



**NATIONAL
MUSEUMS NI**

**ANNUAL REPORT
AND ACCOUNTS
2020-2021**



**National Museums NI Annual Report and Accounts
For the year ended 31 March 2021**

Laid before the Northern Ireland Assembly
under Article 10 (2) (c) and 11 of the Museums and Galleries (Northern Ireland) Order 1998

by the Department for Communities

on

17 November 2021

Chairman's Foreword

As Chairman of the Board of Trustees of National Museums NI, I am delighted to be able to present to you the Annual Review 2020/21. The last twelve months have been extremely challenging for the organisation and I can only anticipate that the shadow of the pandemic will pervade as we look forward to the year ahead. As Trustees, we recognise that keeping and building momentum in these volatile and uncertain times will be a key challenge.

Despite this challenge, however, I can highly commend what National Museums NI has achieved. This Annual Review reflects a spirit of working together through adversity, indisputable commitment to the cause and a restlessness for progress. With these traits so clearly evident, I believe that we can look forward to a future where our museums and collections support improvements in health and wellbeing, build skills and confidence and stimulates learning and enjoyment.

Looking back on 2020/21, I take confidence in the strong foothold and forward momentum that the organisation has built in recent years, and which it sustained throughout the last 12 months. This resilience has enabled an effective navigation of this current pandemic and will continue to enable even further progress in the year ahead.



Miceal McCoy
Chairman of the Board of Trustees

Chief Executive's Welcome

I'm sure that I am not alone in feeling that the past twelve months have been an endurance test – for me, for our organisation, for the wider sector and for society at large. To meet the demands of this test, maintaining perspective has been critical for us to continue to survive and thrive – this is temporary and it will end, it has brought good as well as bad, and positive progress has and is still being made.

With perspective in mind, I welcome this Annual Review as an opportunity to step back and reflect. I reflect on how we have responded as an organisation to unprecedented challenges, navigating through uncharted waters to best support and stay connected to our audiences and our people. The closure and reopening of our museums on several occasions has been a substantial programme of work which, as visitor feedback and staff surveys evidence, has been delivered very successfully. We embraced the opportunity to highlight and celebrate key aspects of our work that more clearly demonstrate our core purpose, for example: showcasing the ongoing relevance and success of key programmes such as Making the Future and Reimagine Remake Replay; launching our Access For All initiative on reopening; developing and rolling out our new virtual education programme; creating more relevant online content through social media and virtual exhibitions; developing new partnerships such as the conflict legacy network; and, being more proactive in stating our position and commitments to key issues within the sector such as Black Lives Matter, Decolonisation and Collections, Sites & Biodiversity Conservation.

I also reflect on how we have also managed to keep moving forward and making progress. We have balanced the immediacy of the current situation with maintaining momentum around realising our long-term ambitions. We have completed strategic development frameworks for both Ulster Museum and Ulster American Folk Park, and have made significant steps forward towards our exciting redevelopment project at the Ulster Folk Museum. Importantly we have also developed a new Corporate Strategy 2021-25 which will re-energise our transformative journey within the new societal context in which we operate.

So, faced with testing times, I am extremely proud of how we have adapted and stepped up to the mark despite the challenges in our way. Working together as one team across our organisation and with partners, we have every reason as an organisation to be hopeful and excited for the future.



Kathryn Thomson
Chief Executive

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THE TRUSTEE'S ANNUAL REPORT

National Museums and Galleries of Northern Ireland has adopted the operating name of National Museums NI. This operating name has been adopted and used throughout the Annual Report and Accounts.

Portfolio

National Museums NI comprises:

- Ulster Museum
- Ulster Folk Museum
- Ulster Transport Museum
- Ulster American Folk Park

Objectives and activities

The Museums and Galleries (Northern Ireland) Order 1998 (the "Order") established a Board of Trustees for National Museums NI and provided that all property, rights and liabilities of the Trustees of the Ulster Museum and the Trustees of the Ulster Folk & Transport Museum would transfer to this Board. It repealed previous legislation affecting the Ulster Museum and the Ulster Folk and Transport Museum. The Trustees of the Ulster Museum and the Trustees of the Ulster Folk and Transport Museum were thereby abolished. National Museums NI assumed responsibility for the Ulster American Folk Park from October 1998. A subsidiary company, National Museums Northern Ireland Enterprises Limited, was incorporated in 2008 for the purposes of assuming trading activity currently carried out by National Museums NI. It is currently dormant until such activities are transferred.

The Order requires the Trustees to:

- care for, preserve and add to the collections;
- ensure that the collections are available to the public through exhibitions, effective interpretation and availability for research and study; and
- promote the awareness, appreciation and understanding of:
 - art, history and science;
 - the way of life and traditions of people;
 - the migration and settlement of people;

with particular reference to the heritage of Northern Ireland.

In setting the objectives and planning the activities for the year, the Trustees have given careful consideration to the Charity Commission for Northern Ireland's guidance on public benefit to ensure that the activities have helped to achieve the charity's purposes and provide a benefit to the beneficiaries.

The requirements of the Order meet the following charitable purposes as defined by the Charities Commission:

- The advancement of the arts, culture, heritage and science; and
- The advancement of education.

National Museums NI: Who We Are

National Museums NI comprises four museums and serves as a custodian of the National Collection of 1.4 million objects which are multidisciplinary, diverse and span all time periods, referencing Northern Ireland within, and to, the wider world.

Ulster Museum

The Ulster Museum is Northern Ireland's treasure house of the past and the present – home to rich collections of art, history and natural sciences. It is a vibrant place where friends and family enjoy knowledge and stories drawn from local and global culture. It is a place of awe and wonder, but also a safe and trusted space which allows diverse voices to be heard and difficult questions to be explored.

Ulster Folk Museum

The Ulster Folk Museum is an open-air museum – rolling hills of countryside and a bustling town filled with authentic period buildings, meticulously transported from their original settings. The Museum reveals how we have shaped our natural environment over time creating a cultural landscape rich in traditions and diversity. Its commitment to preserving and interpreting our way of life from the early 1900s connects us with values, skills and customs that would otherwise be lost.

Ulster Transport Museum

The Ulster Transport Museum tells the story of transport and social change in this part of the world since the birth of the modern era. It is the journey of tenacious, local people finding more efficient ways to travel and to transport the essentials of daily life. It is a place to discover that story and offer inspiration for the designers, engineers and adventurers of the future.

Ulster American Folk Park

Embark on an epic journey across the centuries, and the vast Atlantic Ocean, as you create the story of Irish emigration. The Ulster American Folk Park is a place that preserves the importance of Ulster people's contribution to establishing modern North America and tells compelling stories of Irish emigration. It seeks to alter people's perceptions about emigration through personal stories of discovery.

Our role and purpose

National Museums NI's role is to work with the public to explore and share compelling stories about real objects and collections in unique settings that enable all of us to gain new knowledge and understanding.

We are passionate about playing a vital role at the heart of our society, making a difference to the lives of many individuals as well as contributing to the development of a vibrant society. The collections are at the centre of everything we do, and we are committed to working in partnership with people, local communities and organisations that share our aspirations. We want to ensure that the widest possible audience has access to our national collections.

We operate for the public and national benefit, not just for this generation but for future generations and for all visitors to Northern Ireland. We facilitate a better understanding of our collective heritage and foster dialogue, curiosity and self-reflection.

Our Vision:

Celebrate who we are: telling the stories of our past, challenging our present and shaping our future.

Our Mission:

- Develop, manage and care for our Collections to benefit current and future generations.
- Make our Collections accessible to the widest possible audiences.
- Play a leading role in the economic and social wellbeing and future of this place.
- Build an organisation where people feel valued.

Our Values:

- Striving for excellence – being the best we can be in everything we do; delivering excellent customer service internally and externally; and sharing our expertise.
- Being authentic – being true to our Collections; having integrity in everything we do; and creating unique experiences.
- Working together – promoting teamwork; building mutually beneficial partnerships; and being receptive to others and their ideas.
- Showing respect – valuing everyone; supporting diversity; and respecting the Collections.
- Being courageous – being ambitious in programming; embracing change; being brave and creative in the stories we tell; and empowering our people.

Our Journey:

In the past five years, spurred by our passion for our museums and collections, National Museums NI has embarked on an ambitious programme of transformation to ensure that we achieve the maximum public benefit through everything we do.

Through our transformative agenda we are actively rethinking the role of museums in our society. We want to connect people to their interests and ambitions in a deeper way. But we also recognise that societal norms are changing in terms of lifestyle, identity, the climate emergency and the economy; and that this requires us to change too.

We believe that our museums can set an example in adapting to change, encouraging debate, promoting reconciliation and supporting diversity and sustainability. We need to be able to react as well as reflect.

Public Benefit Statement

Everything we do as an organisation is measured against the benefits we aspire to bring to the users of our Museums. The direct public benefit of National Museums NI is that people, individually and collectively, better understand the art, history, science and culture of Northern Ireland and its significance and relevance in wider national and global contexts. This is evidenced through the data we hold in relation to:

- visitor numbers and usage of our sites;
- the demographic profile of visitors;
- online visitation;
- details of outreach visits where we take collections into local communities;
- specific learning programmes for formal learners, lifelong learners and communities;
- the diversity and scale of our exhibitions and public programming;
- evaluations, feedback and customer satisfaction rating of our programmes and exhibitions;
- the extent of public access to our stores; and

- partnerships with academic and higher education institutions.

Beneficiaries include the people of Northern Ireland and people from outside the area who visit the museums, as well as online users of nmni.com.

Performance Report 2020/21

The following section provides a headline overview of our Key Performance Indicators (KPI's) and is followed by a narrative assessment of achievements in the year.

Key Performance Indicators – Overview

Our twelve key performance indicators, as set out in our 2020/21 business plan, are listed in the table below with our achievements in the year:

| Revised KPI | Target 2020/21 | Actual 2020/21 | Actual 2019/20 |
|---|----------------|----------------|----------------|
| Percentage of storage estate as 'Acceptable', 'Good' or 'Excellent' | 80% | 70% | 60% |
| Specimens on collection database | 76.5% | 76% | 75% |
| Records to Spectrum Inventory Standard | 51% | 49% | 49% |
| Records to Full Spectrum Standard | 27.5% | 23% | 22% |
| Total Visitors | 104,000 | 64,076 | 685,935 |
| Maintain Tourism NI rating (<i>no survey carried out in 20/21 due to COVID-19 Pandemic</i>) | 4* | N/A | 4* |
| Exceed ALVA* benchmark for overall rating of COVID-19 safety measures | 9.04/10 | 9.11/10 | N/A |
| Percentage of National Readership Survey Grade C2DE Visitors | 20% | 22% | 21% |
| Number of participants on formal learning visits | 5,500 | 3,263 | 44,892 |
| Capital investment delivery | £4.2m | £4.6m | £5.1m |
| Engage with new Volunteers | 75 | 89 | N/A |
| Self-generated income (excluding Grant Funding) | £390k | £340k | £2.206m |

*Association of Leading Visitor Attractions

KPI Performance Review

The original National Museums NI Business Plan for 2020/21 was developed by management and approved by the Board prior to COVID-19. However the Business Plan had not yet received Ministerial approval before the 2020/21 financial year had commenced. Following the onset of the pandemic, targets, objectives and activities were reviewed, revised and updated in Q1 to take account of the expected impact of COVID-19 and specifically the closure of the museums during the first lockdown. However, with subsequent second and third waves resulting in further lockdowns, closures and restrictions as the year unfolded, there were no further revisions to the Business Plan targets.

We have set out below an evaluation of our performance during 2020/21 with specific reference to our corporate priorities, namely how we care for, develop and open up access to our collections, how we create more engaging visitor and audience experiences, how we connect with more people, and how our economic and social impact is supported by our commitment to building the museum infrastructure of the future.

At year end, 70% of the National Museums NI storage estate was 'Acceptable', 'Good' or 'Excellent'. Whilst the target of 80% was not achieved, this result represents further progress of 10% on the 2019/20 outcome of 60%. This was achieved by the opening of the new Ballycultra Store in July 2020, with the transfer of the Harland & Wolff ship plan collection into this new facility.

Records to 'Full Spectrum Standard' have increased to 23% from 22% in 2019/20, but the annual target was not achieved, falling short by 4.5%. The increase on last year's position was achieved through record enhancement on acquisition records and by improvement to original records.

For the KPI 'Specimens on Collection Database' 76% was achieved, 0.5% short of its target of 76.5%. However, this was a very stretching target given that each percentage point in the documentation KPIs is equal to 14,000 new records (there are 1.4m specimens in the collection). Whilst disappointing, great progress has nevertheless been made, particularly in relation to addressing legacy data. The KPI 'Records to Spectrum Inventory Standard' target of 51% fell short by 2%, with a final figure of 49% being obtained. During 2021/21 the movement of the transport and industry collection has inevitably been the overriding priority.

Preparations for the move to the new transport store at Heron Rd has been the primary driver this year. Work on the transport collection does not deliver a high volume of records as it is highly labour intensive and complex. However, a comprehensive inventory of Spectrum records has now been produced, with many miscellaneous, dispersed items now properly identified and connected relationally, where linkages to historic data have been made. This process has helped to make substantial gains in the knowledge of this collection, supporting collection development and review by curatorial staff.

For those collections KPIs that were not fully achieved, this was due to our limited staffing resources being focused on the transport move project whilst simultaneously supporting other important collaborative projects during the year, including master-planning and exhibition/programme development. The outset of the COVID-19 spread in March 2020 also had an effect on the final KPI figures due to the reduced capacity to work in store and to work collaboratively. The planned Collections Management System upgrade (to commence in 2021/22) will increase future efficiency and this will be supported by new ways of working.

Normal levels of physical visitors have not been achieved due to several enforced closures during the year. In total 64,076 visitors were welcomed this year, 38% behind the business plan target of 104,000 visitors. This target was set before the second and third extended phases of enforced closure from October 2020 onwards. It was very difficult to forecast a target due to ongoing uncertainty, changes to travel restrictions and swings in public confidence. However, those that did visit our museums had a safe and enjoyable experience as evidenced through the Association of Leading Visitor Attractions (ALVA) Summer 2020 benchmarking research.

The target for formal learning visits was negatively impacted by the second wave of COVID-19, which saw schools shut their gates in Autumn / Winter. The development of the Museum on the Move programme, however, was a resounding success and is a significant step forward for reaching more schools in the future.

The national collections belong to everyone. Through the pandemic we have been extending our reach - particularly to those less likely to be connected with us already - to give the widest possible audience access to ideas and activities that bring a sense of enjoyment and fulfilment and promote new skills.

Physical visits to our museums have been our traditional measure of success. It stood to reason that more visits meant greater impact. However, the pandemic has changed the playing field in terms of how we measure success.

However, in response to the closure of our museums, we successfully transitioned to a digital engagement model and are proud of the impact with new audiences beyond our traditional patterns of visitation.

The participation of audiences from lower socioeconomic groups remained steady at 22% (2019/20: 22%) versus a revised target of 20%. We remain committed to improving this figure over the coming years as we diversify our museum activities and tackle barriers to museum engagement. We are also committed to promoting and pursuing policies of environmental, employee and social importance, as well as respect for human rights.

Through the economic impact of our museum activities we promote economic health, sustainable tourism and job creation.

The COVID-19 pandemic and resultant societal lockdowns have, unsurprisingly, had a detrimental effect on our ability to provide full public access to visitors in 2020/21, but we are confident that we will maintain our standing and play our part in the recovery when normal levels of economic and social activity return.

Our economic impact was however still very positive during a difficult year with activity maintained and, in some cases, enhanced where it was safe and possible to do so.

Throughout 2020/21, we employed 239 full-time equivalent staff on either permanent or fixed-term contracts, as well as providing employment and work experience to a large number of people through temporary arrangements.

