporation in the month that the consultants are paid. As lead charity we have procured and contracted with suppliers to provide design and other services relating to the New Museum project which are then recharged to the City of London Corporation as set out in note 5 to the financial statements.

The key factors in our going concern assessment are:

- The museum has confirmed funding from our statutory grant funders until March 2024, although the position after that is less clear. The funders have a statutory obligation to fund the Museum beyond March 2024 and grants have not been reduced in the past, and have increased in 2023/24 by 3% in response to the higher inflation. The museum is forecasting 2024/25 funding of at least equivalent to 2023/24 grants, however the quantum of the grants post 31 March 2024 is yet to be fully confirmed.
- The Docklands museum will be open to the public 7 days per week, from 10am to 5pm.
- ACE funding of £1.1m per annum for National Portfolio Organisation funding has been confirmed for the three years from 2023 to 2026. ACE Sector Support Organisation funding has been extended for another year to 2023/24 and a new application for funding from 2024 to 2026 was submitted in July 2023.

- The museum has invested in its management capability and has a Board of Governors that brings in additional expertise.
- The museum has robust financial modelling procedures that allow it to deal with changing assumptions.
- The museum's five year Strategic Plan contains a key objective to move to the West Smithfield site where the opportunities for growth in visitors and self-generated income will be greater after opening a larger site across two market buildings.
- The City of London Corporation and GLA have confirmed their commitment to the New Museum project through budgets approved by the Court of Common Council and Policy and Resources Committee, and funding is drawn down in advance against these approved budgets. Other factors of note are:
 - i. The forecast project spend from April 2023 to 31 March 2025 is circa £200m (dependent on the programme) and is within budget and overall funding commitments. The next application to draw down from the committed funding is being prepared for submission in the second half of 2023/24.
 - ii. We are managing our commitments within the approved funding levels.
 - iii. The going concern assessment period largely covers RIBA Stage 5 of the project and break clauses are in place for the construction contracts to manage cashflow if funding levels changed.
 - iv. None of the philanthropic funders have withdrawn pledges.
 - v. We have not drawn down or will not draw down funding that is philanthropically raised until the latter stages of the project, thus we will never be in the position of having to pay back donors' money should the project fail.

On the basis of the above and the assumption that grant in aid from our statutory funders (the City of London Corporation and the GLA) will be at least in line with 2023/24, Governors believe that the museum's robust structure, in conjunction with the prudent reserves policy explained below, will allow it to manage the foreseeable risks to the organisation. There is a risk that the Museum could require further funding due to an unplanned decline in visitor numbers to Museum of London Docklands and uncertainty over grant in aid. However, the Board has reviewed the Museum's cash flow forecasts and believes it has sufficient cash flows for the next twelve months and there is no material uncertainty. As such, the Governors continue to adopt the going concern basis of accounting in preparing the annual financial statements. Further detail is included in Note 1a to the accounts.

Basis of consolidation

Consolidated financial statements have been prepared for the museum, which consolidate the financial statements of the Museum of London, Museum of London (Trading) Limited, the London Museum Fund, the Joicey Fund and the Mackenzie Bell Fund on a line by line basis. The consolidated financial statements present the results of the Museum of London and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full. Uniform accounting policies have been applied across the group and have been applied consistently year on year. The functional currency is GBP Sterling.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available to qualifying entities:

- No cash flow statement or net debt reconciliation has been presented for the parent charity.

B) INCOME

Income is recognised when the museum has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably. Grant income is recognised as income when the conditions for its receipt have been met. Retail income is recognised when the sale takes place. Event and commercial hire income is recognised when the event takes place. Donations are accounted for when the museum has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Gift Aid receivable is included in income when there is a valid declaration from the donor.

Funding for the New Museum Project

- Funds relating to the New Museum project are accounted for when the Museum has entitlement to funds upon submission of a drawdown request to the City of London Corporation.
- Funds relating to the recharge of expenses (as described in note 5 to the financial statements) are accounted for when the Museum has entitlement to funds upon submission of recharge invoices to the City of London Corporation.

C) EXPENDITURE

Expenditure is classified under the principal categories of the cost of raising funds (costs of activities that are not in themselves charitable but which are incurred to generate income to support charitable activities), charitable activities (costs incurred in furtherance of the charity's objectives, including governance costs), and other costs.

Within the costs of raising funds are the costs of generating voluntary income and fundraising trading: costs of goods sold and other costs. The costs of generating voluntary income are the costs of fundraising and the costs of administering the museum's Friends' scheme. Fundraising trading costs relate to the museum shops, event hire and catering.

Expenditure incurred on charitable activities is subdivided into communications, programmes and learning (adult, family and schools education programmes), galleries and exhibitions, collections (conservation and curation) and governance (costs in connection with the constitutional and statutory requirements of the museum).

Categories of expenditure include direct and indirect costs. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with their use of the resources.

Pension financing costs, arising from changes in the net of the interest costs and the expected return on assets, have been apportioned across the expenditure categories on the basis of the number of pensionable employees.

Financing costs relating to interest payable on loans are included in the building maintenance category for purposes of apportionment as the loans are for building improvements.

As detailed in Note 9, support costs comprise finance, administration, human resources, information technology, Directorate and some premises costs. Support costs are apportioned across the resources expended categories on a basis consistent with their use of the resources, principally by reference to staff head count.

Resources expended are accounted for on an accruals basis.

D) IRRECOVERABLE VAT

Irrecoverable VAT is charged as an expense apportioned across expenditure categories pro-rata.

E) FUND ACCOUNTING

The museum's financial statements comprise a number of individual funds that divide into distinct categories. These are defined below.

General funds are unrestricted funds and comprise revenue balances that have arisen and are available for use at the discretion of the Board of Governors in furtherance of the general objectives of the museum. The London Museum Trust (income element) is also a general fund, which, although the responsibility of a separate Trust, is available for the general objectives of the museum.

Designated funds are also unrestricted and comprise funds that have been set aside at the discretion of the Board of Governors for specific purposes. Funds representing the net book value of the tangible fixed assets of the museum not funded by loans are transferred to a designated fund to the extent that sufficient general funds are available.

Restricted funds are subject to specific restrictions imposed by the donor and include grants and donations for Museum of London major projects, Mackenzie Bell Trust and the Joicey Trust (income element).

Restricted Endowment funds - Joicey Trust and London Museum Trust are trust funds in which the donor has provided that the capital cannot be converted to income (London Museum Trust - except by the approval of the Board of Governors).

F) FIXED ASSETS

Heritage Assets

The Museum of London is one of the world's largest urban history museums and cares for approximately seven million objects in its collection.

The Governors consider that the vast majority of items in the collection would be difficult, if not impossible, to value. The collection includes social history and archaeological items with no obvious market value as well as many unique items with no comparable sale records to use as the basis for valuation. Even if valuations could be obtained, the costs would be onerous compared with the benefit derived by the museum and the users of the financial statements. As a result, no value is reported for these assets in the museum's balance sheet.