Our average median salary is currently £24k per annum and we continue to make employer contributions to the NI Civil Service Pension Scheme for our scheme members. Our median salary is above both the NI average, and the average annual earnings in the council areas in which we operate.

Following the initial closure of our sites in 2020/21, a decision was made, with Departmental Approval, to pay furloughed staff 100% of their normal pre-COVID-19 salary despite the Coronavirus Job Retention Scheme only providing for a partial rebate on gross salary, and the cost of employers' National Insurance and pension contributions not being covered by the scheme. This position remained for all periods for which Furlough was claimed.

During 2020/21 we put special measures in place to maintain continuity and promptness of cash flow to our suppliers. We also acted quickly to make payments through the COVID-19 Supplier Relief Scheme, to support business survival and protect jobs in the very uncertain early days of the pandemic.

Through our commercial activities and construction work at our sites, we endeavor to engage local Small to Medium Enterprises (SMEs) and self-employed businesses whenever possible. With support from our funders, we delivered capital investment of over £4.6 million in 2020/21, against a revised target of £4.2m, allowing us to carry out a range of estate improvements and acquire equipment, IT and specimens – vital for growing, preserving and enhancing our collections.

This level of capital delivery was a very positive outcome, given the external social and economic climate, specifically the significant limiting factors of COVID-19 restrictions, the outworkings of Brexit on supply chains to Northern Ireland, and the capacity levels of our procurement partners and planning authorities.

The revised Self-Generated income target of £390k was set before the further lockdowns which commenced in October 2020, and which lasted beyond the end of the financial year. With the subsequent lockdowns not therefore factored into the revised target, a year end outturn of £340k (83% of target) was a satisfactory outcome in the circumstances.

Annual Review 2020/21 - Temporarily Closed, Always Here

The closure of our museums provided the opportunity for new, innovative ways of connecting with and supporting people during the pandemic. Our learning and engagement programmes overcame the challenges presented by lockdown and successfully pivoted to a digital model. This not only provided new skills for our teams, but also new opportunities to extend our reach and unlock new ways of connecting with audiences.

Supporting children & teachers

Our Education team successfully found new ways to engage with children and teachers by delivering learning experiences via video conferencing and creating a range of collections-based online learning resources.

Early in the lockdown we partnered with BBC Learning NI and C2K to collaborate on the production and distribution of learning resources, and also commissioned a new set of short educational videos filmed at the Ulster Folk Museum and the Ulster Museum aimed at primary school-age children learning at home during school closures.

Building on this early impact we developed a brand-new approach to programme delivery in time for schools returning in Autumn 2020. The *Museum on the Move* programme offered interactive workshops to schools via video link, each one connecting popular curriculum topics with key areas of our collections. An extensive pilot phase of the programme was delivered to ten primary schools from all over Northern Ireland between October and December 2020, creating 2,130 live engagements in over 68 sessions. In February and March 2021, we extended the pilot phase of the programme to Special Schools, working with multiple classes of children and young people with mild to moderate learning difficulties and physical disabilities in three schools.

Museum on the Move offered an exciting and multi-layered alternative to the museum visit. It offered learning opportunities for a range of ages and abilities, including sensory experiences, and maintained a firm focus on interactivity and dialogue throughout. By supplying participating schools with loan boxes of museum objects and specimens for children to explore in the classroom, we created a unique blend of object-based learning, creative investigation and virtual interaction.

Live delivery was enhanced with elements of pre-recorded video content. To help bring the outdoor museums to life, we commissioned a series of short films to help express the atmosphere and character of the buildings and open spaces, and give children a chance to hear and learn from some of the people they might meet on a real visit.

The pilot programme demonstrated that, by working in close partnership with teachers, high-quality collections-based learning is possible outside the context of a museum visit, or traditional outreach. It has opened up new opportunities that we intend to develop further as a distinct strand in our programme. Teacher feedback confirmed that the combination of interaction with our team of museum educators and direct contact with museum objects was key to the success of the programme.

“Museum on the Move was a fantastic opportunity for my class to experience something completely new in a time when opportunities for learning outside the classroom or for visitors to come to school are so limited. The children loved interacting with the programme facilitators via Microsoft Teams. The resources provided by the museum brought out so much discussion and learning amongst the children.”

Luke McCollum, Carnalbanagh PS

“The children in P5 were transported to another time and world through the Museum on the Move. Having artefacts in their own hands was a powerful experience, along with a live expert there to

explain their significance. Particularly in a time when children are home or classroom-bound, these experiences are very meaningful.”

Hannah McCaughey, St. Comgalls PS

Connecting with people & communities

For many years, our museum spaces have been a platform for better wellbeing, new skills development and a sense of enjoyment. We were keen to find ways of maintaining these services whilst our museums were closed to offer people safe space, contemplation and escape through difficult times.

The opportunities provided through two of our key engagement projects – Making the Future and Reimagine Remake Replay – have been an oasis for participants who have felt acutely the effects of isolation. These projects have taken what was, before lockdown, face-to-face, hands-on engagement and learning, and quickly adapted to a new way of working online, across digital platforms and media. This new way of working has enabled both projects to reach out into people’s homes to encourage conversation, sharing between strangers, exploration of their world right now, and an opportunity for people to open up beyond the parameters that have been set by lockdown.

Making The Future in new ways

Making the Future is a collaborative Peace IV project which aims to empower people in Northern Ireland and the Border Counties to use museum collections and archives to explore the past and create a powerful vision for future change. The following engagement activities illustrate how the project has responded to new times and has continued to act as a source of wellbeing, creativity and learning for those involved.

Folk Tales

Folk Tales used writing and collecting to take participants on a journey of the past, present and future, featuring a series of online video masterclasses with leading folklorists, writers and artists.

The programme was developed as a way of connecting people to their heritage through folktales, but also in this time of isolation the programme included an outreach element, letter writing. Participants were posted letter-writing packs, with all that they would need to write, their own folktales to someone as a way of reaching out beyond the screen.

New Parameters

During the pandemic, we were encouraged to go outside for daily exercise, but we had restrictions on where and how far we could go, resonating directly with our history of borders and boundaries.

The programme – which drew inspiration from the 1970s photojournalism collection – encouraged participants to creatively capture our new parameters using the medium of photography, whether inside or outside the home.

The programme was oversubscribed, with a waiting list created for the next iteration. Participants also asked that the programme be extended to continue their conversations with one another beyond the end of the project. The creative output from the project has been accessioned into the permanent collection to serve as an enduring reminder of life and times during COVID-19.

“I am so thrilled to be part of this. I am stuck at home shielding, so have lots of time on my hands. Art is what gets me through this. Creativity is what gets me through this.”

Making the Future participant

Reimagining how we work with young people

In 2019 we launched a new youth engagement project – Reimagine Remake Replay – funded by the National Lottery Heritage Fund – to allow young people to connect with and enhance museum collections using a mix of creative media and the latest digital technologies.

Despite having a strong digital element, the project had only ever been delivered in our physical museum spaces. Lockdown forced us to quickly rethink how we deliver the project so that we could keep supporting young people through times of deep disruption to education, employment and wellbeing.

The outcome was that we doubled engagement with core participants and unlocked a whole series of new and creative ways to connect young people with heritage in meaningful ways. We were proud to be recognised for the impact we have created through being awarded with the Museums Association’s ‘Best Museums Change Lives Project’ in November 2020.

The following examples illustrate the inspiring activities that have contributed to its success:

Head & Heart Festival

For World Mental Health Day 2020, the project supported young people to deliver a three-day online festival focused on mental health, heritage and the arts. Participants commented how the project had improved their mental health both before and during lockdown, through developing new friendships, learning new skills and feeling connected to heritage.

“I loved every minute of this online festival. Especially connecting with others like myself who are passionate about art, mental health and wellbeing and that sense of connection and community. It definitely felt like a space I could come into and be myself which is very much appreciated.”

Youth participant

Facemask Making

This project gave participants the opportunity to design and make facemasks inspired by museums collections. Participants learnt digital design and illustration skills to create their own designs, which were then printed and delivered to their doorsteps. The second half of the programme then focussed on embroidery and stitching skills to bring the designs to life.

“Being part of RRR was really important to me over the lockdown period. It initially gave me the opportunity to reconnect with my creative drawing side but it actually gave me so much more than that. It gave me a community, something to thrive off, something to look forward to and something to feel really proud of.”

Youth participant

Reopening Museums Together

Whilst digital engagement was providing exciting new opportunities, we also could not wait to welcome visitors back to our physical museum spaces to enjoy the collections in their fullest form. However, the prospect of reopening brought with it significant complexity and uncertainty, which we managed through teamwork and collaboration – not just amongst our own teams, but with partners and communities too.

Welcoming visitors back safely

Our teams – which involved a huge number of people from across the organisation – adapted quickly to a significantly different operational environment, with a broad range of health and safety measures and risk mitigations which were carefully planned in line with Public Health Agency and NI Direct Regulations. One of our key priorities in reopening was to ensure the new measures could facilitate engagement with visitors from all communities through to designing accessible, welcoming, safe experiences and spaces.

The measures and adaptations were numerous and included new visitor flows, new operating hours for all sites (with the exception of Ulster Museum), as well as the introduction of the new online pre-booking system to support the introductions of reduced capacities at each of the sites.

These changes gave both visitors and staff the confidence and reassurance that they were returning to safe and enjoyable museum experiences which were “Good to Go”. The UK-wide industry standard, managed locally by Tourism Northern Ireland, signifies how tourism and hospitality businesses have implemented the appropriate processes and health and safety measures, in line with government and industry guidelines, to ensure the safety of staff and visitors.

In reopening our museums, we participated in research through the Association of Leading Visitor Attractions (ALVA) which provided weekly benchmarks of safety and enjoyment measures in comparisons to other museums and visitor attractions across the UK. Overall, our museums have consistently scored higher than the benchmark measures, which is testament to the hard work and dedication of our teams. Feedback has been overwhelmingly positive and many of our front of house staff have been individually named by our visitors for the experience delivered.

Access For All

To coincide with the reopening of our museums, we also launched a new Access for All programme which has been designed to support those communities who have felt the effects of isolation during the pandemic more deeply than others. The initiative included dedicated booking slots earmarked for communities including those of older people, those with hearing loss, sight loss, families and adults with special educational needs, and those who have been socially prescribed.

Supported by the programme partners and developed in conjunction with their service users, we developed new facilitated workshops and remote sessions to bring the museum experience directly to those yet unable to visit, and offering opportunities for safe tactile engagement during visits for members of the community with sensory needs. Whilst many of the new opportunities were disrupted by the second lockdown over the winter months, we have continued to develop the new relationships with partners and communities and look forward to relaunching the initiative as a core part of our offering.

Activating volunteering

We believe that volunteers have a significant and meaningful part to play in how we deliver on our core purpose and that involving the communities we serve will be crucial in ensuring that our

museums remain relevant and benefit from the skills, experience and enthusiasm that volunteers have to offer.

During 2020–21 we have adapted many practices to ensure that volunteering was able to continue and in some cases thrive over lockdown. We hosted an on-site wellbeing session for volunteers in October when restrictions allowed and in March we began work on our Green Gyms project, run in partnership with The Conservation Volunteers. This project will create new ways for people to improve their physical and mental health while bringing our cottage gardens back to life at the Ulster Folk Museum.

Exhibition highlights

Although closure meant that our galleries were not as dynamic as usual, it also meant that the exhibitions that did manage to open had extra significance and impact.

A Unique Silence

This exhibition offered visitors the first chance to see six etchings by the famed Dutch artist Rembrandt Harmenszoon van Rijn, which were gifted to the Ulster Museum collection thanks to the acceptance in lieu of tax scheme. Though many of his paintings are associated with the dramatic and awe-inspiring style of Baroque painting, Rembrandt's etchings communicate a unique silence that is often found in the Golden Age of Dutch art; the still of nature, the intimacy of the human face and thoughtful biblical scenes.

Rembrandt's lack of fear in experimenting with etching led him to develop a new style and to push the limits of the technique, cementing him as a printmaker who inspired the generations that followed. The accompanying works in this exhibition were from the wider Ulster Museum print collection. They welcomed Rembrandt, through showing how the medium has evolved and yet still reflects his innovative work.

Renoir and the New Era: Impressionist works from the Courtauld Collection

Our partnership with the Courtauld Gallery enables us to bring great masterpieces to Belfast to be enjoyed by our local audiences. Following on from Modigliani's *Female Nude, 1916* two years ago, we are delighted to display *La Loge (1874)* by Pierre-Auguste Renoir at the Ulster Museum alongside works on paper by other famous Impressionist and Post-Impressionist artists, including Manet and Pissarro.

Taking Renoir's *La Loge (1874)* as its centrepiece, the exhibition explored the Impressionists, through refocusing attention on their position as agitators and anarchists outside of the established art system. Though they have become household names and are cemented within mainstream art history, it is easy to forget that their style of painting was revolutionary and their decision to group together and exhibit in 1874 was an act of defiance against the art establishment, the state and what was even considered 'art'.

La Belle Epoque

Coinciding with *Renoir and the New Era*, our new costume exhibition, *La Belle Epoque*, contemplates the fashions of 'the beautiful era' from around 1870 to just before the start of the First World War. The exhibition includes two stunning recent acquisitions - an 1890s wedding dress and a 1912 court presentation dress and train, both worn by Elizabeth Balfour Clark and recently donated to the Ulster Museum.

Florence Nightingale – Nursing and Midwifery 200 Years

Florence Nightingale – Nursing and Midwifery 200 Years was originally set to open at the Ulster Museum in March before social distancing measures were introduced. However, the exhibition – which was organised in partnership with the Florence Nightingale Foundation – launched as a digital exhibition before launching physically when the museum reopened. The exhibition explored the vital work of nurses and midwives through two centuries of nursing, covering themes such as nursing in wartime, nursing during The Troubles, and nursing education and innovation in Northern Ireland.

Its timing could not have been more appropriate. When social distancing measures were first announced we were keen to ensure that this exhibition and celebration of our healthcare workers was made available to the public. It paid homage to those to whom we are indebted to and celebrate every day.

RUA 139th Annual Exhibition

Founded in 1879, the Royal Ulster Academy of Arts (RUA) is the largest and longest established body of practising visual artists in Northern Ireland. The Annual Exhibition is one of the most eagerly anticipated exhibitions in the Northern Irish cultural calendar, providing a unique platform for acclaimed artists and emerging talent to showcase their artwork in the fabulous galleries at the Ulster Museum.

The exhibition contained approximately 250 examples of painting, drawing, sculpture, photography, video etc. This year there were almost 1,300 entries of which 190 were ultimately selected for inclusion. Some of the works reflected the times we are living in and allude to isolation, social distancing and surviving in COVID-19 times. Other works shared deep messages with hope, humour, passion and integrity.

In its 139th year, the RUA has faced a grim challenge in the form of the pandemic. There were moments when it seemed like the exhibition might be cancelled but resilience and determination won out.

Developing our Collections

Caring for and developing the national collections on behalf of the public is one of National Museums NI's most important responsibilities. 2020/21 has proved another eventful and progressive year in caring for, preserving and adding to the collection.

Collections Development

Despite the challenges of working in lockdown, our curators have engaged in sustained and significant collections development activity throughout 2020-21.

As a seismic event that has transformed all our lives, we recognise the importance of representing the COVID-19 pandemic within our collections, as a record for current and future generations. This has meant looking at both the impact of the pandemic and the public response to it. Material we have collected includes scrubs and masks made for healthcare workers, rainbow pictures by children, and photographic evidence of public health signage in both urban and rural settings. We have also reflected the wider implications of lockdown, with acquisitions including examples of the merchandise sold to aid victims of domestic violence. We will continue to consider what COVID-19 has meant for Northern Ireland, not just as a moment in time but in the context of our past and our future.

Our contested past and its legacy today remains a priority focus for our collecting, and in 2020-21 this has extended to our Transport collections. We were fortunate to source a rare RHD export LWB

Series 2A Land Rover, the sole survivor of just ten vehicles made into Mark 1 Shorland Patrol Cars by Belfast engineers Short Bros & Harland, and supplied during 1966-67 for service with the RUC (Royal Ulster Constabulary). Whilst we will plan for this vehicle to go out on display, occasionally this process is reversed and displays lead to acquisitions. This is the case with a new artwork *Where/Dove* by the internationally renowned Derry-born artist, Willie Doherty, commissioned for a major exhibition of his work jointly curated in 2020-21 by National Museums NI and FMAV Modena. This is a fitting acquisition in this year of the centenaries of partition and Northern Ireland, as the work responds to 'divisive issues of national identity, nativism and exclusion that have dominated recent international debates around borders and the free movement of people.'

Demonstrating close relationships between organisations north and south of the border, and beyond, the Game of Thrones® Tapestry was jointly commissioned by Tourism Ireland and Tourism Northern Ireland in 2017. It has been closely associated with National Museums NI, as our staff and volunteers were involved in its creation and we have been the host for its subsequent successful display, so we are delighted that it will now have a permanent home in our collection. It tells a story of contemporary industry here in Northern Ireland, and also looks back to the past and our unique linen heritage. We look forward to displaying it again in the near future.

The year drew to a close with a truly outstanding, world-class acquisition. *Quiet* by James (Jacques) Joseph Tissot (1836-1902) has been allocated to National Museums NI through the Acceptance in Lieu Scheme and, as a hybrid acquisition, supported with funding from the National Heritage Memorial Fund, the Art Fund, and the Department of Communities. Tissot is one of the best-known and most admired artists of the nineteenth century, who was unrepresented in our collections until this point. The painting has particular relevance for us as it depicts an Irish sitter, Kathleen Newton, with a remarkable story to tell. The acquisition gives new strength and depth to the national art collection and is a cause for joy and celebration in these difficult times.

Collections Research

Over the past year, collaboration with our key local partners has resulted in the development of some exciting opportunities. We received funding from the Northern Bridge Doctoral Training Partnership - with researchers from Queen's University Belfast and Newcastle University - to map the oral soundscape of Northern Irish English. This will use the Tape Recorded Survey of Hiberno-English speech that was undertaken in the 1970s by staff from the Ulster Folk Museum, with the student starting in 2021. An important two-year project in collaboration with Dr Briony Widdis of Queen's University Belfast began this year, which will examine the relationship between museums, the British Empire and contemporary identity in Northern Ireland. Dr Widdis' work will involve use of our World Cultures collections to explore whether connections persist to this day.

Research internally also resulted in some interesting, and important, publications. Dr Karen Logan, Senior Curator of History concluded her Art Fund-supported Headley Research Fellowship with the completion of a new book, *Curating Conflict: The Troubles and Beyond*. Anne Stewart, Senior Curator of Art, supported by the British Council, has been working with Fondazione Modena Arti Visive in Italy to curate an exhibition of Willie Doherty's career and practice, *Where/Dove*. The catalogue to accompany the exhibition was published in autumn 2020, and the exhibition itself will open at the Ulster Museum in June 2021. Dr Mike Simms, Senior Curator of Natural Sciences, was involved in exciting research that confirmed bones found on the Antrim coast in the 1980s, and now in our collections, were actually dinosaurs - the only remains of dinosaurs to have been found on the island of Ireland. The publication of these research findings captured the public's imagination and attracted significant national and international media coverage.

Collections Management and Care

Caring for and managing our national collection lies at the core of what we do as a national museum.

Whilst the COVID-19 pandemic has forced delays to the completion of our new Transport & Industry Store, we are excited that the move is now firmly underway. Important work to prepare the store for the arrival of the collection continued throughout the last year. Work is still ongoing – particularly around additional storage equipment, such as installing a mezzanine and roller racking to provide extra storage space for the small object collection and the bicycles, as well as the use of stackable motorbikes pallets, to house all the transport collections that are currently stored in the workshops at Cultra. The new store is a transformative step in a process which aims to improve not only our stores but also to increase the accessibility of our collections. Once the collections have been moved to the new store, we look forward to welcoming visits and ‘behind the scenes’ tours for groups, researchers and schools.

This year also saw the launch of a project which will migrate our management of the collection to a new modern Collections Management database. Through this project we will be able to improve our collections records so that each is easily searchable, located and recognisable. This improved digital access is an important first step in our aim to increase access to and engagement with our collections as we look to the future.

Enabling & Supporting our People

National Museums NI is committed to developing an organisation that is highly skilled and engaged in achieving our aims and objectives. This year proved that, more than ever, we need to ensure that we are agile, resilient and striving for excellence in our challenging operating environment.

Over the course of 2020-21 we placed a significant focus on supporting our people through the pandemic. Along with regular communications we also had a range of activities to help ensure the health, safety and wellbeing of teams across the organisation. As part of our commitment to enhancing staff engagement we conducted a staff survey in September based around our response as an organisation to the pandemic and also hosted a two-day virtual Staff Conference in late March.

Learning & Development

As well as supporting a wide range of learning and development opportunities ranging from areas of statutory compliance, best practice, professional and personal development, we had a particular focus on activity supporting our reopening programme. This included service standards, health and safety, safeguarding and diversity and inclusion training delivered in conjunction with our access partners.

Keeping a Future Focus

Whilst much of our operational attention this year has been on issues arising from COVID-19, we continue to maintain a strong eye on our future and have made significant progress on a number of fronts.

Corporate Strategy

With our previous corporate plan expiring at the end of the financial year, we embarked on a strategic process to produce a new Corporate Strategy 2021-2025. Despite obvious challenges, we approach the backdrop of the COVID-19 pandemic as an opportunity to reflect on and rethink the role of culture and the museum in public and civic life. Now more than ever, we are determined to show that museums can be a force for good in the world. We carried this positive energy throughout the planning process and sought opportunities to align the transformation that we have already begun to local and global change agendas including New Decade New Approach and the UN Sustainable Development Goals.

The result is a re-energised organisational strategy focused on societal outcomes such as inclusivity, learning for all, accessibility and sustainability. This strategy will be crucial in consolidating and focussing our progress in the next five years and beyond.

Development projects

In the past three years, we have established development frameworks for each of our museums – in consultation with partners and stakeholders – so that all future investment can be focussed on improving the functionality of our museums and enhancing their ability to maximise long-term public benefit.

Our redevelopment project at Ulster Folk Museum has been significantly progressed this year. Following a competitive expression of interest process in late 2019/early 2020, we were invited to apply for the development stage of the National Lottery Heritage Fund's 'Heritage Horizon Awards' funding programme. Throughout the year our team developed and submitted an exciting application that will reignite the museum's founding principles and reinvent how people connect with the past, make sense of the present and build the future. In parallel, we have secured the necessary ministerial approvals and have launched a major procurement for the Integrated Consultants Team to work with us to develop the project further.

Separately, we have completed the development frameworks for the Ulster Museum and the Ulster American Folk Park and have been exploring sources of capital funding and progressing stakeholder support. At the Ulster Transport Museum, we have been developing a new 'Museum of Innovation' gallery which will provide a platform for exploration and insight as we continue to progress the future direction of the transport and industry collections. The gallery will open in July 2021.

Financial Review (Audited Information)

Financial Objective

National Museums NI's financial objective is to achieve a sustainable financial position at year end – see results below.

Going Concern

The Board of Trustees is satisfied that the organisation is a going concern on the basis that it has a reasonable expectation that it will continue in operation for the foreseeable future. The financial statements are therefore prepared on a going concern basis.

Financial Results

In the financial year to 31 March 2021, National Museums NI had net income of £338k (2019/20: net income £1.98m).

The total income for the year was £19.33m, a decrease of £2.62m from 2019/20 (£21.95m). This includes £2.63m of capital funding.

Total expenditure was £18.99m compared to £19.98m in the prior year.

Depreciation and amortisation of £3m was charged in the year (2019/20: £2.9m), an increase of £100k resulting from an increased asset base.

The organisation retains significant reliance on Grant-in-aid for its principal source of funding, largely from recurrent grants. In 2020/21 Department for Communities provided 82% of the total income through allocated recurrent and capital grants (2019/20: 79%).

Reserves

National Museums NI has accumulated reserves of £95.4m (2019/20: £94.4m). The policy on reserves is included in note 1, Accounting Policies, to the accounts. Restricted reserves total £21m (2019/20: £20.2m) and unrestricted reserves total £24.8m (2019/20: £27.9m). Revaluation reserves totalling £50m (2019/20: £46.3m) have accumulated through revaluations on land and buildings.

Within unrestricted reserves, National Museums NI has two designated funds, the Board reserve and capital funds totalling £599k (2019/20: £599k). The funds must be used for purposes that are for the public benefit and related to either the advancement of education, the advancement of the arts, culture, heritage or science or a combination of both. The reserves total at 31 March 2021 after taking out designated and restricted reserves was £73.8m (2019/20: £73.6m). The organisation has cash balances totalling £4.06m at the year end.

Liquidity

In 2020/21, £15.8m (82%) of National Museums NI gross income derived from funding received from the Department for Communities (2019/20: 79%). The sum of £1.52m was claimed from the Coronavirus Job Retention Scheme (CJRS). The remaining operating expenditure was financed from self-generated income, which tends to be more volatile in nature compared to Grant-in-Aid. National Museums NI is therefore exposed to some liquidity risk.

Losses and Special Payments

There are no losses or special payments to report in the year (2019/20: £3,986).

Payment Performance

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires organisations, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods and services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95%.

During the accounting period 1 April 2020 to 31 March 2021, National Museums NI paid 94% of its invoices within 30 days (2019/20: 99%). The organisation incurred no interest charges in respect of late payment for this period.

The Northern Ireland Executive is committed to paying suppliers as quickly as possible, within 10 working days. During the accounting period 1 April 2020 to 31 March 2021, National Museums NI paid 87% of its invoices within 10 days (88% in 2019/20).

Land and Buildings

Land and buildings were subject to a full valuation by Land and Property Services (LPS) on 31 March 2021.

National Museums NI's estate as at 31 March 2021 consists of land and buildings valued at £70m (31 March 2020: £70.9m).

Operational buildings have been revalued downwards by £0.9m on account of general age of the buildings and no major upgrades or acquisitions occurring in the year. Land values are unchanged from the 2019/20 report.

A Land and Property Service (LPS) review of our estate as at 31 March 2021 resulted in a £334k impairment of the value of the new Heron Road Store which was completed and available for use from October 2020. The LPS valuation is on an 'Existing Use' basis, rather than depreciated replacement cost. Existing Use is informed by local rental values and a vacant possession transfer to a willing buyer. In that context it should be noted therefore that the new Heron Road store is a specialised facility with plant & machinery built into the fabric of the building, not separately recognised within Plant & Machinery on the balance sheet. Further, the Transport Store has enabled a step change of the preservation capacity of National Museums NI's Heritage Assets. Heritage Assets can and do deteriorate over time despite the accounting treatment of Heritage Assets assuming an infinite useful economic life. The climate control capability of the store's plant and machinery ensures that this natural deterioration is minimised. Further, with accessibility to the general public being factored in to the design, the benefits derived from the project will be broader than the specialised storage and preservation capabilities.

Financial

Net assets at 31 March 2021 were £95.4m (2019/20: £94.4m).

Principal Risks and Uncertainties

National Museums NI's system of internal control, including financial, operational and risk management, which is designed to protect the organisation's assets and reputation, has been undergoing continuous review and improvement over the recent years and this continued during the year ended 31 March 2021.

During the year the following key strategic risks relating to business objectives were identified:

- The COVID-19 pandemic
- Structural underfunding is not addressed
- The business model is not sustainable
- Our audience does not reflect the population of NI
- Our public engagement is not relevant
- The organisational systems and processes do not support the business need
- Approval and investment is not secured to deliver the major transformation programme
- Internal resistance to culture change and new ways of doing things

The Audit and Risk Assurance Committee, chaired by an independent non-executive member, is responsible for providing assurance to the Board of Trustees that effective risk management, governance and control arrangements are in place. As required by National Museums NI's Risk Management Strategy, a formal risk management framework is in place that reflects the major business risks. All risks are reviewed as an integral part of the operational planning and risk management process. The Senior Management Team identify the organisation's objectives and key risks and document these in the form of a Corporate Risk Register. This assists the Board of Trustees to implement risk management actions identifying the types of risks faced, prioritising them in terms of potential impact and the likelihood of occurrence and identifying ways of managing the risks. During the year the Accounting Officer reports significant changes and developments in the risk profile to the Audit and Risk Assurance Committee and the Board of Trustees. The Audit and Risk Assurance Committee reviews and updates the framework on a regular basis to ensure that it remains current.

Charitable donations

There were no charitable donations made by National Museums NI in the year. However, staff have continued to support their nominated charity, Children's Heartbeat Trust, and helped raise funds through a number of events such including entering a relay team in the (Virtual) Belfast Marathon which raised £305. The Charity Committee works closely with the Children's Heartbeat Trust on a calendar of fundraising and awareness raising activities.

Plans for Future Periods

During 2020/21 National Museums NI drafted a new Corporate Strategy for the period 2021-25.

There are a number of related contexts for the development of this strategy; the UN Sustainable Development Goals; the NI Government 'New Decade New Approach' document; the current Programme for Government; and an understanding of the changes in society and the role of Museums into the future. At its heart is National Museums NI's core purpose 'Here for Good' and associated Vision, Mission and Values.

The Corporate Strategy continues to build on the foundations laid by the previous strategy with regards to securing relevance and sustainability in the future. It is designed to reshape our thinking and set a broader and more ambitious future for the organisation than ever before.

Our new Corporate Strategy is built around four strategic commitments:

1. We will champion inclusion, diversity & accessibility
2. We will create more ways to get involved
3. We will extend the impact of our collections
4. We will build the museum infrastructure of the future

Structure, Governance and Management

As a Non-Departmental Public Body (NDPB) accountable to the Northern Ireland Assembly through the Department for Communities (DfC), National Museums NI has a public duty to meet the highest standards of corporate governance.

Under Article 10(2) of The Museums and Galleries (Northern Ireland) Order 1998, the organisation is required to prepare a statement of accounts for each financial year in the form and on the basis determined by DfC with the approval of the Department of Finance. The financial statements for National Museums NI are required to be audited by the Comptroller and Auditor General for Northern Ireland.

Under Article 11 of The Museums and Galleries (Northern Ireland) Order 1998, the Board is required to prepare an Annual Report for DfC and lay this before the Northern Ireland Assembly.

The Annual Report and Accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts, and complies with the Charities SORP (FRS102), HM Treasury Financial Reporting Manual (FReM) and the disclosure requirements issued by the Department of Finance.

National Museums NI is governed by a Board of up to 15 Trustees who are appointed by the Minister.

Appointment is by open competition with Trustees appointed for a term of up to five years. Trustees can additionally serve subsequent terms of up to a maximum of ten years subject to the approval of the Office of the Commissioner for Public Appointments for Northern Ireland (CPANI).

There were three sub-committees of the Board of Trustees during the year, as follows:

- Audit and Risk Assurance Committee;
- General Purposes and Finance Committee; and
- Remuneration Committee.

Following their appointment, all Trustees attend public accountability training provided in respect of their responsibilities for corporate governance and accountability of the organisation.

Responsibility and delegated authority for the management of National Museums NI rests with the Executive Team, under the leadership of the Chief Executive, who is appointed by the Board of Trustees.

At the year end the members of the Executive Team were as follows:

- Chief Executive and Accounting Officer: Kathryn Thomson
- Director of Collections: William Blair
- Chief Operating Officer: Colin Catney

Reference and Administrative Details

Name of the charity

The charity is registered under the name National Museums and Galleries of Northern Ireland. The charity has adopted the operating name National Museums NI.