The exception is for heritage assets purchased since 1 April 2001, which are capitalised if the cost is greater than £3,000. Items in the collection that are capitalised are stated at cost but, with the exception of the Docklands property, are not depreciated as the amount of depreciation is regarded as immaterial due to their anticipated high residual value. The Museum of London Docklands building is largely depreciated over 20 years.

Tangible Assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

All tangible assets with a cost greater than £3,000 are capitalised and depreciated on a straight-line basis to write off the cost over their expected useful lives. Assets under construction are depreciated from the year of completion. From 1 April 2001 historic artefacts and inalienable assets purchased, with a value of over £3,000 have been capitalised. No depreciation is charged on these items.

Leasehold property including buildings, improvements, renovations and extensions	Over 5-99 years; the shorter of the expected useful life and the length of the lease.
Historic artefacts and museum exhibits	No depreciation is charged on acquired historic artefacts. Museum exhibits are depreciated over the expected life of the exhibit, typically 10 years.
Assets under construction	No depreciation is charged until completion.
Other assets including furniture, equipment, vehicles and plant	Over 4 years (25%) or the asset's expected useful life if shorter.

Impairment reviews of tangible fixed assets are carried out in accordance with operational needs or potential indication of impairment exists such as closure of London Wall site to the public and after incidents such as flood damage. This assesses the need for any impairment write off and an assessment is made to review potential triggers for accelerated depreciation as the future of the London Wall site is kept under review.

Intangible Assets

Intangible fixed assets are stated at cost. All intangible assets with a cost greater than £3,000 are capitalised and depreciated on a straight-line basis to write off the cost over their expected useful lives, typically 10 years.

G) INVESTMENTS

Investments shown under fixed assets are investments in listed company shares, which have been classified as non-current asset investments, are re-measured to market value using the bid price at each balance sheet date. Gains and losses on re-measurement are recognised in profit or loss for the period.

Investments in subsidiaries are recognised at cost in the financial statements of Museum of London. The unrealised profit or loss on investments is shown on the Consolidated Statement of Financial Activities.

Current asset investments are fixed term deposits that have a maturity greater than three months from the date of acquisition or opening of the deposit or similar account.

H) STOCK

Stock consists of purchased goods for resale and is valued at the lower of cost and net realisable value using the weighted average cost method.

I) RECOGNITION OF LIABILITIES

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

J) PENSION COSTS

The Museum's employees are eligible to contribute to the Museum of London Staff Pension Fund (the Fund), which is part of a multi-employer defined benefit scheme called the City of London Corporation Pension Fund, administered under the regulations of the Local Government Scheme.

Charges are made to the income and expenditure account based on the recommendations of the Fund's actuary. They are applied between the Fund's triennial valuations so as to include the expected cost of providing pensions on a systematic and rational basis over the period during which the museum derives benefit from the employees' services.

The current service cost of the defined benefit scheme is charged to employee costs over the anticipated period of employment. Net pension finance income or costs are included immediately in employee costs and allocated via support costs. Actuarial gains and losses are recognised immediately on the face of the Consolidated Statement of Financial Activities. A provision for the scheme deficit is shown on the face of the balance sheet. The amounts charged to the Consolidated Statement of Financial Activities for defined contribution schemes represent the contributions payable in the period. The actuary estimates the employer's share of the assets of the Fund at approximately 6.59%.

K) HOLIDAY PAY

In accordance with the requirements of the Charity SORP (FRS 102) holiday entitlement accrued but untaken as at the balance sheet date is accrued in full.

L) DONATED GOODS, FACILITIES AND SERVICES

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

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

Donated fixed assets for on-going use by the museum are recognised as tangible fixed assets when their fair value exceeds the museum's threshold for capitalisation set by the museum's accounting policy. The corresponding gain is recognised as income. In common with any other tangible assets, donated goods held as tangible fixed assets are depreciated over their useful economic life.

M) CASH AT BANK AND IN HAND

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

N) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, described above, the Governors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates

are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future periods if the revision affects both current and future periods.

Critical judgements

In preparing these financial statements, the key judgements have been made in respect of the following:

- Depreciation is based on the management's judgement of the useful economic life of each asset or asset group, which determines the rate at which the asset or asset group is written down.

Key sources of estimation uncertainty

The present value of the museum's share of the City of London Corporation Pension Fund Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions, which are disclosed in Note 22, will impact the carrying amount of the pension liability. A roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

O) FINANCIAL INSTRUMENTS

Museum of London has adopted Section 11 FRS 102 in respect of financial instruments.

(i) Basic financial assets, including trade and other receivables and cash and bank balances are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost, less any impairment.

(ii) Basic financial liabilities, including trade and other payables, are initially recognised at transaction price (after deducting transaction costs) and subsequently held at amortised cost.

Museum of London has no financial instruments that fall within the scope of Section 12 of FRS 102.

2) CONSOLIDATION OF SUBSIDIARY UNDERTAKINGS

The Joicey Trust, Mackenzie Bell Trust and London Museum Trust all have objects which are exclusively to provide funds for the Museum of London and Trustees who are appointed by the Museum of London. They are therefore treated as subsidiary charities in accordance with Charities SORP (FRS 102).

The Museum of London holds the entire share capital (£2) of the Museum of London (Trading) Limited.

The results of the subsidiary entities for the year ended 31 March 2023 were as follows:

Expressed in £'000	Joicey Trust	Mackenzie Bell Trust	London Museum Trust	Museum of London (Trading)	Total 2023	Total 2022
Incoming resources	39	70	32	1,918	2,059	1,681
Resources expended	(38)	(28)	(15)	(1,918)	(1,999)	(1,610)
Net incoming resources	1	42	17	-	60	71
Unrealised (loss)/gains on investments	(11)	(21)	(10)	-	(42)	284
Net movement in funds	(10)	21	7	-	18	355

Museum of London (Trading) resources expended includes gift aid due to the parent of £176k (2022: £555k).