Charity Number

NIC103729

Principal Address

National Museums NI, Cultra, Holywood, Co Down, Northern Ireland, BT18 0EU.

Bankers

Danske Bank Limited
98 - 100 High Street
Holywood
BT18 9HW

External Auditors

Northern Ireland Audit Office
1 Bradford Court
Galwally
BELFAST
BT8 6RB

Internal Auditors

RSM Northern Ireland (UK) Limited
Number One
Lanyon Quay
Belfast
BT1 3LG

Solicitors

Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7DT

Board of Trustees

During the year the Board of Trustees comprised the following:

Mr M McCoy (Chairman)
Professor G Earls (Vice Chairman)
Professor K Fleming
Mrs H Francey
Mrs D Harshaw
Dr R Kelly OBE
Dr L Litvack
Mr A McFarland
Dr G McIlroy
Mrs C Molloy
Dr Riann Coulter (appointed July 2020)
Ms Deirdre Devlin (appointed July 2020)
Mr William Duddy (appointed July 2020)
Miss Charlotte Jess (appointed July 2020)
Dr Robert Whan (appointed July 2020)

Register of Interests

A Register of Interests is maintained for Board members and the Executive Team and is available for inspection at the Principal Address and on the National Museums NI website nmni.com.

Related party transactions are shown in note 19 of the accounts.

Personal data related breaches

National Museums NI has given consideration to the requirement to report personal data related breaches. It is content that there were no such breaches in the year ended 31 March 2021.

McBride Judgement

National Museums NI is aware of the McBride Judgement (2019) and its potential impact on the Charities Register. National Museums NI, however, works within guidelines and principles of the Charity Commission for Northern Ireland (CCNI) and awaits any relevant guidance.

Disclosure of Audit Information

So far as the Accounting Officer is aware, there is no relevant audit information of which the Board's auditors are unaware. The Accounting Officer has taken all necessary steps to make herself aware of any relevant audit information and to establish that the Board's auditors are aware of that information.

Important events since the end of the financial year

There were no events since the end of the financial year requiring disclosure.



Mr M McCoy
Chairman of the Board of Trustees
Date: 6 October 2021



K Thomson
Chief Executive
Date: 6 October 2021

Remuneration and Staff Report

Remuneration Committee

The Board has established a Remuneration Committee to support them in undertaking their responsibilities for overseeing the performance of the Chief Executive.

Membership of the Committee

The membership of the Remuneration Committee during the year comprised:

Prof G Earls (Chairman)
Dr R Kelly OBE
Mr M McCoy
Mr A McFarland

The Remuneration Committee met twice during the year to confirm the review of the Chief Executive's performance by the Chairman.

Policy on the remuneration of senior managers

The Chairman of the Board of Trustees is responsible for monitoring and reviewing the performance of the Chief Executive in accordance with the Senior Civil Service Pay Strategy and confirming the same to the Remuneration Committee.

The Chief Executive is responsible for monitoring and reviewing the performance of the Executive Team of National Museums NI in accordance with the SCS Pay Strategy (for those Directors employed under SCS terms) and in accordance with the Northern Ireland Civil Service Pay Strategy for other Directors.

Policy on duration of contracts, notice periods and termination payments

Senior staff, including the Chief Executive, are permanent employees of National Museums NI. The notice period for senior staff is three months. Termination payments are in accordance with contractual terms and those of the Principal Civil Service Pension Scheme (NI).

Salary and pension entitlements

The salary and pension entitlements of the Directors of National Museums NI (which has been subject to audit) are detailed in the following table:

Senior Management Remuneration (Audited Information)

| | 2020/21 | | | | 2019/20 | | | |
|---|-----------------|----------------|--|----------------|-----------------|----------------|---|------------------|
| | Salary £'000 | Bonus £'000 | Pension Benefits ¹ (to nearest £1,000) | Total £'000 | Salary £'000 | Bonus £'000 | Pension Benefits (to nearest £1,000) | Total (£'000) |
| K Thomson Chief Executive | 100-105 | - | 42,000 | 140-145 | 95-100 | - | 21,000 | 115-120 |
| C Catney Chief Operating Officer | 75-80 | - | 31,000 | 105-110 | 75-80 | - | 28,000 | 100-105 |
| W Blair Director of Collections | 75-80 | - | 44,000 | 120-125 | 70-75 | - | 31,000 | 100-105 |

Salary

'Salary' includes gross salary; overtime; London weighting or allowances; recruitment and retention allowance; private office allowances; ex-gratia payments; and any other taxable allowances or payments.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. There were no benefits in kind provided during the financial year (2019/20: £nil).

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. There were no bonuses paid in the 2020/21 year (2019/20: £nil).

Pay Multiples

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

The following table and information is Audited Information:

| | 2020/21 | 2019/20 |
|--|-----------------------|----------------------|
| Band of Highest Paid Director's Total Remuneration | £100,001- £105,000 | £95,001- £100,000 |
| Median Total Remuneration | £24,347 | £23,483 |
| Remuneration Ratio | 4.21 | 4.15 |

The banded remuneration of the highest-paid director in National Museums NI in the financial year 2020/21 was £100,001 to £105,000 (2020/21: £95,001 to £100,000).

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

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In 2020/21 no employees received remuneration in excess of the highest-paid director. Gross contracted salaries ranged from £18,709 to £97,999 (2019/20: £18,052 to £94,253).

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Board Members

No emoluments were paid to members of the Board of Trustees for the year ended 31 March 2021 except for an honorarium to the Chairman amounting to £10,200.

Pensions of Senior Management (Audited Information)

| | Accrued pension at pension age as at 31/3/21 and related lump sum | Real increase in pension and related lump sum at pension age | CETV at 31/3/21 | CETV at 31/3/20 | Real increase in CETV |
|--|--|---|------------------------|------------------------|------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| K Thomson Chief Executive | 35-40 | 0-2.5 | 582 | 535 | 23 |
| C Catney Chief Operating Officer | 5-10 | 0-2.5 | 94 | 66 | 20 |
| W Blair Director of Collections | 30-35 | 2.5-5 | 440 | 395 | 26 |

Northern Ireland Civil Service (NICS) Pension Arrangements

Pension benefits are provided through the Northern Ireland Civil Service pension arrangements which are administered by Civil Service Pensions (CSP).

The Alpha pension scheme was introduced for new entrants from 1 April 2015. The Alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of existing members of the classic, premium, classic plus and Nuvos pension arrangements also moved to Alpha from that date. Members who, on 1 April 2012 were within 10 years of their normal pension age, did not move to Alpha and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to Alpha on 1 April 2015 or at a later date determined by their age. Alpha is a 'Career Average Revalued Earning' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate is 2.32%.

Discrimination identified by the courts in the way that the 2015 pension reforms were introduced must be removed by the Department of Finance. It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. The different pension benefits relates to the different schemes eg classic, Alpha etc and is not the monetary benefits received. This is known as the 'McCloud Remedy' and will impact many aspects of the Civil Service Pensions schemes including the scheme valuation outcomes. Further information on this will be included in the NICS pension scheme accounts which are available at: <https://www.finance-ni.gov.uk/publications/dof-resource-accounts>.

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New entrants joining can choose between membership of Alpha or joining a good quality ‘money purchase’ stakeholder arrangement with a significant employer contribution (partnership pension account).

New entrants joining on or after 30 July 2007 were eligible for membership of the Nuvos arrangement or they could have opted for a partnership pension account. Nuvos is also a CARE arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%.

Staff in post prior to 30 July 2007 may be in one of three statutory based ‘final salary’ defined benefit arrangements (classic, premium, and classic plus). From April 2011, pensions payable under classic, premium, and classic plus are increased annually in line with changes in the cost of living. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining the partnership pension account.

Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years’ pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of classic, premium, and classic plus and 65 for members of Nuvos. The normal pension age in Alpha will be linked to the member’s State Pension Age but cannot be before age 65. Further details about the CSP arrangements can be found at the website <https://www.finance-ni.gov.uk/landing-pages/civil-service-pensions-ni>

Employee contribution rates for all members for the period covering 1 April 2020 - 31 March 2021 were as follows:

| Annualised Rate of Pensionable Earning (Salary Bands) | | Contribution rates – All members |
|--|-------------|--|
| From | To | From 01 April 2020 to 31 March 2021 |
| £0 | £23,999.99 | 4.6% |
| £24,000.00 | £55,499.99 | 5.45% |
| £55,500.00 | £152,499.99 | 7.35% |
| £152,500.00 and above | | 8.05% |

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2020 was 0.5% and HM Treasury has announced that public service pensions will be increased accordingly from April 2021.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

Staff report

Total Staff Costs (Audited Information)

| Staff Cost | Permanently employed staff £ | Others £ | 2021 | 2020 |
|---|---------------------------------------|----------------|-------------------|-------------------|
| | | | £ | £ |
| Salaries and wages (includes temporary non-payroll staff) | 7,220,900 | 450,812 | 7,671,712 | 7,577,323 |
| Social security costs | 643,541 | | 643,541 | 585,507 |
| Pension costs | 2,048,072 | | 2,048,072 | 1,967,368 |
| Apprenticeship levy | 22,613 | | 22,613 | 17,916 |
| Other staff costs | 365,720 | | 365,720 | 647,928 |
| | 10,300,846 | 450,812 | 10,751,658 | 10,796,042 |
| Less: recovery of outward secondment | (78,709) | | (78,709) | (76,156) |
| Total | 10,222,137 | 450,812 | 10,672,949 | 10,719,886 |

The Northern Ireland Civil Service main pension schemes are unfunded multi-employer defined benefit schemes but National Museums NI is unable to identify its share of the underlying assets and liabilities.

The Public Service Pensions Act (NI) 2014 provides the legal framework for regular actuarial valuations of the public service pension schemes to measure the costs of the benefits being provided. These valuations inform the future contribution rates to be paid into the schemes by

employers every four years following the scheme valuation. The Act also provides for the establishment of an employer cost cap mechanism to ensure that the costs of the pension schemes remain sustainable in future.

The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2016 scheme valuation was completed by GAD in March 2019. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2019 to 31 March 2023.

The 2016 Scheme Valuation requires adjustment as a result of the 'McCloud remedy'. The Department of Finance have also commissioned a consultation in relation to the Cost Cap Valuation which will close on 25 June 2021. By taking into account the increased value of public service pensions, as a result of the 'McCloud remedy', scheme cost control valuation outcomes will show greater costs than otherwise would have been expected. On completion of the consultation the 2016 Valuation will be completed and the final cost cap results will be determined.

For 2020/21, employers' contributions of £2,042,912 (2019/20: £1,955,026) were payable to the NICS pension arrangements at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £5,016 (2019/20: £12,342) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2019/20: 8% to 14.75%) of pensionable pay.

The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

Employer contributions of £144, 0.5% (2019/20 £253, 0.5%) of pensionable pay, were payable to the NICS Pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting period date were £Nil (2019/20: £Nil. Contributions prepaid at that date were £Nil (2019/20: £1,237).

0 persons (2019/20: 2) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £Nil (2019-20: £Nil).

Staff costs apportioned by activity (Audited Information)

| Activity area | 2021 | 2020 |
|-------------------------|-------------------|-------------------|
| | | £ |
| Trading | 637,636 | 494,752 |
| Care of Collections | 1,839,048 | 1,802,707 |
| Curatorial & Education | 1,960,223 | 1,919,199 |
| Experience & Enterprise | 3,894,532 | 4,380,885 |
| Audience Development | 835,970 | 753,129 |
| Operations | 1,505,540 | 1,369,214 |
| Total | 10,672,949 | 10,719,886 |

The average number of persons employed (Audited Information)

The average number of full time equivalent employees employed during the year analysed by category of staff was as follows:

| | 2021 | 2020 |
|----------------------------|-------------|-------------|
| Permanent contract | 226 | 215 |
| Temporary agency contract | 38 | 47 |
| Fixed term funded contract | 13 | 12 |
| Total | 277 | 274 |

The number of full time equivalent employees as at 31 March 2021 analysed by activity was as follows:

| | 2021 | 2020 |
|-------------------------------------|-------------|-------------|
| Curatorial and Education | 30 | 31 |
| Audience Development | 21 | 19 |
| Support | 22 | 20 |
| Operations | 57 | 53 |
| Experience & Enterprise Development | 91 | 99 |
| Trading | 9 | 9 |
| Care of Collections | 42 | 39 |
| Chief Executive's Office | 5 | 4 |
| Total | 277 | 274 |

Further analysis of full time equivalent employees is as follows:

| | 2021 | | 2020 | |
|-----------------|-------------|---------------|-------------|---------------|
| | Male | Female | Male | Female |
| Chief Executive | 0 | 1 | 0 | 1 |
| Directors | 2 | 0 | 2 | 0 |
| Employees | 140 | 134 | 141 | 130 |
| Total | 142 | 135 | 143 | 131 |

Number of senior staff with annual salaries over £60,000

| Annual Salary Band | 2021 £ | 2020 £ |
|---------------------------|-------------------|-------------------|
| £60,001 - £65,000 | - | - |
| £65,001 - £70,000 | 1* | 1* |
| £70,001 - £75,000 | - | - |
| £75,001 - £80,000 | 2 | 2 |
| £80,001 - £85,000 | - | - |
| £85,001 - £90,000 | - | - |
| £90,001 - £95,000 | - | - |
| £95,001 - £100,000 | - | - |
| £101,000 - £105,000 | 1 | 1 |

**This staff member remained on secondment to another organisation during the year and was not part of Senior Management.*

Other Disclosures

Staff Turnover Percentage was 6.05% for the year (2019/20: not disclosed).

Per a Staff engagement survey in September 2020, 76.9% of employees felt 'connected' with the organisation, and 32.0% felt 'very well connected'. No staff engagement survey results were disclosed in 2019/20.

There were no off-payroll arrangements with any individuals during the year.

There was no expenditure on consultancy during the year (2019/20 £nil).

No emoluments were paid to members of the Board of Trustees for the year ended 31 March 2021 except for an honorarium paid to the Chairman amounting to £10,200 (2019/20: £10,000). Travel expenses of £33 were reimbursed to two Trustees (2019/20: £3,563).

Further information on staff costs is contained in note 6.

Coronavirus Job Retention Scheme (“CJRS” or “Furlough”)

In accordance with IAS 20 (para.39) as interpreted by the HM Treasury Financial Reporting Manual (FRM), National Museums NI can confirm the nature and extent of this particular Government assistance below.

National Museums NI formally requested permission from the Department for Communities to access the CJRS on 28 April 2020 and that this request was approved by the Department of Finance on 29 April 2020.

DAO (DoF) 06/20 was issued on 2 June 2020, providing guidance to NI departments and other public bodies for the use of the Coronavirus Job Retention Scheme (CJRS) in a public sector setting.

Throughout 2020/21, National Museums NI followed the guidance as per DAO (DoF) 06/20 with regards to its application to the scheme.

Our understanding of the terms of DAO (DoF) 06/20 and how they apply to National Museums NI is based on paragraph 7:

“Only organisations that are not fully funded by public grants should consider accessing the CJRS, in the following circumstances:

- i. The organisation has experienced a reduction in funding (in the form of commercial revenue or public grants) due to the associated economic disruption of COVID-19;
- ii. The organisation has exhausted all reasonable options for redeployment across the public sector; and
- iii. The employee considered for furloughing would otherwise be made redundant.

National Museums NI was satisfied that these criteria are relevant to the nature of its operations and provided the basis upon which the CJRS was accessed during the year.

Following a review of the 2020/21 annual budget during the early stage of the COVID-19 pandemic and resultant restrictions, National Museums NI elected to make use of CJRS to mitigate the impact of the loss of commercial income. When confirmation was received from the Department for Communities that National Museums NI could avail of the scheme, the decision was made to access the scheme thus averting the need to initiate a large scale staff redundancy process.

The first tranche of staff were written to on 4 May 2020 to inform them they were to be placed on furlough effective from the date we closed our sites to the public – 18th March 2020.

A total number of 226 full time and casual staff were placed on furlough during 2020/21. CJRS claims for the 2020/21 year were made from April 2020 until January 2021, totalling £1.52m.

Our staff on furlough were not deployed to other areas of the public sector as we needed our staff to be available to return to work, and fully trained in new Health & Safety measures in advance of Museums being legally allowed to reopen. National Museums NI continued to pay full gross salary, National Insurance and Pension Contributions beyond the level at which these costs could be reclaimed through the CJRS.

Sickness Absence

National Museums NI employed 277 staff (expressed as full-time equivalents). Overall staff absenteeism for the period 1 April 2020 to 31 March 2021 was 2.8% (2019/20: 4.44%), which equates to an average per FTE of 6.2 days (2019/20: 9.86 days).

The overall absence decrease, compared to the prior 12 months, follows a decrease in the short term absence rate which may in part be attributable to a high number of staff having been placed on furlough. The majority of sickness absence continues to be attributable to staff on long term sickness.

Staff Policies

As an equal opportunities employer, National Museums NI does not discriminate against staff or applicants for posts on any grounds, including disability. Care is taken to ensure the needs of disabled applicants are considered in the recruitment and promotion processes. National Museums NI also considers and introduces reasonable adjustments to support the employment of people with disabilities and to support the continuing employment of staff who have a disability.

National Museums NI is committed to the priorities as set out in legislation on equality, disability discrimination, dispute resolutions, health and safety, safeguarding, data protection and freedom of information.

Reporting of Civil Service and other compensation schemes – exit packages (Audited Information)

| Exit package Cost Band | Number of compulsory redundancies | | Number of other departures agreed | | Total number of exit packages by cost band | |
|--------------------------------|-----------------------------------|---------|-----------------------------------|---------|--|---------|
| | 2020/21 | 2019/20 | 2020/21 | 2019/20 | 2020/21 | 2019/20 |
| >£10,000 | - | - | - | - | - | - |
| £10,000-£25,000 | - | - | - | - | - | - |
| £25,000-£50,000 | 1 | - | 2 | - | 3 | - |
| £50,000-£100,000 | - | - | 1 | - | 1 | - |
| £100,000-£150,000 | - | - | 1 | - | 1 | - |
| £150,000-£200,000 | - | - | - | - | - | - |
| Total number of exit packages | 1 | - | 4 | - | 5 | - |
| Total resource cost (£) | £29,868 | - | £245,040 | | £274,908 | |

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972. Exit costs are accounted for in the year in which the relevant exit packages are agreed.

There were five redundancy packages agreed in 2020-21.

Any ill-health retirement costs are met by the pension scheme and are not included in the table.



K Thomson
Chief Executive
Date: 6 October 2021

STATEMENT OF TRUSTEES' AND CHIEF EXECUTIVE'S RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

Under Article 10(2) of the Museums and Galleries (NI) Order 1998 the Museum is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Department for Communities with the approval of the Department of Finance. The accounts are prepared on an accruals basis and must give a true and fair view of National Museums NI's state of affairs at the year end and of its financial activities and cash flows for the financial year.

In preparing the accounts the Trustees are required to:

- observe the accounts direction issued by the Department for Communities, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that National Museums NI will continue in operation.

The Accounting Officer for the Department for Communities has designated the Chief Executive as the Accounting Officer for National Museums NI. The relevant responsibilities of an Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping of proper records and for safeguarding National Museums NI's assets, are set out in the Managing Public Money NI, issued by the Department of Finance. As Accounting Officer I can confirm:

- as far as I am aware, there is no relevant audit information of which the National Museums NI's auditors are not aware;
- I have taken all the steps I ought to have taken to make myself aware of any relevant audit information and to establish that National Museums NI's auditors are aware of that information;
- The Annual Report and Accounts as a whole is fair, balanced and understandable; and
- I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

Governance Statement for the Year Ended 31 March 2021

Governance Framework

National Museums NI is a Non-Departmental Public Body established under the Museums and Galleries (NI) Order 1998 and sponsored by the Department for Communities (DfC).

National Museums NI is governed by a Board of up to 15 Trustees and sub-committees that report to the Board. The Trustees are appointed by the Minister. The Board has ultimate responsibility for directing the affairs of National Museums NI and for fulfilling the functions set out in the Museums and Galleries (NI) Order 1998.

The Accounting Officer is designated by the Department for Communities' Accounting Officer and has responsibility for the day to day management of National Museums NI and is supported and challenged by the Board of Trustees.

The system of internal control is designed to manage risk to a satisfactory level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of National Museums NI's policies, aims and objectives, to evaluate the likelihood of those risks being realised and their impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in National Museums NI for the year ended 31 March 2021 and up to the date of approval of the annual report and accounts and accords with Department of Finance (DoF) guidance.

The governance framework also includes a number of additional elements that contribute to the effective governance of the organisation. These comprise:

- Board Standing Orders;
- Board Operating Framework;
- Terms of reference for Committees;
- The Management Statement and Financial Memorandum;
- The Corporate Plan 2018-21 and Business Plan 2019/20;
- The Performance Management Framework;
- The Risk Management Framework;
- Whistleblowing Policy; and
- Anti-Fraud Policy and Fraud Response Plan.

Compliance with Corporate Governance Code

National Museums NI, in so far as it is relevant for a Non Departmental Public Body, complies with the Corporate Governance Code.

Process for Identifying and Managing Conflicts of Interests

National Museums NI has a 'Managing Conflicts of Interest and Representation on Outside Bodies Policy' which was updated in June 2021. The purpose of the policy document is to set out the principles for minimising and managing potential conflicts of interest and, in so doing, provide protection to National Museums Northern Ireland and its staff from reputational damage and other liabilities. Trustees and Employees of National Museums NI are required to disclose areas of actual, potential or perceived conflict with the interests of National Museums NI. There are codes of conduct for both Employees and Trustees which require adherence to the Seven Principles of Public

Life as defined by the Committee of Standards in Public Life. A register of interests is maintained and appropriate action is taken in line with the policy where any conflicts or perceived conflict arise.

Review of Effectiveness

Accounting Officer

As Accounting Officer, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the aims and objectives of the National Museums NI. I also have responsibility for the propriety and regularity of the public finances allocated to National Museums NI and for safeguarding public funds and assets, in accordance with the responsibilities assigned. As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the Internal Auditors and the managers within National Museums NI who have responsibility for the development and maintenance of the internal control framework and comments made by the External Auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit and Risk Assurance Committee, and plan to address weaknesses and ensure continuous improvement of the system is in place.

In my role as Accounting Officer, I function with the support of the Board of the National Museums NI (“the Board”). This includes highlighting to the Board specific business risks and, where appropriate, the measures that could be employed to manage these risks.

At meetings of the Board the following standing agenda items are addressed (either directly or through reporting from one of the sub-committees):

- Minutes of Previous Meeting;
- Strategic Priorities;
- Chief Executive Update;
- Progress Against Budget;
- Progress against business and corporate plan and risks in achieving stated objectives; and
- Risk Management.

The Board operates as a collegiate forum under the leadership of the Chair. It ensures that the appropriate strategic planning processes are in place and that there is effective operational management of their implementation. Day-to-day operational matters are my responsibility and that of senior staff. Each Trustee participates in the high-level corporate decision making process as a member of the Board, contributes to the operation of corporate governance arrangements within the organisation, and supports me in my roles of Chief Executive and Accounting Officer.

As Chief Executive, I am responsible for agreeing the agenda for quarterly Board meetings with the Chair and ensuring the Chair and Board members are provided with timely information to support full discussion and decision-making at each meeting. The Board receives written reports on key strategic areas and on the status of delivery against Business Plan objectives. The quality and timeliness of the information and reports has been acceptable to the Board.

I meet formally with our Sponsor Branch in the Department for Communities quarterly. At these meetings National Museums NI is assessed against its delivery of the Ministerial and Departmental priorities as agreed in the Corporate Plan and Museums Policy as well as the review of the management of risk within National Museums NI.

The Board

The Board takes an objective long-term view of the business of the organisation, leading its strategic planning process and supporting and challenging the Chief Executive as Accounting Officer in setting and meeting its corporate aims and objectives.

The key aspects of the Board's role include:

- Setting the strategic direction for the organisation, including its vision, values and strategic objectives;
- Overseeing the implementation of its Corporate and Business Plans, monitoring performance against objectives and supervising its budget;
- Leading and overseeing the process of change and encouraging innovation, to enhance the organisation's capability to deliver;
- Overseeing the strategic management of staff, finance, information and physical resources, including setting training and health and safety priorities; and
- Establishing and overseeing the implementation of the corporate governance arrangements including risk management.

The Board of Trustees has delegated to the Audit and Risk Assurance Committee responsibility for an assessment of the effectiveness of the system of internal control.

As part of their induction, all Trustees attend training in respect of their responsibilities for corporate governance and accountability of the organisation.

In order to manage any conflicts or potential conflicts of interest the Chairman asks those present at the start of each meeting if they are conflicted with any of the agenda items. Using this process, there were no actual or perceived conflicts reported by Trustees during the year.

Board Membership and Attendance

During the year the following served as Trustees:

| | Attendance at Board meetings 2020-21 |
|----------------------|---|
| Mr M McCoy, Chairman | 5 |
| Professor G Earls | 5 |
| Professor K Fleming | 5 |
| Mrs H Francey | 5 |
| Mrs D Harshaw | 4 |
| Dr R Kelly OBE | 5 |
| Dr L Litvack | 4 |
| Mr A McFarland | 3 |
| Dr G McIlroy | 5 |
| Mrs C Molloy | 5 |
| Dr Riann Coulter* | 3 |
| Ms Deirdre Devlin* | 4 |
| Mr William Duddy* | 4 |
| Miss Charlotte Jess* | 4 |
| Dr Robert Whan* | 3 |

* Appointed 1 July 2020

The Board of Trustees meets at least four times a year. The Board of Trustees receive reports at each meeting covering key performance indicators, business plan performance, financial performance, capital programme activity, loans (to and from the organisation) for agreement and minutes from each of the sub-committees. The Board has assessed its effectiveness and has identified areas where it can improve. These areas include induction for new Trustees, committee membership, advocacy and conduct of meetings.

There were 5 new appointments to the Board in July 2020, for a period of up to 4 years. All other existing Board members have been reappointed for a second term from 1 July 2020 to 30 April 2023.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) met four times during the year to review reports on risk management, the control environment, matters arising from internal and external audits, progress on the implementation of audit recommendations, and to review and endorse the Annual Report and Accounts to the Board of Trustees to approve.

The Committee discharged its oversight responsibilities in accordance with the Terms of Reference and it has the requisite skills (including governance, financial reporting, risk management, auditing, strategic planning and understanding the core functions of the organisation) to discharge its responsibilities effectively.

Other Committees and the Executive Team

There are two other committees of the Board of Trustees:

- The General Purposes and Finance Committee (GP&F): met four times during the year to review the financial plan, financial reports, reports on human resources and organisational development, marketing plans and to approve requests on loans.
- The Remuneration Committee: met twice to review the Chairman's assessment of the performance of the Chief Executive.

During the year the following Trustees attended meetings of the Committees as follows:

| | Attendance at ARAC meetings (max 5) | Attendance at GP&F Committee meetings (max 4) | Attendance at Remuneration Committee meetings (max 2) |
|----------------------------------|--|--|--|
| Mr M McCoy, Chairman | 2 | 4 | 2 |
| Professor G Earls, Vice Chairman | N/A | 4 | 2 |
| Professor K Fleming | N/A | 4 | N/A |
| Mrs H Francey | N/A | 4 | 2 |
| Mrs D Harshaw | 5 | N/A | N/A |
| Dr R Kelly OBE | 5 | N/A | 2 |
| Dr L Litvack | 5 | N/A | N/A |
| Mr A McFarland | N/A | 2 | 0 |
| Dr G McIlroy | 5 | N/A | N/A |
| Mrs C Molloy | 5 | N/A | N/A |
| Dr Riann Coulter* | 3 | N/A | N/A |
| Ms Deirdre Devlin* | N/A | 3 | N/A |
| Mr William Duddy* | 4 | N/A | N/A |
| Miss Charlotte Jess* | N/A | 3 | N/A |
| Dr Robert Whan* | N/A | 3 | N/A |

* Appointed 1 July 2020

In addition to its members, the following officers normally attend the Audit and Risk Committee:

- The Accounting Officer
- The Chief Operating Officer
- The Director of Collections
- The Head of Finance & Governance
- Representative(s) from the NI Audit Office (as observer(s));
- Representative from the Department for Communities (as observer)
- Internal Audit

Business Planning and Risk Management

Business Plan

The 2020/21 Business Plan was revised to take account of the impact of COVID-19 and specifically the closure of the museums for the majority of 2020/21. Following Board approval the DfC Minister approved the revised 2020/21 Business Plan on 18th January 2021.

Risk Management

The Risk Management Strategy sets out the process whereby the National Museums NI methodically identifies, assesses and responds to the risks attached to its activities. It assigns responsibility and accountability for risk management; defines the processes for risk review and reporting; describes a format for the organisation's corporate risk register; and explains the organisation's approach to training in risk management.

Each risk is allocated a risk rating based on an evaluation of its impact and likelihood in two stages:

1. Assessment of inherent risk before any controls are identified.
2. Assessment of residual risk taking account of current risk response and controls and the required action plan.

The residual risk is then compared to the risk appetite and if the controls are judged to be inadequate to manage risk within the risk appetite then further action is identified to strengthen these controls.

Any strategic and/or key risks are escalated and included within the Corporate Risk Register. The Corporate Risk Register identifies risks and agreed actions and allocates responsibility for those to a risk owner. The Register is reviewed regularly by the Executive and Senior Management Team and quarterly by the Audit and Risk Assurance Committee and reported to the Board of Trustees at each meeting.

In addition to the Corporate Risk Register, internal project boards have developed project risk registers with project Senior Responsible Owners responsible for risk management. The Senior Management Team are fully involved in the continual review and management of risks and are trained and equipped to manage risk in a way appropriate to their authority and duties. The Internal Auditors provide advice and guidance on good practice in the management of risk throughout the audit process. Changes in the risk environment during the year have been dealt with by considering the impact of the risks assessed and taking action to manage the risks.

During the year the following key strategic risks relating to business objectives were identified:

1. Impact of COVID-19 on the business operations
2. Structural underfunding is not addressed
3. The business model is not sustainable

4. Our audience does not reflect the population of NI
5. Our public engagement is not relevant
6. The organisational systems and processes do not support the business need
7. Approval and investment is not secured to deliver the major transformation programme; and
8. Internal resistance to culture change and new ways of doing things

In 2020-21 there were no instances where the Committee determined that risk(s) lay outside the organisation's risk appetite and were thus unacceptable. The Board will continue to keep this matter under review.

Fraud Risk and Information Risk

The management and control of the risk of fraud is set out in the Anti-Fraud Policy and Fraud Response Plan. Further related guidance is provided in the Anti-Bribery and Corruption Policy, the Conflicts of Interest Policy, the Staff Code of Conduct and the Whistle-Blowing Policy.

The Anti-Fraud Policy and Fraud Response Plan were updated in March 2021 to continue development of a culture within the organisation which raises awareness of the risks and consequences of fraud, and incorporates all relevant fraud related guidance and good practice.

There were no gifts provided to any parties during the year.

There were no personal data related incidents during the year.

There was one post year end incident of suspected fraud which is currently under investigation.