The assets, liabilities and funds of the subsidiary undertakings as at 31 March 2023 were as follows:

Expressed in £'000	Joicey Trust	Mackenzie Bell Trust	London Museum Trust	Museum of London (Trading)	Total 2023	Total 2022
Net Assets						
Investments	1,096	1,894	943	-	3,933	3,974
Current assets	114	322	115	1,887	2,438	3,149
Current liabilities	-	-	-	(1,887)	(1,887)	(2,657)
Total net assets	1,210	2,216	1,058	-	4,484	4,466
Funds employed						
Permanent Endowment	1,096	-	-	-	1,096	1,108
Expendable Endowment	-	-	938	-	938	948
Restricted funds	114	2,216	-	-	2,330	2,307
Unrestricted funds	-	-	120	-	120	103
Total funds	1,210	2,216	1,058	-	4,484	4,466

3) DONATIONS, GRANTS AND LEGACIES

Expressed in £'000

	MUSEUM OF LONDON GROUP			Total 2022
	Unrestricted Funds	Restricted Funds	Total 2023	
Greater London Authority Revenue grants	7,600	16	7,616	7,610
Greater London Authority Capital grants	-	498	498	500
City of London Corporation Revenue grants	5,292	375	5,667	5,666
Arts Council England and related programmes	1,429	-	1,429	1,387
Coronavirus Job Retention Scheme grants	-	-	-	101
Other grants	37	1,407	1,444	470
Other donations	272	94	366	301
Total	14,630	2,390	17,020	16,035

Expressed in £'000

	MUSEUM OF LONDON GROUP			Total 2021
	Unrestricted Funds	Restricted Funds	Total 2022	
Greater London Authority Revenue grants	7,600	10	7,610	7,639
Greater London Authority Capital grants	-	500	500	535
City of London Corporation Revenue grants	5,292	374	5,666	5,859
Arts Council England and related programmes	1,387	-	1,387	1,401
Coronavirus Job Retention Scheme grants	99	2	101	901
Other grants	56	414	470	391
Other donations	232	69	301	275
Total	14,666	1,369	16,035	17,001

Gifts in kind and pro bono services received in the year were valued and recorded by the museum in accordance with the Accounting Policy Note 1 (L). Other donations include £54k for gifts and services in kind received during the year (2022: £1k).

Expressed in £'000

	MUSEUM OF LONDON			Total 2022
	Unrestricted Funds	Restricted Funds	Total 2023	
Greater London Authority Revenue grants	7,600	16	7,616	7,610
Greater London Authority Capital grants	-	498	498	500
City of London Corporation Revenue grants	5,292	375	5,667	5,666
Arts Council England and related programmes	1,426	-	1,426	1,385
Coronavirus Job Retention Scheme grants	-	-	-	101
Other grants	101	1,407	1,508	511
Other donations	448	94	542	856
Total	14,867	2,390	17,257	16,629

Expressed in £'000

	MUSEUM OF LONDON			Total 2021
	Unrestricted Funds	Restricted Funds	Total 2022	
Greater London Authority Revenue grants	7,600	10	7,610	7,639
Greater London Authority Capital grants	0	500	500	535
City of London Corporation Revenue grants	5,292	374	5,666	5,859
Arts Council England and related programmes	1,385	-	1,385	1,399
Coronavirus Job Retention Scheme grants	99	2	101	901
Other grants	97	414	511	481
Other donations	787	69	856	360
Total	15,260	1,369	16,629	17,174

4) OTHER TRADING ACTIVITIES

Expressed in £'000

	MUSEUM OF LONDON GROUP	
	2023	2022
Shops	598	383
Private events and functions	1,133	685
Photographic library and licensing	36	35
Other	236	520
Total	2,003	1,623

Other Trading Activities income is split between Museum of London (Trading) Limited £1,889k (2022: £1,535k) and Museum of London £114k (2022: £87k), of which £nil is restricted (2022: £nil).

Other Trading Activities in the Museum of London also includes £1,049k of recharges from the Museum of London (Trading) Limited (2022: £544k), which are eliminated on consolidation.

5) NEW MUSEUM PROJECT

Expressed in £'000

	MUSEUM OF LONDON AND MUSEUM OF LONDON GROUP	
	2023	2022
INCOME		
City of London Corporation grants	37,655	23,183
Coronavirus Job Retention Scheme grants	-	20
Other income	3,839	8,265
Total	41,494	31,468

Restricted funds of £41,494k (2022: £31,468k) were received during the year to fund specific activities for the New Museum project including RIBA Stages 4 and 5 project costs. Of this £37.6m was grants received from the City of London Corporation and £1.7m was external fundraising which includes £53k of gifts in kind. Other remaining income relates to invoiced income received from the City of London Corporation where the museum has acted as lead charity to provide design and other services. As lead charity the Museum has procured and contracted with suppliers to provide design and other services relating to the New Museum project which are then recharged to the City of London Corporation.

6) INVESTMENT INCOME

Expressed in £'000

	MUSEUM OF LONDON GROUP	
	2023	2022
Interest on cash balances	98	2
Dividends received	133	117
Total	231	119

Investment Income is split Museum of London £90k (2022: nil) and subsidiaries £141k (2022: £119k). Included in Investment Income is £155k (2022: £91k) of restricted funds.

£518k (2022: £459k) of the cash balances for the Museum of London and the Trust Funds are invested by the Chamberlain of the City of London Corporation at competitive rates that averaged 1.83% in 2023 (2022: 0.50%).

7) INCOME FROM CHARITABLE ACTIVITIES

Expressed in £'000

	MUSEUM OF LONDON AND MUSEUM OF LONDON GROUP	
	2023	2022
Exhibitions and events	375	103
Other	9	5
Total	384	108

Included in Income from Charitable Activities is £32k (2022: £16k) of restricted funds.

8) EXPENDITURE

MUSEUM OF LONDON GROUP Expressed in £'000	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2023	Total 2022
Expenditure on Raising funds					
Cost of generating voluntary income	33	10	299	342	321
Fundraising trading	815	1,136	698	2,649	2,458
	848	1,146	997	2,991	2,779
Expenditure on Charitable activities					
Communications	502	773	432	1,707	1,498
Programmes and learning	2,365	1,560	1,960	5,885	5,426
Galleries and exhibitions	2,009	2,178	1,628	5,815	5,110
Collections	2,825	4,551	2,392	9,768	9,094
Governance	32	97	33	162	154
	7,733	9,159	6,445	23,337	21,282
New Museum project	-	31,186	-	31,186	22,790
Total Expenditure	8,581	41,491	7,442	57,514	46,851

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MUSEUM OF LONDON GROUP Expressed in £'000	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2022	Total 2021
Expenditure on Raising funds					
Cost of generating voluntary income	35	30	256	321	342
Fundraising trading	662	859	937	2,458	2,024
	697	889	1,193	2,779	2,366
Expenditure on Charitable activities					
Communications	495	535	468	1,498	986
Programmes and learning	2,207	1,218	2,001	5,426	4,657
Galleries and exhibitions	1,639	1,597	1,874	5,110	4,793
Collections	2,564	4,145	2,385	9,094	8,362
Governance	31	80	43	154	139
	6,936	7,575	6,771	21,282	18,937
New Museum project	-	22,790	-	22,790	18,138
Total Expenditure	7,633	31,254	7,964	46,851	39,441

Governance costs comprise audit fees, an apportionment of directors' remuneration and other costs and an apportionment of support costs.

Expenditure is split Museum of London £56,803k (2022: £46,381k) and subsidiaries £711k (2022: £470k).

Expenditure includes £33,202k (2022: £24,625k) of restricted funds.