Sources of Independent Assurance

National Museums NI draws assurance on its system of internal control and governance arrangements from independent sources, in particular:

Internal Audit

The primary objective of internal audit is to provide an independent and objective opinion to the Board of Trustees and Audit and Risk Assurance Committee on the adequacy and effectiveness of the system of internal control. The work of internal audit is informed by an analysis of the risks to which National Museums NI is exposed.

National Museums NI and the Board of Trustees contracts out its internal audit services. The appointed firm of Internal Auditors operates to Public Sector Internal Audit Standards (PSIAS). The Internal Audit Plan 2020/21 was approved by the Audit and Risk Assurance Committee in September 2020. The Committee considered reports on the following audits performed in 2020-21:

| AUDIT ASSIGNMENT | LEVEL OF ASSURANCE PROVIDED | Internal Audit Firm |
|--|------------------------------------|----------------------------|
| Review of Capital Management | Limited | EY |
| Business Continuity – Lessons Learned Following COVID-19 | Satisfactory | RSM |
| Care & Management of the Collections | Satisfactory | RSM |
| Health and Safety | Satisfactory | RSM |
| Follow Up Review | Good Progress | RSM |

During 2020/21 the Internal Auditors identified no Priority 1 issues.

The EY Review of Capital Management report was issued in September 2020, with 13 recommendations issued. This report was the final report carried out by EY following the expiry of their contract in July 2021. The report was commissioned following an investigation into suspected fraud, which identified control weaknesses. Additional procedures and internal controls were implemented immediately after the suspected fraud was identified. Ten of the thirteen recommendations are fully implemented, with 3 recommendations partially implemented. The implementation status of these recommendations have been subject to a wider follow up review carried out by the new Internal Auditors, RSM, in June 2021, with good progress noted in the Follow Up Report across all areas subject to review.

For the 12 months ended 31 March 2021, the Head of Internal Audit opinion for National Museums Northern Ireland is based upon and limited entirely to the three internal audit reviews (carried out by RSM) and follow up review in the year and does not provide any assurance over the wider control framework, and is as follows:

“Overall, there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified, this should not significantly impact on the achievement of system objectives.”

Reporting of Significant Issues

Internal Audit are required, in accordance with the PSIAS, to identify any control issues which they consider to be of significant concern. These control issues may be based on the internal audit activities for the year, together with Internal Audit’s wider knowledge of the organisation. On this basis, Internal Audit have not identified any significant issues.

NI Audit Office (NIAO)

We have completed our audit of the 2020-21 financial statements in accordance with International Standards on Auditing (UK) (ISAs) issued by the Financial Reporting Council; with Practice Note 10 ‘Audit of Financial Statements of Public Sector Entities in the United Kingdom’; and with the Audit Strategy presented to the Audit Committee in March 2021.

Financial Management

Responsibility for ensuring that an effective system of internal financial control is maintained and operated rests with the Accounting Officer supported by the Audit and Risk Assurance Committee and the General Purposes and Finance Committee. The systems of internal financial control provide reasonable but not absolute assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or will be detected within a timely period.

Internal financial control is based on a framework of management information, financial regulations and administrative procedures, which include the segregation of duties, management supervision and a system of delegation and accountability.

National Museums NI has established Financial Policies and Procedures that address areas of risk as well as operational efficiency and effectiveness. These documents act as a reference point detailing all Financial Policies and Procedures that have been approved by the Board of National Museums NI.

All staff are briefed on these policies during their induction and at regular staff meetings. Any needs identified are addressed through the National Museums NI annual training and development plan.

Internal Governance Divergences

During the year there were no Priority One recommendations which have been described in the statement by the Head of Internal Audit.

It should be further noted that no 'ministerial directions' have been issued to the National Museums NI and there have been no reported lapses of protective security.

Conclusion

As Accounting Officer, I am satisfied that an appropriate system of internal governance is in place within National Museums NI.



Kathryn Thomson
Chief Executive
Date: 6 October 2021

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE
NORTHERN IRELAND ASSEMBLY**

Opinion on financial statements

I certify that I have audited the financial statements of National Museums Northern Ireland for the year ended 31 March 2021 under the Museums and Galleries (Northern Ireland) Order 1998. The financial statements comprise: the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement; and the related notes including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including the Charities SORP (FRS 102) "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland". (United Kingdom Generally Accepted Accounting Practice). I have also audited the information in the Remuneration and Staff Report that is described in that Report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of National Museums Northern Ireland's affairs as at 31 March 2021 and of its total incoming resources and resources expended for the year then ended; and
- have been properly prepared in accordance with the Museums and Galleries (Northern Ireland) Order 1998 and Department for Communities directions issued thereunder.

Emphasis of Matter

I draw attention to Note 8 of the financial statements, which describes the material valuation uncertainties for Land and Buildings due to the consequences of the COVID-19 pandemic. My opinion is not modified in respect of this matter.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of National Museums Northern Ireland in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that National Museums Northern Ireland's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the National Museums Northern Ireland's work I have performed, I have not disclosed in the financial statements any identified material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt about the National Museums Northern

Ireland'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.

The going concern basis of accounting for National Museums Northern Ireland is adopted in consideration of the requirements set out in the Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

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

Other Information

The other information comprises the information included in the Trustees' annual report other than the financial statements, the parts of the Remuneration and Staff Report described in that report as having been audited and my audit certificate and report. The Trustees and the Accounting Officer are responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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

I have nothing to report in this regard.

Opinion on other matters

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

- the parts of the Trustees' and Remuneration Report to be audited have been properly prepared in accordance with Museums and Galleries (Northern Ireland) Order 1998 directions made; and
- the information given in the Trustees Annual Report and Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the National Museums Northern Ireland and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Trustees and Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Report Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or

- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Trustees and Accounting Officer for the financial statements

As explained more fully in the Statement of the Trustees and Accounting Officer Responsibilities, the Trustees and the Accounting Officer are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Trustees and Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the National Museums Northern Ireland'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 and Accounting Officer anticipates that the services provided by National Museums Northern Ireland will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to examine, certify and report on the financial statements in accordance with the Museums and Galleries (Northern Ireland) Order 1998.

My 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 a certificate that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the National Museums Northern Ireland through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Museums and Galleries (Northern Ireland) Order 1998;
- making enquires of management and those charged with governance on National Museums Northern Ireland's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to the susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of National Museums Northern Ireland's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this

discussion, I identified potential for fraud in the following areas: management override of controls through the posting of unusual journals, revenue recognition, and the extent of management bias within accounting estimates;

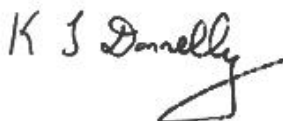
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business.

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

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

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
1 Bradford Court
Galwally
BELFAST
BT8 6RB

13th October 2021

**NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

NATIONAL MUSEUMS NORTHERN IRELAND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

| | Note | Restricted | Unrestricted | 2021 £ | Restricted | Unrestricted | 2020 £ |
|---|------|--------------------|--------------------|-------------------|--------------------|--------------------|-------------------|
| Income from: | | | | | | | |
| <i>Donations and Legacies</i> | | | | | | | |
| Donations | 2 | - | 36,950 | 36,950 | 634,981 | 77,367 | 712,348 |
| Gifts in kind | 2 | 865,782 | - | 865,782 | 627,875 | - | 627,875 |
| <i>Charitable activities</i> | | | | | | | |
| Grant-in-aid | 3 | 2,633,000 | 13,161,000 | 15,794,000 | 4,997,000 | 12,248,000 | 17,245,000 |
| VES funding | 3 | - | - | - | 414,719 | - | 414,719 |
| VER funding | 3 | - | - | - | - | - | - |
| Admissions | 3 | - | 153,995 | 153,995 | - | 1,020,606 | 1,020,606 |
| Other grants | 3 | 794,700 | - | 794,700 | 826,091 | - | 826,091 |
| <i>Other trading activities</i> | | | | | | | |
| Sponsorships | 4 | 8,011 | - | 8,011 | 25,701 | - | 25,701 |
| Trading | 4 | - | 149,001 | 149,001 | - | 1,003,418 | 1,003,418 |
| Investment income | | - | 45 | 45 | - | 814 | 814 |
| Other income | 5 | - | 1,530,299 | 1,530,299 | - | 77,840 | 77,840 |
| Total income | | 4,301,493 | 15,031,290 | 19,332,783 | 7,526,367 | 14,428,045 | 21,954,412 |
| Expenditure on: | | | | | | | |
| <i>Raising funds</i> | | | | | | | |
| Trading | 6 | 3,269 | 874,188 | 877,457 | 26,419 | 1,135,995 | 1,162,414 |
| <i>Charitable activities</i> | | | | | | | |
| Care of Collections | 6 | 167,031 | 2,204,503 | 2,371,534 | 253,507 | 2,154,379 | 2,407,886 |
| Curatorial & Education | 6 | 319,446 | 2,544,444 | 2,863,890 | 689,360 | 2,064,782 | 2,754,142 |
| Experience & Enterprise | 6 | 32,965 | 4,794,563 | 4,827,528 | 297,074 | 5,342,866 | 5,639,940 |
| Audience Development | 6 | 173,908 | 1,199,821 | 1,373,729 | 363,875 | 1,180,130 | 1,544,005 |
| Operations | 6 | 20,705 | 6,660,228 | 6,680,933 | 138,812 | 6,329,017 | 6,467,829 |
| | | 717,324 | 18,277,747 | 18,995,071 | 1,769,047 | 18,207,169 | 19,976,216 |
| Net income/(expenditure) | | 3,584,169 | (3,246,457) | 337,712 | 5,757,320 | (3,779,124) | 1,978,196 |
| Transfers between funds | | (2,827,920) | 2,827,920 | - | (4,508,314) | 4,508,314 | - |
| Other recognised gains/(losses) | | | | | | | |
| Gains/(losses) on revaluation of fixed assets | 8 | - | 620,848 | 620,848 | - | 1,921,710 | 1,921,710 |
| Net movement in funds | | 756,249 | 202,311 | 958,560 | 1,249,006 | 2,650,900 | 3,899,906 |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward | | 20,220,119 | 74,223,245 | 94,443,364 | 18,971,113 | 71,572,345 | 90,543,458 |
| Total funds carried forward | | 20,976,368 | 74,425,556 | 95,401,924 | 20,220,119 | 74,223,245 | 94,443,364 |

All amounts included in the above statement relate to the continuing operations of the National Museums Northern Ireland. There are no recognised gains and losses other than those shown above. The notes on pages 49 to 62 form part of these accounts.

**NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

NATIONAL MUSEUMS NORTHERN IRELAND

**BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021**

| | Note | 2021 £ | 2020 £ |
|---|------|--------------------------|--------------------------|
| Fixed Assets | | | |
| Tangible assets | 8 | 83,041,552 | 83,253,191 |
| Heritage assets | 8 | 11,004,711 | 9,720,695 |
| Intangible assets | 9 | <u>372,901</u> | <u>132,042</u> |
| | | 94,419,164 | 93,105,928 |
| Current Assets | | | |
| Stock | 10 | 284,591 | 314,997 |
| Debtors | 11 | 1,007,974 | 2,017,161 |
| Cash at bank and in hand | 12 | <u>4,056,220</u> | <u>2,587,783</u> |
| | | 5,348,785 | 4,919,941 |
| Current Liabilities | | | |
| Creditors - amounts falling due within one year | 13 | <u>(3,561,175)</u> | <u>(2,784,767)</u> |
| Net current assets | | <u>1,787,610</u> | <u>2,135,174</u> |
| Total assets less current liabilities | | 96,206,774 | 95,241,102 |
| Provision for liabilities and charges | 14 | <u>(804,850)</u> | <u>(797,738)</u> |
| Total net assets | | <u><u>95,401,924</u></u> | <u><u>94,443,364</u></u> |
| Represented by: | | | |
| Restricted funds | 15 | 20,976,368 | 20,220,119 |
| Unrestricted funds | 15 | 24,802,114 | 27,930,751 |
| Revaluation Reserve | 15 | <u>49,623,442</u> | <u>46,292,494</u> |
| | | <u><u>95,401,924</u></u> | <u><u>94,443,364</u></u> |

The notes on pages 49 to 62 form part of these accounts.

The accounts on pages 46 to 62 were approved by the Board of Trustees of National Museums Northern Ireland on 24 September 2021 and are signed on its behalf.



M McCoy
Chairman of The Board of Trustees



K Thomson
Chief Executive

**NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

NATIONAL MUSEUMS NORTHERN IRELAND

**CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2021**

| | Note | 2021 £ | 2020 £ |
|--|------|-------------------------|-------------------------|
| Cash flows from operating activities: | | | |
| Net cash provided by (used in) operating activities | 18 | <u>5,441,639</u> | <u>3,355,692</u> |
| Cash flows from investing activities: | | | |
| Interest Received | | 45 | 814 |
| Proceeds from the sale of property, plant and equipment | | - | - |
| Purchase of property, plant and equipment | | <u>(3,973,247)</u> | <u>(6,853,235)</u> |
| Net cash provided by (used in) investing activities | | <u>(3,973,202)</u> | <u>(6,852,421)</u> |
| Change in cash and cash equivalents in the reporting period | | 1,468,437 | (3,496,729) |
| Cash and cash equivalents at 1 April 2020 | 18 | <u>2,587,783</u> | <u>6,084,512</u> |
| Cash and cash equivalents at 31 March 2021 | 18 | <u><u>4,056,220</u></u> | <u><u>2,587,783</u></u> |

Further detail to this cash flow statement is reported in Note 18.

The notes on pages 49 to 62 form part of these accounts.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Basis of Accounting

These accounts have been prepared in accordance with the historical cost convention as modified by the revaluation of certain assets.

Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act 2006, the accounting standards issued or adopted by the Accounting Standards Board and disclosure requirements issued by the Department of Finance in so far as those requirements are appropriate. They also comply with the Charities SORP (FRS 102), issued January 2015.

The charity is a public benefit entity.

There are no material uncertainties related to events or conditions that cast significant doubt on the ability of National Museums NI to continue as a going concern.

The principal policies which have been adopted in the preparation of these accounts are as follows:

Incoming resources

Grant income from the DfC is shown in the Statement of Financial Activities in the year in which it is received. Undrawn grant-in-aid is not available to be carried forward from one year to the next.

Other grant income is recognised as and when the conditions for its receipt have been met.

Deferred income will be matched and released as and when the conditions for its application have been met.

Gifts in kind donated, where a third party is bearing the cost, are included at the cost to the third party.

Admissions income, trading income and donations are accounted for on an accruals basis.

No amounts are included in the accounts for services donated by volunteers.

Resources expended

Resources expended are accounted for on an accruals basis. Expenditure is classified under principal charitable activities or costs of generating funds in order to provide more useful information to the users of the accounts.

Expenditure is classified to be in furtherance of charity objectives when it is directly attributable to the projects undertaken. All other expenditure is allocated either to support costs or costs of generating funds, as appropriate. Support costs comprise the costs of the Chief Executive's Office, Finance, Human Resources and governance costs and are allocated to the charitable activities on a basis consistent with the use of the resources. The support costs are allocated according to the number of full time equivalents staff employed in each activity. Governance costs are the costs incurred to ensure proper standards of public accountability within National Museums Northern Ireland and are made up of internal audit, external audit and professional fees associated with governance.

NOTES TO THE ACCOUNTS

Tangible Assets and Depreciation

Tangible fixed assets are stated at cost or valuation.