9) ALLOCATION OF SUPPORT COSTS

MUSEUM OF LONDON GROUP Expressed in £'000	Cost of Raising Funds	Charitable Activities	Governance Costs	Total 2023	Total 2022
Finance and administration	183	1,170	5	1,358	1,462
Management costs	78	505	3	586	630
Human resources and IT	144	929	5	1,078	1,122
Pension liability – finance costs, etc.	592	3,808	20	4,420	4,750
Group total support costs	997	6,412	33	7,442	7,964
MUSEUM OF LONDON GROUP Expressed in £'000					
Finance and administration	219	1,234	9	1,462	1,505
Management costs	94	533	3	630	678
Human resources and IT	168	948	6	1,122	1,159
Pension liability – finance costs, etc.	712	4,013	25	4,750	2,807
Group total support costs	1,193	6,728	43	7,964	6,149

Support costs are defined and allocated as disclosed in Note 1c, Accounting Policies.

10) EMPLOYEES

STAFF COSTS

Expressed in £'000	MUSEUM OF LONDON GROUP	
	2023	2022
Salaries and wages	9,678	9,112
Social security costs	1,030	896
Pension costs	1,491	1,352
Employment agencies	812	625
	13,011	11,985

The Governors neither received nor waived any emoluments during the year (2022: £nil). Reimbursement of travel and meeting expenses to Governors of the Museum of London were in total £606, paid to one Governor (2022: £452, paid to one Governor).

Staff costs in 2022/23 include £49k redundancy costs (2022: £39k) of which £20k was accrued at the year end and due to be paid in 2023/24. Redundancy and termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot be realistically withdrawn.

The number of employees with remuneration above £60,000 was within the ranges listed below:

	MUSEUM OF LONDON GROUP	
	2023	2022
£60,000 to £70,000	5	5
£70,001 to £80,000	4	7
£80,001 to £90,000	1	1
£90,001 to £100,000	1	1
£100,001 to £110,000	2	2
£110,001 to £120,000	2	-
£170,001 to £180,000	1	1

Under the museum's defined benefit pension scheme, retirement benefits are accruing to 15 staff disclosed above.

The compensation (including employer's national insurance contributions) of the key management personnel was £1,046k (2022: £950k). The roles included in the key management personnel are listed in the Governors' Report on pages 15 and 16.

The remuneration of the Director, who was also the highest paid employee, was as follows:

	2023	2022
	£	£
Salary	180,088	176,557
Contribution to pension scheme	28,994	28,426

BENEFITS IN KIND

No employee received any benefit in kind during the year.

AVERAGE NUMBER OF EMPLOYEES

The average number of employees, analysed by the categories of resources expended, and after the apportionment of 32.5 (2022: 46.7) support staff, was:

	MUSEUM OF LONDON GROUP	
	2023	2022
Cost of Raising Funds		
Costs of generating voluntary income	11	8
Fundraising trading	24	28
	35	36
Charitable Activities		
Communications	15	14
Programmes and learning	69	61
Galleries and exhibitions	59	59
Collections	85	74
	228	208
Total	263	244

The average headcount during the year excluding casual or agency staff was 269 (2022 restated: 252).

The increase in staff numbers is due to the increased staff required to work on the New Museum project across fundraising, content and project co-ordination and transformational change and funded projects. Staff costs above include casual staff equivalent to approximately 9 full time staff (2022: 11).

11) NET OUTGOING RESOURCES

Net outgoing resources is stated after charging:

Expressed in £'000	MUSEUM OF LONDON GROUP	
	2023	2022
Depreciation	3,572	3,374
Auditor's remuneration:		
Audit fees – statutory audit	80	69
Taxation compliance fees	5	5

12) FIXED ASSETS

At 31 March 2023 no fixed assets were held by any subsidiary company and both the opening and the closing positions for fixed assets were identical in the charity and the group.

TOTAL FIXED ASSETS

MUSEUM OF LONDON GROUP AND CHARITY Expressed in £'000	Heritage Assets	Intangible Assets	Other Tangible Assets	Total
Cost				
At 1 April 2022	16,341	1,035	75,781	93,157
Additions	619	25	177	821
Disposals	-	(11)	(272)	(283)
Transfers	-	-	-	-
At 31 March 2023	16,960	1,049	75,686	93,695
Accumulated Depreciation				
At 1 April 2022	11,455	527	50,781	62,763
Charge	855	169	2,548	3,572
Disposals	-	(11)	(272)	(283)
At 31 March 2023	12,310	685	53,057	66,052
Net book value				
At 1 April 2022	4,886	508	25,000	30,394
At 31 March 2023	4,650	364	22,629	27,643

A) HERITAGE ASSETS

The historic artefacts and museum exhibits at the Museum of London are regarded as heritage assets. This is due to their historical importance and their being held for the purposes of preservation and public education. As explained in Note 1 (F) only historic artefacts and exhibits purchased since 1 April 2001 have been included in the balance sheet due to the impracticality of economically valuing assets acquired before that date.

The Museum of London buildings at London Wall and Eagle Wharf Road are not heritage assets as their preservation is not an objective of the museum. This contrasts with the Museum of London Docklands building, a former spice warehouse, which is historic, and the restoration and continued preservation of which is part of the museum's objective.

As stated in Note 1 (F) fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

A) HERITAGE ASSETS (continued)

MUSEUM OF LONDON GROUP AND CHARITY Expressed in £'000	Docklands	Historic artefacts	Total
Cost			
At 1 April 2022	13,837	2,504	16,341
Additions	585	34	619
At 31 March 2023	14,422	2,538	16,960
Accumulated Depreciation			
At 1 April 2022	11,455	-	11,455
Charge	855	-	855
At 31 March 2023	12,310	-	12,310
Net book value			
At 1 April 2022	2,382	2,504	4,886
At 31 March 2023	2,112	2,538	4,650

The transactions relating to heritage assets for the current year and preceding four years are shown below. There have been no impairments.

Expressed in £'000	2023	2022	2021	2020	2019
Cost of acquisitions	619	612	404	308	523
Disposals	-	-	125	4	-

B) OTHER TANGIBLE ASSETS

MUSEUM OF LONDON GROUP AND CHARITY Expressed in £'000	Leasehold property	Museum Exhibits	Fixtures and Fittings	Other assets	Total
Cost					
At 1 April 2022	55,841	3,586	15,130	1,224	75,781
Additions	110	-	60	7	177
Disposals	-	-	(105)	(167)	(272)
At 31 March 2023	55,951	3,586	15,085	1,064	75,686
Accumulated Depreciation					
At 1 April 2022	33,596	3,403	12,671	1,111	50,781
Charge	1,952	70	473	53	2,548
Disposals	-	-	(105)	(167)	(272)
At 31 March 2023	35,548	3,473	13,039	997	53,057
Net book value					
At 1 April 2022	22,245	183	2,459	113	25,000
At 31 March 2023	20,403	113	2,046	67	22,629

C) INTANGIBLE ASSETS

MUSEUM OF LONDON GROUP AND CHARITY Expressed in £'000	Total
Cost	
At 1 April 2022	1,035
Additions	25
Disposals	(11)
At 31 March 2023	<u>1,049</u>
Accumulated Depreciation	
At 1 April 2022	527
Charge	169
Disposals	(11)
At 31 March 2023	<u>685</u>
Net book value	
At 1 April 2022	508
At 31 March 2023	<u>364</u>

13) HERITAGE ASSETS NOT DISCLOSED IN THE BALANCE SHEET

Nature and scale of Heritage Assets held

The Museum of London cares for approximately seven million objects in its collection, a proportion of which it inherited from the Guildhall and the London Museums when it opened in 1976. The museum collects objects that illustrate and document the past and present cultures and people of London. It operates under the terms of the Museum of London Act 1965 (as subsequently amended) which defines London as all of Greater London and the surrounding region. Generally this is considered to be the 32 London Boroughs and the City of London. The museum collections cover all periods of time, from the earliest hominid occupation in prehistory to the present day. They include field archaeology, ceramics, jewellery, numismatics, metalwork and human remains, paintings, prints and drawings, photography, ephemera, social and working history items, decorative arts and costume as well as tape recordings, film, video and other electronic media.

Policies for acquisition, preservation management and disposal of Heritage Assets

The museum has a Collections Management Policy and an Acquisitions and Disposal Policy. It uses the collections management system MIMSY XG for the day-to-day management of its collections.

The museum continues to add actively to its collection via a number of means including purchase, gift, bequest and excavation, and occasionally divests itself of objects through transfer to other museums or organisations, sale and recycling/destruction. Reasons for disposal include objects being outside the museum's current collecting policy, unprovenanced objects, duplication in collections, underuse (no known future potential for research or display), damage beyond any possible use and health and safety reasons.

Access to collections is provided through our permanent displays, temporary exhibitions, web site, public access to stored collections, public programmes such as loans out and learning activities.

Further details can be obtained from our website at:

<http://www.museumoflondon.org.uk/Collections-Research/About-the-collections/>

14) INVESTMENTS

MUSEUM OF LONDON GROUP	2023	2022
Expressed in £'000		
Listed investments		
Market value at 1 April	3,974	3,690
Unrealised (loss)/gains on investments	(42)	284
Market value at 31 March	3,932	3,974
Less Cost at 31 March	1,159	1,159
Cumulative unrealised gain at 31 March	2,773	2,815

The above is represented by holdings in Charity Authorised Investment Fund managed by BlackRock, namely BlackRock Charities Funds, which aims to provide medium to long-term capital and income appreciation by investing mainly in UK listed companies. The Trustees believe that the carrying value of the investments is supported by their underlying assets.

Holdings in excess of 5% of the market value of the portfolio at 31 March 2023 are as follows and are all invested in the Blackrock Charities UK Equity Fund:

MUSEUM OF LONDON GROUP	Total	Total
Expressed in £'000		
	2023	2022
Joicey	1,095	1,107
Mackenzie Bell	1,894	1,913
London Museum	943	954
Market value at 31 March	3,932	3,974

15) DEBTORS DUE WITHIN ONE YEAR

Expressed in £'000	MUSEUM OF LONDON GROUP		MUSEUM OF LONDON	
	2023	2022	2023	2022
Trade debtors	259	388	81	112
Amounts owed by group undertakings	-	-	1,706	2,312
Other debtors	1,118	369	1,120	366
Prepayments and accrued income	11,760	6,329	11,713	6,257
	13,137	7,086	14,620	9,047

Included within Trade debtors is a provision for bad and doubtful debts of £nil (2022: £nil). Amounts classified above as trade debtors and other debtors above fall within the definition of basic financial instruments.

16) CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

Expressed in £'000	MUSEUM OF LONDON GROUP		MUSEUM OF LONDON	
	2023	2022	2023	2022
Trade creditors	948	1,082	902	1,071
Accruals	7,598	4,281	7,598	4,281
Debt repayable	465	492	465	492
Other creditors	1,132	1,366	1,124	1,318
Payments in advance	135	282	17	3
	10,278	7,503	10,106	7,165

Amounts classified above as trade creditors and other creditors above fall within the definition of basic financial instruments.

Deferred income included in Other Creditors and Payments in advance represent income received in 2022/23 for ticketed events and venue hire occurring in the following financial year and rental income received in advance to June 2023. Movements from the prior year are shown below:

Expressed in £'000	MUSEUM OF LONDON GROUP		MUSEUM OF LONDON	
	2023	2022	2023	2022
Balance at 1 April	282	344	3	44
Released during the year	(265)	(318)	(3)	(44)
Newly assigned	118	256	17	3
Balance at 31 March	135	282	17	3

17) COMMITMENTS

- (i) The total of future minimum lease payments due under non-cancellable contracts within each of the following periods are:

Expressed in £'000	MUSEUM OF LONDON AND MUSEUM OF LONDON GROUP	
	2023	2022 restated
Payments due:		
Within one year	19	14
Within two to five years	9	7
Total	28	21

During the year, payments of £23k (2022 restated: £21k) were made under operating leases.

- (ii) The Museum has construction and professional fees commitments for the New Museum project that are not included in the balance sheet and are due as follows:

Expressed in £'000	2023	2022
Payments due:		
Within one year	1,857	14,975
Within two to five years	553	35
Total	2,410	15,010

Contracts related to New Museum project for construction management and the first trade packages were under negotiation at year end. The commitments that relate to these contracts were made by the start of July 2023 and totalled £25.5m.

18) TOTAL FUNDS

A) FUNDS ANALYSIS – MUSEUM OF LONDON GROUP

Expressed in £'000	Balance at 1 April 2022	Income	Expendi- -ture	Transfer between funds	Other gains & losses	Balance at 31 March 2023
RESTRICTED ENDOWMENT FUNDS						
London Museum Trust	948	-	-	-	(10)	938
Joicey Trust	1,108	-	-	-	(12)	1,096
Total Endowment funds	2,056	-	-	-	(22)	2,034
RESTRICTED FUNDS						
Museum of London						
Fixed Assets Fund	1,296	-	-	20	-	1,316
Major Projects Fund	692	1,976	(1,155)	(63)	-	1,450
New Museum Project Fund	12,637	41,540	(31,186)	-	-	22,991
ACE Programmes Fund	2	-	-	-	-	2
Museum in Docklands						
Capital fund	1,932	478	(795)	-	-	1,615
Trust funds						
Joicey Trust Income Fund	113	39	(38)	-	-	114
Mackenzie Bell Trust	2,194	70	(28)	-	(20)	2,216
Total restricted funds	18,866	44,103	(33,202)	(43)	(20)	29,704
DESIGNATED FUNDS						
Fixed Assets Fund	20,976	-	(2,777)	815	-	19,014
Arts Council England	490	1,429	(1,632)	-	-	287
Designated funds	21,466	1,429	(4,409)	815	-	19,301
Designated defined benefit pension reserve	(54,375)	-	(4,420)	-	53,386	(5,409)
GENERAL RESERVES						
Museum of London	8,430	15,568	(15,468)	(772)	-	7,758
London Museum Trust	103	32	(15)	-	-	120
Total General Reserves	8,533	15,600	(15,483)	(772)	-	7,878
TOTAL FUNDS	(3,454)	61,132	(57,514)	-	53,344	53,508