Depreciation is provided on all tangible fixed assets, other than land, assets under construction and heritage assets, at rates calculated to write off the cost or valuation, less estimated residual value, on a straight line basis for each asset over its expected useful life as follows:

| | | |
|------------------------|----------|-----------|
| Buildings | 2% - 5% | per annum |
| Permanent exhibitions | 2% - 20% | per annum |
| Computer equipment | 5% - 20% | per annum |
| Fixtures and equipment | 5% - 20% | per annum |
| Plant and machinery | 5% - 15% | per annum |
| Motor vehicles | 7% - 15% | per annum |

Land and buildings are professionally revalued every year. With the exception of permanent exhibitions, the cost of all other fixed assets are restated annually to reflect their current value using the relevant price indices at the year end and to identify any impairment of value. The revaluation surplus or loss, net of the corresponding adjustment to accumulated depreciation, is credited to the revaluation reserve.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

The minimum level for capitalising tangible fixed assets is £1,000, although lower valued items may be pooled and capitalised where they constitute a unit or group.

Heritage assets

Additions to the collections acquired since 1 April 2001 have been capitalised and recognised in the balance sheet at cost or at valuation, where a donor has gifted the items.

Valuations of gifts are based on the amount paid by the donor or the opinion of the museum specialist staff. Valuations are not updated after initial recognition.

Collections acquired before 1 April 2001 are assets of historical and scientific importance held to advance the museum's educational and cultural objectives. These assets were not capitalised in past accounting periods as reliable cost information was not available and a reliable valuation approach was not considered to be cost effective.

Heritage assets are not depreciated.

Nature & scale of heritage assets

The collections of National Museums Northern Ireland are multidisciplinary, diverse and span all time periods, referencing Northern Ireland within, and to, the wider world. Historically, they have grown on the site-based framework of the Ulster Museum, the Ulster Folk & Transport Museum and the Ulster American Folk Park. However, since similar collection types can relate to more than one site, they are more appropriately classified within six broad and complementary subject areas. National Museums Northern Ireland will continue to collect within these subject areas and the time periods and geographic areas to which they relate:

1. Art;
2. Emigration;
3. Folk Life and Agriculture;
4. Human History;
5. Natural Sciences; and
6. Transport, Industry and Technology.

Policy on acquisition and disposal of heritage assets

National Museums has a Collections Development Policy in place. This policy provides further information on the nature of heritage assets held. It is available online at www.nmni.com.

NOTES TO THE ACCOUNTS

Policy on management and preservation of heritage assets

Three policies outline NMNI's intent towards the development, management, care, conservation of and access to the collections – the Collections Development Policy; the Collections Care and Conservation Policy; and the Collections Information and Access Policy. These policies were developed as part of NMNI's successful application renewal for Museum Accreditation in 2015, approved by the Board of Trustees in March 2015 and it is currently being reassessed and reviewed for the end of the 2021/22 financial year. In addition, a NMNI Collections Documentation Plan exists which outlines the tasks required to progress the management of the collections in alignment with the minimum industry standard known as SPECTRUM.

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

| | |
|----------|-------------|
| Software | 4 - 5 years |
|----------|-------------|

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Museum are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete and use it;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

The minimum level for capitalising intangible fixed assets is £1,000, although lower valued items may be pooled and capitalised where they constitute a unit or group.

Stocks

Stocks have been valued at the lower of cost and estimated net realisable value.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand include deposits held at call with banks and petty cash and float balances.

Liabilities and provisions

Liabilities and provisions are recognised as resources expended as soon as there is a legal or constructive obligation committing the Museum to expenditure.

Reserves Policy

National Museums Northern Ireland forecasts to operate on an annual basis within a balanced funding formula of grant-in-aid, sponsorship and donations, and self-generated income. Annual operating surpluses (or deficits) are kept to a minimum and are transferred to the Unrestricted General Reserve at 31 March each year.

The Charities SORP requires capital grants to be included within the Statement of Financial Activities in the year in which they are receivable. The only expenditure against this is depreciation. Therefore during periods of high capital investment, surpluses will arise on the Statement of Financial Activities.

The balance on the Restricted General Fund available at 31 March 2021 was £21.2m. The Trustees consider that sufficient funds are held in an appropriate form to enable funds to be applied in accordance with any restriction imposed. The balance on the Unrestricted General Fund, together with this policy, is reviewed on an annual basis.

National Museums Northern Ireland receives various types of funding which require separate disclosure. These are differentiated between restricted and unrestricted funds.

Restricted Funds

Restricted funds are those funds which are subject to specific restriction imposed by the donor, by the purpose of an appeal or are received for a specified purpose. They comprise the following:

Collection acquisition fund - this fund represents the value of heritage assets funded by restricted donations and grant-in-aid since April 2001.

Government grant for fixed assets - this fund represents funding from the Department for the acquisition of fixed assets which following acquisition have no restriction on use and therefore transfer to the unrestricted funds.

NOTES TO THE ACCOUNTS

Restricted Funds continued

Exhibition fund - this fund represents the net book value of the Museum's permanent exhibitions.

The Art Fund - the 2010 Art Fund Prize fund, to be used on a curatorial programme.

Curatorial Projects fund - funds to be used on specific curatorial projects.

O.L. Nelson Legacy fund - donated to the Museum for the specific purpose to purchase prints and drawings.

Patrick Donald Legacy Fund - donated to the Museum for the specific purpose to purchase artefacts of Irish interest.

General fund - this fund is to enable the Museum to manage its working capital relating to restricted activities.

Unrestricted Funds

Unrestricted funds are those funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Museum. They comprise the following:

Capital reserve - represents fixed assets transferred to National Museums Northern Ireland from the Ulster Folk and Transport Museum when National Museums Northern Ireland was established under the Museums and Galleries (Northern Ireland) Order 1998. This fund is reduced annually by depreciation.

Revaluation Reserve - this fund represents the revaluation surplus or loss, net of the corresponding adjustment to accumulated depreciation on the revalued assets.

Government grant for fixed assets - this fund together with the capital fund and the revaluation reserve represents the net book value of all unrestricted assets, namely land and buildings, fixtures and equipment and motor vehicles.

General fund - this fund is to enable the Museum to manage its working capital relating to unrestricted activities.

Unrestricted Designated Fund

Board Reserve general fund - donation monies set aside to fund future projects approved by the Trustees, in the furtherance of our general objectives.

Board Reserve capital fund - proceeds of sale of assets to re-invest in capital projects approved by the Trustees.

Taxation

All income and expenditure is stated exclusive of VAT, which is fully recoverable.

National Museums Northern Ireland has been granted charitable status by the HM Revenue & Customs.

**NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

NOTES TO THE ACCOUNTS

2. DONATIONS AND LEGACIES

| | 2021 £ | 2020 £ |
|------------------------------|----------------|----------------|
| Restricted Donations: | | |
| Legacies | - | 634,981 |
| Donations: | | |
| Gift Aid | 15,352 | 9,283 |
| Other donations | 21,598 | 68,084 |
| | <u>36,950</u> | <u>77,367</u> |
| Gifts in kind: | | |
| Donated assets | 865,782 | 625,375 |
| Donated services | - | 2,500 |
| | <u>865,782</u> | <u>627,875</u> |

The income from donations of £36,949 are unrestricted (2020: £77,367). Gifts in kind income at March 2021 comprises donations to the collections of £865,782. At March 2020 this included donated services of £2,500 and donations to the collections of £625,375. In addition to above, is the contribution made by volunteers. Volunteers make a significant and diverse contribution to the success of National Museums Northern Ireland. They support us in many areas of the organisation, in roles ranging from assisting curatorial staff, to assisting with visitor services and education staff.

3. INCOME FROM CHARITABLE ACTIVITIES

Grant-in-aid from the Department for Communities

| | 2021 £ | 2020 £ |
|--------------------------------------|-------------------|-------------------|
| Resource grant-in-aid (Unrestricted) | 13,161,000 | 12,248,000 |
| Capital grant (Restricted) | 2,633,000 | 4,997,000 |
| Total received | <u>15,794,000</u> | <u>17,245,000</u> |
| Voluntary Exit Scheme | - | 414,719 |

| | | |
|-------------------|----------------|------------------|
| Admissions | <u>153,995</u> | <u>1,020,606</u> |
|-------------------|----------------|------------------|

Other grants

| | £ | £ |
|-------------------------------------|----------------|----------------|
| Capital grants: | | |
| Heritage Lottery Fund | 25,201 | 30,218 |
| Friends of the Ulster Museum | - | - |
| National Heritage Memorial | 90,000 | - |
| Art Fund | 70,000 | 7,000 |
| Esmee Mitchell | - | - |
| Northern Ireland Environment Agency | - | - |
| Total capital grants | <u>185,201</u> | <u>37,218</u> |
| Revenue grants: | | |
| Northern Ireland Environment Agency | 244,570 | 295,150 |
| Big Lottery Fund Grant | 29,157 | 167,386 |
| British Library | 151,593 | 152,119 |
| Peace IV | 86,581 | 111,015 |
| Heritage Lottery Fund | 62,523 | 33,244 |
| The Art Fund | 12,484 | 11,266 |
| Esmee Fairbairn | 1,036 | 4,902 |
| Willie Doherty | 5,160 | - |
| Tate (British Art Network) | 3,000 | - |
| British Ecological Society | 9,579 | - |
| Queens University Belfast | 2,622 | 4,163 |
| Other | 1,194 | 9,628 |
| Total revenue grants | <u>609,499</u> | <u>788,873</u> |
| | <u>794,700</u> | <u>826,091</u> |

With the exception of resource grant-in-aid all of the grants are held in a restricted fund (further detail on restricted funds is given in note 1).

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NOTES TO THE ACCOUNTS

4. INCOME FROM OTHER TRADING ACTIVITIES

| | 2021 | 2020 |
|---------------------|----------------|------------------|
| | £ | £ |
| Sponsorships | <u>8,011</u> | <u>25,701</u> |
| Trading: | | |
| Shop | 111,865 | 675,521 |
| Hire of facilities | (452) | 80,496 |
| Consultancy fees | 15,924 | 16,903 |
| Photographic sales | 17,168 | 22,842 |
| Events income | 3,063 | 75,976 |
| Franchise income | <u>1,433</u> | <u>131,680</u> |
| | <u>149,001</u> | <u>1,003,418</u> |

Sponsorship income relates to specific programmes and events and is restricted. Trading income is unrestricted.

5. OTHER INCOME

| | 2021 | 2020 |
|-----------------|------------------|---------------|
| | £ | £ |
| Furlough Income | 1,521,101 | 66,134 |
| Other Income | <u>9,198</u> | <u>11,706</u> |
| | <u>1,530,299</u> | <u>77,840</u> |

6. EXPENDITURE

| | Staff costs | Other Direct costs | Indirect costs | Depreciation & impairment | 2021 Total | 2020 Total |
|-------------------------|--------------------|---------------------------|-----------------------|--------------------------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ | £ |
| Trading | 637,636 | 78,564 | 20,115 | 141,142 | 877,457 | 1,162,414 |
| Care of Collections | 1,839,048 | 58,692 | 94,986 | 378,808 | 2,371,534 | 2,407,886 |
| Curatorial & Education | 1,960,223 | 354,961 | 67,608 | 481,098 | 2,863,890 | 2,754,142 |
| Experience & Enterprise | 3,894,532 | 38,365 | 202,823 | 691,808 | 4,827,528 | 5,639,940 |
| Audience Development | 835,970 | 294,632 | 45,817 | 197,310 | 1,373,729 | 1,544,005 |
| Operations | <u>1,505,540</u> | <u>3,467,562</u> | <u>127,393</u> | <u>1,580,438</u> | <u>6,680,933</u> | <u>6,467,829</u> |
| | <u>10,672,949</u> | <u>4,292,776</u> | <u>558,742</u> | <u>3,470,604</u> | <u>18,995,071</u> | <u>19,976,216</u> |

Expenditure on charitable activities was £18,995,071 (2020: £19,976,216) of which £682,024 were restricted (2020: £1,769,046).

Included in other direct costs is COVID-19 related expenditure totalling £250K relating to cleaning & laundry, personal protective equipment and consumables,

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NOTES TO THE ACCOUNTS

6. EXPENDITURE (continued)

Staff costs

| | 2021 £ | 2020 £ |
|---|--------------------------|--------------------------|
| Salaries and wages (includes temporary non-payroll staff) | 7,671,712 | 7,577,323 |
| Social security costs | 643,541 | 585,507 |
| Pension costs | 2,048,072 | 1,967,368 |
| Apprenticeship levy | 22,613 | 17,916 |
| Other staff costs | 365,720 | 647,928 |
| | <u>10,751,658</u> | <u>10,796,042</u> |
| Less: recovery of outward secondment | <u>(78,709)</u> | <u>(76,156)</u> |
| Total costs within expenditure | <u><u>10,672,949</u></u> | <u><u>10,719,886</u></u> |

Included in the above costs is £450,812 (2020: £558,535) paid in respect of employment agency staff. Included in other staff costs are £274,908 (2020: £8,423) of redundancy costs.

Staff costs of £318,623 (2020: £297,008) have been capitalised and are not included in resources expended.

Further information on staff costs is contained within the Remuneration and Staff Report.

Support costs

| | Trading | Curatorial & Education | Care of collections | Experience & Enterprise Dev | Audience Dev | Operations | 2021 £ | 2020 £ |
|-------------------------------------|---------------|---------------------------|------------------------|-----------------------------------|-----------------|---------------|----------------|----------------|
| | £ | £ | £ | £ | £ | £ | | |
| Finance/CEO office/ Human Resources | 77,074 | 259,053 | 363,959 | 777,159 | 175,557 | 488,133 | 2,140,935 | 2,726,762 |
| Governance - included in above | <u>11,630</u> | <u>37,635</u> | <u>31,474</u> | <u>65,322</u> | <u>18,581</u> | <u>80,560</u> | <u>245,202</u> | <u>154,812</u> |

Governance costs

| | 2021 £ | 2020 £ |
|-----------------------------|-----------------------|-----------------------|
| Audit and accountancy fees | 46,656 | 47,600 |
| Legal and professional fees | <u>198,546</u> | <u>107,212</u> |
| | <u><u>245,202</u></u> | <u><u>154,812</u></u> |

7. NET INCOMING RESOURCES

Net incoming resources is stated after charging:

| | 2021 | 2020 |
|---|---------------|---------------|
| Auditors' remuneration: | | |
| in respect of audit services | 19,550 | 20,600 |
| in respect of internal audit | 27,106 | 27,000 |
| in respect of other services | - | 100,000 |
| Depreciation | 2,947,505 | 2,912,888 |
| Impairment Losses | 456,528 | 478,280 |
| (Profit)/Loss on Disposal of Fixed Assets | <u>27,801</u> | <u>84,309</u> |

**NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND
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NOTES TO THE ACCOUNTS

8. TANGIBLE FIXED ASSETS

| | Land and Buildings £ | Permanent Exhibitions £ | Fixtures and Equipment £ | Motor Vehicles £ | Sub Total £ | Heritage Assets £ | Total £ |
|--------------------------|-------------------------|----------------------------|-----------------------------|---------------------|-------------------|----------------------|---------------------------|
| Cost or valuation | | | | | | | |
| At 1 April 2020 | 70,887,390 | 12,279,215 | 13,308,845 | 352,504 | 96,827,954 | 9,720,695 | 106,548,649 |
| Additions | 1,107,898 | 518,416 | 1,375,247 | 22,820 | 3,024,381 | 1,284,016 | 4,308,397 |
| Disposals | | | (1,740,292) | (1,996) | (1,742,288) | - | (1,742,288) |
| Derecognised Additions* | (275,143) | (15,560) | (128,639) | - | (419,342) | - | (419,342) |
| Transfers | - | - | - | - | - | - | - |
| Revaluation | (1,718,943) | - | (190,447) | (11,653) | (1,921,043) | - | (1,921,043) |
| At 31 March 2021 | <u>70,001,202</u> | <u>12,782,071</u> | <u>12,624,714</u> | <u>361,675</u> | <u>95,769,662</u> | <u>11,004,711</u> | <u>106,774,373</u> |

*Fixed Assets totalling £419,342 have been derecognised from the Fixed Asset Register on account of overaccrued additions carried forward from prior periods, dating back to 2014/15 financial year.