B) EXPLANATION OF FUNDS

Restricted Endowment Funds

The London Museum Trust and Joicey Trust Funds are both endowment funds, established by benefactors to provide funds to the museum in pursuit of its objectives. The Joicey Trust Fund is a permanent endowment fund which means that the income can be spent but not capital. The London Museum Trust Fund is an expendable endowment which means that both income and capital can be spent but the latter only with the approval of the Board of Governors of the museum. Income arising in the year is treated as unrestricted in the London Museum Trust, restricted in the Joicey Trust.

Restricted Funds

Where a donor or sponsor has specified a particular purpose for a donation, grant or sponsorship income, that income is shown as restricted income in the year in which receipt is due.

Museum of London Fixed Assets Fund represents the net book value of tangible fixed assets located at the Museum of London financed out of restricted income, it funds future depreciation of those assets.

Museum of London Major Projects Fund arises from a variety of external funding, ranging from major capital works at the museum to specialised work on the collections. This included a Foundation for Future London grant of £36k (2022 £40k).

Museum of London New Museum Project Fund was set up in 2015 to represent the restricted funds received for the New Museum project.

Museum in Docklands Capital Fund dates from the inception of the Museum in Docklands, it arose from the restricted funding obtained to restore the old warehouse building that is now that museum (included in "Heritage Assets" in the financial statements). It funds future depreciation of those assets.

The Mackenzie Bell Trust Fund is similar to the Joicey and London Museum Trust Funds except that both capital and income can be spent in support of the museum's objectives.

Designated Funds

Where the museum decides to commit to a specific project or set aside a sum for a specific need, an allocation is made to a designated fund.

The Fixed Assets Fund has been designated by Governors to ensure the museum maintains sufficient reserves to replace fixed assets that were acquired without any kind of external funding. Defined as the net book value of tangible fixed assets less the outstanding amount of related long-term loans, it funds future depreciation of those assets.

ACE Fund arises from funding from the Arts Council England 2018–22 National Portfolio Organisation (NPO) grants and 2018-22 Sector Support Organisation (SSO) grants, a four year grant covering primarily a spectrum of learning, community and regional programmes. It funds the museum's commitment to delivering on the programme agreed with ACE. As part of Art Council England's response to Covid-19, the NPO and SSO grants were extended for one year to 31 March 2023. A new three year NPO grant for 2023-2026 has been awarded to the Museum and a further one year extension for SSO grants to 31 March 2024.

The ACE Fund also comprises funding brought forward arising from the historic Arts Council England Renaissance Major Grants programme, a three year grant covering primarily a spectrum of learning, community and regional programmes. It funded the museum's commitment to delivering on the programme agreed with ACE.

The Defined Benefit Pension Reserve represents the current shortfall on the Defined Benefit Pension Scheme.

General Reserves

General Reserves are otherwise referred to as "Free reserves" as Governors can use them in any way connected with the running of the museum. Both arise from unrestricted income.

C) TRANSFERS BETWEEN RESERVES

Major Projects Fund - the transfer out of £63k is primarily to reflect the substantial completion of certain capital works funded partly or fully by external sources. Once the works have been completed the conditions attaching to the grants have been met and that amount can be transferred to general reserves.

Designated Fixed Assets Fund – the balance on this fund is maintained at a level representing the net book value of total fixed assets less the outstanding amount of related long-term loans. As the cover required each year is affected by a collection of factors, such as depreciation, loan repayments, fixed asset disposals and acquisitions, each year a specific calculation is made to determine the transfer required from general to designated funds. The transfer from general reserves for 2022/23 was £815k.

General Reserves – the transfer of £772k is the net balance of the transfers referred to above.

19) ANALYSIS OF NET ASSETS BETWEEN FUNDS – MUSEUM OF LONDON GROUP

Expressed in £'000	Tangible Fixed Assets	Invest- ments	Current Assets	Current Liabilities	Long term Liabilities and Provisions	Pension Liabilities	Total Net Assets
RESTRICTED ENDOWMENT FUNDS							
London Museum Trust	-	938	-	-	-	-	938
Joicey Trust	-	1,096	-	-	-	-	1,096
Endowment funds total	-	2,034	-	-	-	-	2,034
RESTRICTED FUNDS							
Museum of London							
Fixed Assets Fund	1,316	-	-	-	-	-	1,316
Major Projects Fund	-	-	1,450	-	-	-	1,450
New Museum Project Fund	-	-	22,991	-	-	-	22,991
ACE Programmes Fund	-	-	2	-	-	-	2
Museum in Docklands							
Capital fund	1,615	-	-	-	-	-	1,615
Trust Funds							
Joicey Trust Income Fund	-	-	114	-	-	-	114
Mackenzie Bell	-	1,894	322	-	-	-	2,216
Restricted funds total	2,931	1,894	24,879	-	-	-	29,704
DESIGNATED FUNDS							
Fixed Assets Fund	24,712	-	-	(463)	(5,235)	-	19,014
Arts Council England	-	-	287	-	-	-	287
Designated funds total	24,712	-	287	(463)	(5,235)	-	19,301
Designated defined benefit pension reserve	-	-	-	-	-	(5,409)	(5,409)
GENERAL RESERVES							
Museum of London	-	(1)	17,574	(9,815)	-	-	7,758
London Museum Trust	-	5	115	-	-	-	120
General Reserves total	-	4	17,689	(9,815)	-	-	7,878
TOTAL FUNDS	27,643	3,932	42,855	(10,278)	(5,235)	(5,409)	53,508

20) TAX STATUS

The activities of the museum are undertaken for charitable purposes. Under Part 11 of CTA 2010 no liability to corporation tax has arisen for the year to 31 March 2023 (2022: £nil).

21) RELATED PARTIES

The following disclosures are made in recognition of the principles underlying Financial Reporting Standard 102 concerning related party transactions.

A) GREATER LONDON AUTHORITY (GLA)

The GLA is considered a related party since it has the right to appoint half of the Governing Body of the museum and is one of the two main sponsors of the museum along with the City of London Corporation (see below). The museum received grants from the GLA totalling £8.1m (2022: £8.1m) during the financial year ended 31 March 2023. Included in the 2023 figure above is £0.5m of capital funding (2022: £0.5m), which was for capital works carried out in 2022/23.

B) CITY OF LONDON CORPORATION (COLC)

The City of London Corporation is considered a related party since it has the right to appoint half of the Governing Body of the museum and is one of the two main sponsors of the museum along with the GLA (see above). The museum received grants from the City of London Corporation during the year of £43.3m (2022: £28.9m). Included in the 2023 figure is £37.7m for the New Museum project (2022: £23.2m).

The City of London Corporation in accordance with the Museum of London Act 1965 is required from amongst the officers of the City of London Corporation to appoint persons who, whilst remaining officers of the City of London Corporation, act as Secretary and as Treasurer to the Board. Additionally, the Board has appointed other officers of the City of London Corporation to provide various services including legal, payroll and internal audit services. The provision of all these services by the COLC is the subject of a charge in accordance with the 1965 Act. During the financial year ended 31 March 2023 the charges for these services were £0.1m (2022: £0.1m).

Outstanding loans from COLC to the Museum of London totalled £5.7m at 31 March 2023 (2022: £6.2m). This total includes a balance of £41k on a loan originally made to the Museum of London Docklands (2022: £62k). Of these loans, £465k is due within one year (2022: £492k) and £5,235k is due after more than one year (2022: £5,700k). The museum incurred interest charges related to these loans of £80k (2022: £95k).

C) MOLA

MOLA is considered a related party due to the close association between it and the museum, as reflected in the Memorandum of Understanding that governs relations between the two organisations and the on-going link between the organisations through Boards of Management with close and regular contact. The museum does not exercise control over MOLA which is an independently constituted charitable company separately managed by its own Board of Trustees. One of the Museum of London's Governors, Alderman Alison Gowman, is a Board Director and Trustee at MOLA, representing the Museum of London on the MOLA Board.

A charge of £297k was made by the museum to MOLA for a licence to occupy space in Mortimer Wheeler House (2022: £278k). In addition, a charge of £50k was made by the museum to MOLA for use of the museum's trade mark, under a variation to the Trade Mark Licence agreed during the year (2022: £50k).

D) GOVERNORS AND STAFF

None of the Governors, key managerial staff or their related parties has undertaken any transactions with the museum or its subsidiary undertakings during the year, other than the donations from Governors listed below. The Museum has received £5k (2022: £15.5k) donations in total from a number of the Governors, in the normal course of charitable giving.

22) RETIREMENT BENEFITS

The Museum of London participates in the City of London Corporation Pension Fund, a defined benefit pension scheme. The Museum's share of the assets of the Fund for the year ended 31 March 2023 is approximately 6.59% (2022: 6.62%). The amounts below relate to the Museum of London's share of the fund. The valuation used for the disclosures in this note has been based on the results of the last full actuarial valuation carried out at 31 March 2022, as updated to 31 March 2023 using financial assumptions that comply with FRS 102.

The contributions made by the employer over the financial year amounted to £1,542k (2022: £1,431k). The contribution rate set for the year was 16.1% (2022: 16.1%). Following the triennial valuation, the 2023/24 employer contribution rate has been set to remain at 16.1%.

ASSUMPTIONS

The financial assumptions used to calculate scheme liabilities under FRS 102 are:

Valuation Method	2023	2022	2021
	%	%	%
RPI Increases	3.25%	3.55%	3.20%
CPI Increases	2.90%	3.20%	2.85%
Salary Increases	3.90%	4.20%	3.85%
Pension Increases (CPI)	2.90%	3.20%	2.85%
Discount Rate	4.80%	2.60%	2.00%

The assumed life expectations from age 65 are:

Life expectations (years)	Males	Females
Retiring today	21.1	23.5
Retiring in 20 years	22.3	25.0

NET ASSETS OF THE SCHEME

The Museum of London's share of the net assets in the scheme was as follows:

Expressed in £'000	Assets at 31 March 2023	Assets at 31 March 2022	Assets at 31 March 2021
Equities	53,167	54,461	52,087
Cash	653	1,295	443
Property and infrastructure	12,098	11,426	10,060
Multi-asset fund	24,718	24,979	23,987
Closing fair value of Fund assets (A)	90,636	92,161	86,577
Present value of the defined benefit obligation	(95,506)	(146,006)	(149,293)
Present value of unfunded obligation	(539)	(530)	(573)
Closing defined benefit obligation (B)	(96,045)	(146,536)	(149,866)
Net Pension (Liability) (A) - (B)	(5,409)	(54,375)	(63,289)

ANALYSIS OF PENSION SCHEME OUTGOING RESOURCES

Expressed in £'000	MUSEUM OF LONDON GROUP		
	2023	2022	2021
Analysis of the amount charged to resources expended			
Current service cost	4,539	4,901	3,284
Employer contributions	(1,542)	(1,431)	(1,449)
Unfunded pension payments	(41)	(42)	(43)
Net interest on the defined liability	1,393	1,252	956
Administration expenses	71	70	59
Net Resources Expended excluding Past service costs, including curtailments	4,420	4,750	2,807
Past service costs, including curtailments	91	115	363
Net Resources Expended	4,511	4,865	3,170

Pension fund operational costs are apportioned to the expenditure heading on the Consolidated Statement of Financial Activities according to staff costs in each category.

ANALYSIS OF AMOUNT RECOGNISED IN OTHER RECOGNISED GAINS AND LOSSES

Expressed in £'000	MUSEUM OF LONDON GROUP		
	2023	2022	2021
Remeasurement of the net assets / (defined liability)			
Return on fund assets less interest	(2,891)	4,364	16,752
Other actuarial (loss) on assets	(866)	-	-
Changes in financial assumptions	63,274	9,629	(38,731)
Changes in demographic assumptions	3,622	-	1,200
Experience (loss)/gain on defined benefit obligation	(9,753)	(329)	1,468
Actuarial gain/(loss) recognised in Consolidated Statement of Total Recognised Gains and Losses	53,386	13,664	(19,311)

MOVEMENT IN DEFICIT DURING THE YEAR

Expressed in £'000	MUSEUM OF LONDON GROUP		
	2023	2022	2021
Deficit at beginning of the year	(54,375)	(63,289)	(41,171)
Current and past service costs, including curtailments	(4,539)	(4,901)	(3,284)
Employer contributions	1,542	1,431	1,449
Unfunded pension payments	41	42	43
Net interest on the defined liability	(1,393)	(1,252)	(956)
Administration expenses	(71)	(70)	(59)
Actuarial gain/(loss)	53,386	13,664	(19,311)
Deficit at end of the year	(5,409)	(54,375)	(63,289)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE PRESENT VALUE OF THE DEFINED BENEFIT OBLIGATION

Expressed in £'000

MUSEUM OF LONDON GROUP

	2023	2022
Opening defined benefit obligation	146,536	149,866
Current service cost	4,448	4,786
Interest cost	3,788	2,979
Change in financial assumptions	(63,274)	(9,629)
Change in demographic assumptions	(3,622)	-
Experience gain on defined benefit obligation	9,753	329
Estimated benefits paid net of transfers in	(2,300)	(2,467)
Past service costs, including curtailments	91	115
Contributions by Scheme participants	666	599
Unfunded pension payments	(41)	(42)
Closing defined benefit obligation	96,045	146,536

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF FUND ASSETS

Expressed in £'000

MUSEUM OF LONDON GROUP

	2023	2022
Opening fair value of Fund assets	92,161	86,577
Interest on assets	2,395	1,727
Return on assets less interest	(2,891)	4,364
Other actuarial (losses)	(866)	-
Administration expenses	(71)	(70)
Contributions by employer including unfunded benefits	1,583	1,473
Contributions by Scheme participants	666	599
Estimated benefits paid and unfunded net transfers	(2,341)	(2,509)
Fair value of Fund assets at end of period	90,636	92,161

SENSITIVITY ANALYSIS

The following table sets out the impact of a change in the discount rates on the Total Obligation and Projected Service Cost along with a +/- 1 year age rating adjustment to the mortality assumption.

	2023	2022	2021
Adjustment to discount rate	+0.1%	+0.1%	+0.1%
- Present value of total obligation £'000	94,451	143,469	146,711
- Projected service cost £'000	1,504	4,055	4,738
Adjustment to mortality age rating assumption	+1 year	+1 year	+1 year
- Present value of total obligation £'000	99,562	152,547	156,261
- Projected service cost £'000	1,626	4,392	5,135

PROJECTED PENSION EXPENSE FOR THE YEAR TO 31 MARCH 2023

	<u>£'000</u>
Service cost	1,568
Net Interest on the defined liability	223
Administration expenses	70
Total loss	<u>1,861</u>
Employer contributions	<u>1,504</u>

REFERENCE AND ADMINISTRATIVE DETAILS

Name	Museum of London
Address	150 London Wall, London EC2Y 5HN
Registered Charity number	1139250
Board of Governors	A Board of Governors, consisting of 18 members of whom the Greater London Authority (GLA) (prior to April 2008: the Prime Minister) and the City of London Corporation (COL), each appoints 9 members, is responsible for the strategic direction and oversight of the museum. The following Governors served throughout the financial year, except where indicated.
Appointed by the City of London	Tijs Broeke CC (ceased to be a Governor 08 September 2023) Councillor Kaya Comer-Schwartz Alderman Alison Gowman Paul Martinelli CC Judith Pleasance CC Mark Bostock (ceased to be a Governor 01 August 2023) Alderman Gregory Jones KC (appointed 19 May 2022) Professor Sir David Cannadine (appointed 24 June 2022) Charlotte Twynning (appointed 1 October 2022) John Foley CC (appointed 07 September 2023) Matthew Bell CC (appointed 08 September 2023)
Appointed by the GLA	Clive Bannister Lindsay Herbert Milyae Park (ceased to be a Governor 28 February 2023) Gail Tolley (ceased to be a Governor 31 March 2023) David Wormsley Ijeoma Ekwueme-Okoli (appointed 1 October 2022) Simon Morris (appointed 1 October 2022) Paul Fuller (ceased to be a Governor 07 August 2023) Alice Black (appointed 1 October 2022) Bridget Banton (appointed 1 July 2023) Samir Patel (appointed 1 July 2023)
Administration	Under the Museum of London Acts 1965 and 1986, the Board is required to appoint a Director of the museum to be responsible to the Board for: <ul style="list-style-type: none"> • the care of all property in possession of the Board; • the general administration of the collections vested in the Board and any place where those collections are kept; and • the administration of any services provided by the Board in the exercise of their functions. <p>The Treasurer and Secretary to the Board are required to be officers of the City of London Corporation.</p>
Director	Sharon Ament
Treasurer	Kate Limna, Guildhall, London EC2P 2EJ
Secretary	Ian Thomas CBE, Guildhall, London, EC2P 2EJ

Bankers	Lloyds Bank, 25 Gresham Street, London EC2V 7HN Chamberlain of London, Guildhall, London, EC2P 2EJ
Legal Advisers	City of London Corporation, Guildhall, London, EC2P 2EJ Farrer & Co, 66 Lincoln's Inn Fields, London WC2A 3LH
Independent Auditor	BDO LLP Chartered Accountants and Statutory Auditor 55 Baker Street London W1U 7EU
Investment Adviser	BlackRock Investment Management 12 Throgmorton Avenue London, EC2N 2DL
SUBSIDIARY UNDERTAKINGS	The financial statements consolidate the accounts of the Museum of London together with its subsidiary undertakings which are listed below.
Museum of London (Trading) Limited	The Museum of London (Trading) Limited is a company limited by shares. Its principal activities are the provision of corporate hire and catering services and the retail function at the museum shops. The registered company number is 05423292.
The Trust Funds	<p>The Trust Funds were acquired from the London Museum in accordance with the provisions of Section 2 of the Museum of London Act 1965 and are separate legal entities. The Board of Governors appoints their Trustees. Individual financial statements are produced for each trust and they are also consolidated into the financial statements of the Museum of London.</p> <p>The trusts are:</p> <p>London Museum Fund - Registered Charity Number 312174 Joicey Fund - Registered Charity Number 314194 Mackenzie Bell Fund - Registered Charity Number 314195</p> <p>The appropriate clauses defining the control of their expenditure are:</p>
London Museum Fund	<p>"The Trustees shall hereof apply the income of the Charity for such charitable purposes as the Trustees shall from time to time consider best in the interests of the Museum including in particular:</p> <ul style="list-style-type: none">• the acquisition for the Museum of artefacts, pictures, photographs, books, manuscripts, films and other objects of any description whatsoever relating to any aspects of the history of London;• the rendering of assistance to the Museum in preservation, maintenance and repair of objects of all kinds owned by or in the custody of the Museum for the purposes of exhibition to the public or for use for the purposes of study or research;• the promotion of the study of history of London by the publication of books and other printed matter, the provision of exhibitions, lectures, seminars, recitals, recorded music and prizes and the commissioning of literary or artistic works, photographs or films; or• the provision of improvement of amenities and facilities at the Museum".
Joicey Fund	<p>The Trust was established from the estate of John George Joicey. The relevant extract from his will states:</p> <p>"The remainder of the said estate shall be made over to the Trustees of the London Museum to form a fund, the income from which shall be applied as the Trustees of the Museum think fit in the purchase of articles, specimens, curios, etc., for the Museum".</p>
Mackenzie Bell Fund	<p>"The said assets and property and any income thereof shall be used as the Trustees of the London Museum shall from time to time think fit for the purpose of maintaining and adding to the collection in the said Museum".</p>