* Included in Fixtures and Equipment is £240K relating to COVID-19 capital expenditure. This relates to IT infrastructure and Health and Safety equipment.

Accumulated depreciation and impairment

| | | | | | | | |
|-------------------|--------------|------------------|------------------|----------------|-------------------|----------|--------------------------|
| At 1 April 2020 | - | 3,418,041 | 9,908,375 | 248,347 | 13,574,763 | - | 13,574,763 |
| Depreciation | 1,964,378 | 329,791 | 637,243 | 16,093 | 2,947,505 | - | 2,947,505 |
| Impairment losses | 334,488 | - | 119,076 | 2,964 | 456,528 | - | 456,528 |
| Disposals | 0 | (1,037) | (1,707,261) | (499) | (1,708,797) | - | (1,708,797) |
| Transfers | - | - | - | - | - | - | - |
| Revaluation | (2,294,766) | - | (235,299) | (11,824) | (2,541,889) | - | (2,541,889) |
| At 31 March 2021 | <u>4,100</u> | <u>3,746,795</u> | <u>8,722,134</u> | <u>255,081</u> | <u>12,728,110</u> | <u>-</u> | <u>12,728,110</u> |

Net book value

| | | | | | | | |
|-------------------------|--------------------------|-------------------------|-------------------------|-----------------------|--------------------------|--------------------------|--------------------------|
| At 31 March 2021 | <u>69,997,102</u> | <u>9,035,276</u> | <u>3,902,580</u> | <u>106,594</u> | <u>83,041,552</u> | <u>11,004,711</u> | <u>94,046,263</u> |
| At 31 March 2020 | <u>70,887,390</u> | <u>8,861,174</u> | <u>3,400,470</u> | <u>104,157</u> | <u>83,253,191</u> | <u>9,720,695</u> | <u>92,973,886</u> |

Land and buildings at net book value comprise:

| | 2021 £ | 2020 £ |
|------------------------|-------------------|-------------------|
| Leasehold Improvements | 7,975 | 6,746 |
| Long leaseholds | 69,989,127 | 70,880,644 |
| | <u>69,997,102</u> | <u>70,887,390</u> |

A full valuation by Land and Property Services (LPS) was carried out at 31 March 2021. Due to the COVID-19 pandemic, the LPS valuation is reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. LPS have advised that less certainty and a higher degree of caution should be attached to their valuations than would normally be the case.

The valuations and basis of valuation, across all sites were as follows:

| Property | Value | Basis of Valuation |
|----------------------------------|-------------------|---|
| Ulster Museum | 25,848,303 | Land at existing use value and buildings at depreciated replacement cost |
| Ulster Folk and Transport Museum | 31,965,620 | Land at existing use value and buildings at depreciated replacement cost |
| Ulster American Folk Park | 5,036,961 | Land at existing use value and buildings at depreciated replacement cost |
| Residential Centre | 1,488,243 | Land at existing use value and buildings at depreciated replacement cost |
| Land at Landseer Street | 600,000 | Land at existing use value and buildings at depreciated replacement cost |
| Stores | 5,050,000 | Market value and Land at existing use value and buildings at depreciated replacement cost |
| | <u>69,989,127</u> | |

All other assets of National Museums Northern Ireland were revalued in line with appropriate indices at 31 March 2021.

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8. TANGIBLE FIXED ASSETS (continued)

Heritage assets acquired since 1 April 2001 have been capitalised at original cost or valuation, if donated. FRS 30 requires disclosure of heritage assets in the previous four accounting periods, analysed between those that have been purchased and donated:

| | Purchased £ | Donated £ | Total £ |
|---------|-----------------------|---------------------|-------------------|
| 2016-17 | 162,429 | 196,661 | 359,090 |
| 2017-18 | 171,790 | 1,087,802 | 1,259,592 |
| 2018-19 | 384,446 | 350,230 | 734,676 |
| 2019-20 | 173,996 | 625,375 | 799,371 |
| 2020-21 | 418,234 | 865,782 | 1,284,016 |
| | <u>1,310,895</u> | <u>3,125,850</u> | <u>4,436,745</u> |

There were no disposals of heritage assets since 1 April 2001.

9. INTANGIBLE FIXED ASSETS

| | Computer software | On-trade licence | Total £ |
|--------------------------|------------------------------|-----------------------------|-------------------|
| Cost or valuation | | | |
| At 1 April 2020 | 132,042 | - | 132,042 |
| Additions | <u>286,633</u> | <u>20,799</u> | <u>307,432</u> |
| At 31 March 2021 | <u>418,675</u> | <u>20,799</u> | <u>439,474</u> |
| Amortisation | | | |
| At 1 April 2020 | - | - | - |
| Charge for year | <u>66,573</u> | <u>-</u> | <u>66,573</u> |
| At 31 March 2021 | <u>66,573</u> | <u>-</u> | <u>66,573</u> |
| Net book value | | | |
| At 31 March 2021 | <u>352,102</u> | <u>20,799</u> | <u>372,901</u> |
| At 31 March 2020 | <u>132,042</u> | <u>-</u> | <u>132,042</u> |

10. STOCK

| | 2021 £ | 2020 £ |
|---------------------------------------|------------------|------------------|
| Shop goods for resale | 217,398 | 245,967 |
| Academic publications for resale | 25,808 | 25,820 |
| Maintenance materials and consumables | 24,677 | 28,190 |
| Farm stock | 16,708 | 15,020 |
| | <u>284,591</u> | <u>314,997</u> |

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11. DEBTORS

| | 2021 | 2020 |
|--------------------------------|------------------|------------------|
| | £ | £ |
| Trade debtors | 150,694 | 152,523 |
| Prepayments and accrued income | 482,680 | 975,922 |
| Other debtors | 374,600 | 888,716 |
| | <u>1,007,974</u> | <u>2,017,161</u> |

12. CASH AT BANK AND IN HAND

| | 2021 | 2020 |
|--------------------------|------------------|------------------|
| | £ | £ |
| Cash at bank and in hand | <u>4,056,220</u> | <u>2,587,783</u> |

13. CREDITORS (amounts falling due within one year)

| | 2021 | 2020 |
|---------------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 903,004 | 349,813 |
| Other taxes and social security | 233,745 | 164,583 |
| Accruals | 2,302,098 | 2,104,997 |
| Deferred income | 102,248 | 132,524 |
| Sundry creditors | 20,080 | 32,850 |
| | <u>3,561,175</u> | <u>2,784,767</u> |

Movement on deferred income

| | Contract / grant | Sponsorship | Event deposit | Advance admin charge | Total |
|---|-------------------------|--------------------|----------------------|-----------------------------|----------------|
| | £ | £ | £ | £ | £ |
| Balance as at 1 April 2020 | 124,738 | 3,000 | 1,036 | 3,750 | 132,524 |
| Amounts released from previous years | (109,568) | - | (1,036) | (3,750) | (114,354) |
| Incoming resources deferred in the current year | 80,329 | - | - | 3,750 | 84,079 |
| Balance as at 31 March 2021 | <u>95,499</u> | <u>3,000</u> | <u>0</u> | <u>3,750</u> | <u>102,249</u> |

Deferred income will be matched and released as and when the contractual obligations have been discharged.

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NOTES TO THE ACCOUNTS

14. PROVISIONS FOR LIABILITIES AND CHARGES

| | Payroll | Other | Total |
|------------------------------------|----------------|----------|----------------|
| | £ | £ | £ |
| Balance as at 1 April 2020 | 714,038 | 83,700 | 797,738 |
| Provided in year | 90,812 | - | 90,812 |
| Utilised in year | - | (83,700) | (83,700) |
| Balance as at 31 March 2021 | 804,850 | 0 | 804,850 |

(i). Following Government guidance on a legal case, (*PSNI v Agnew*), a provision of £804,850 has been made. The Court of Appeal (CoA) judgment from 17 June 2019 determined that claims for Holiday Pay shortfall can be taken back to 1998. However, the PSNI has appealed the CoA judgment to the Supreme Court. Due to delays in relation to the COVID-19 situation, it is expected that this will not be heard until 2021 but could result in a decision which either reduces the period of liability or confirms the full period back to 1998. The 2020-21 Holiday Pay provision has been estimated and covers the period from 1998 to 31 March 2021.

There are still some very significant elements of uncertainty around this estimate for a number of reasons:

1. The appeal to the Supreme Court (as detailed above);
2. Lack of accessible data for years previous to 2011 and for some groups of staff beyond 2011;
3. Ongoing negotiations with Trade Unions;
4. A reliable estimate for the pension element is not yet available so this has not been factored into the provision; and
5. The provision is gross (inclusive of Employee National Insurance and PAYE) and also includes an uplift of 13.8% for Employer National Insurance Contributions (NI).

(ii) In the prior year, NMNI made a provision for £83,700 for unconfirmed risks and savings associated with the Heron Road Construction project. The April 2020 Project Manager Report had estimated probable liabilities of £37,000 for unknown risks, £52,200 against known risks, £15,000 against Covid-19 delays, less an amount of £5,500 for potential cost savings on the project. In the current year, the final account for the project was agreed with the contractor and the provision has therefore been released.

Analysis of expected timing of discounted flows

| | Payroll | Other | Total |
|---|----------------|----------|----------------|
| | £ | £ | £ |
| Less than one year | - | - | - |
| Later than one year and not later than five years | 804,850 | - | 804,850 |
| Later than 5 years | - | - | - |
| Balance as at 31 March 2021 | 804,850 | 0 | 804,850 |

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NOTES TO THE ACCOUNTS

15. STATEMENT OF FUNDS

| | At 1 April 2020 £ | Income £ | Expenditure £ | Revaluation £ | Transfers £ | At 31 March 2021 £ |
|-----------------------------------|--------------------------|--------------------------|----------------------------|-----------------------|--------------------|--------------------------|
| Restricted Funds | | | | | | |
| Collection acquisition fund | 9,720,695 | 1,062,888 | - | - | 221,128 | 11,004,711 |
| Government grant for fixed assets | 682,455 | 1,942,680 | - | - | (2,813,397) | (188,262) |
| Exhibition fund | 8,861,173 | 518,416 | (329,791) | - | (14,523) | 9,035,275 |
| Voluntary Exit Scheme fund | 9,484 | - | - | - | - | 9,484 |
| Payroll Provision | (714,038) | - | (90,812) | - | - | (804,850) |
| The Art Fund | 100,000 | 70,000 | - | - | (70,000) | 100,000 |
| Curatorial Projects Fund | 8,099 | - | - | - | - | 8,099 |
| O.L. Nelson Legacy | 476,992 | - | - | - | - | 476,992 |
| P Donald Legacy | 634,981 | - | - | - | (61,128) | 573,853 |
| National Heritage Memorial Fund | - | 90,000 | - | - | (90,000) | 0 |
| General fund | 440,278 | 617,511 | (296,723) | - | 0 | 761,066 |
| | <u>20,220,119</u> | <u>4,301,495</u> | <u>(717,326)</u> | <u>-</u> | <u>(2,827,920)</u> | <u>20,976,368</u> |
| Unrestricted Funds | | | | | | |
| Designated fund: | | | | | | |
| Board Reserve fund | 125,274 | - | - | - | - | 125,274 |
| Board Reserve capital fund | 473,719 | - | - | - | - | 473,719 |
| Undesignated funds: | | | | | | |
| Capital reserve | 3,214,756 | - | (435,420) | - | - | 2,779,336 |
| Revaluation reserve | 46,292,494 | - | (103,297) | 620,848 | 2,813,397 | 49,623,442 |
| Government grant for fixed assets | 25,016,809 | - | (2,602,095) | - | (438,310) | 21,976,404 |
| General fund | (899,807) | 15,031,290 | (15,136,935) | - | 452,833 | (552,619) |
| | <u>74,223,245</u> | <u>15,031,290</u> | <u>(18,277,747)</u> | <u>620,848</u> | <u>2,827,920</u> | <u>74,425,556</u> |
| Total Funds | <u>94,443,364</u> | <u>19,332,785</u> | <u>(18,995,073)</u> | <u>620,848</u> | <u>-</u> | <u>95,401,924</u> |

The transfer of £2,827,920 from Restricted Funds: Government grant for fixed assets, represents the acquisition of assets during the year which have no restrictions on use.

The year end debit balance of (£188,262) within Restricted Funds: Government grant for fixed assets, has subsequently been brought to a credit balance in 21/22 following receipt in June 2021 of a post year end drawdown of £190,000 to cover 20/21 capital expenditure.

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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Restricted £ | Unrestricted £ | 2021 Total £ | 2020 Total £ |
|------------------|-------------------|-------------------|--------------------|--------------------|
| Fixed Assets | 20,039,987 | 74,379,177 | 94,419,164 | 93,105,928 |
| Current Assets | 3,690,662 | 1,658,123 | 5,348,785 | 4,919,941 |
| Liabilities | (1,921,051) | (2,444,974) | (4,366,025) | (3,582,505) |
| Total Net Assets | <u>21,809,598</u> | <u>73,592,326</u> | <u>95,401,924</u> | <u>94,443,364</u> |

17. FINANCIAL COMMITMENTS

| Land & Buildings | 2021 | 2020 |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| Operating leases which expire in: | | |
| Less than one year | 31,968 | 31,593 |
| One to five years | 90,187 | 122,156 |
| More than five years | - | - |
| Total Financial Commitments | <u>122,155</u> | <u>153,749</u> |

18. NOTES TO CASHFLOW

| Reconciliation of net income to net cash inflow from operating activities | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| Net income/(expenditure) for the reporting period as per the statement of financial activities | 337,712 | 1,978,196 |
| Adjustments for: | | |
| Depreciation | 2,947,505 | 2,912,888 |
| Impairment | 456,528 | 470,280 |
| Amortisation | 66,573 | - |
| (Profit)/loss on disposal of fixed assets | 27,801 | 84,309 |
| Decrease/(increase) in stock | 30,406 | 13,402 |
| Decrease/(increase) in debtors | 1,009,187 | (805,337) |
| Increase/(decrease) in creditors | 558,860 | (2,094,970) |
| Increase/(decrease) in provision | 7,112 | 797,738 |
| Deposit interest receivable | (45) | (814) |
| Net cash provided by (used in) operating activities | <u>5,441,639</u> | <u>3,355,692</u> |

Analysis of cash and cash equivalents

| | 2021 | 2020 |
|--------------------------|-------------|-------------|
| | £ | £ |
| Cash at bank and in hand | 4,056,220 | 2,587,783 |

19. RELATED PARTY TRANSACTIONS

National Museums Northern Ireland is a Non-Departmental Public Body funded by the Department for Communities (formerly the Department of Culture, Arts and Leisure for Northern Ireland).

The Chief Executive is a non executive director of Strategic Investment Board (SIB). During the year £109,799 was paid to SIB for seconded services to provide Asset Management support. The Chief Executive is a non executive director of Visit Belfast. During the year there were no payments to Visit Belfast as they waived the fees for 2020/21 (19/20 £2,550). Visit Belfast paid nothing to the Museum in the current year (19/20 £800). The Chief Executive is a non executive director of Tourism Ireland. During the year nothing was received from Tourism Ireland (19/20 £10,000).

The Director of Collections is a member of the Irish Museums Association, during the year nothing was paid to the Irish Museums Association.

National Museums Northern Ireland has had a number of transactions with other Government Departments and other Central Government Bodies. These have been mainly with Central Procurement Directorate and Civil Service Pensions Branch within the Department of Finance and Personnel.

20. CAPITAL COMMITMENTS

National Museums NI have capital commitments at 31 March 2021 of £344k in relation to ongoing projects which were not completed by year end. This includes £169k for the Heron Road storage facility, in addition to £90k in relation to the toilet refurbishment and changing places facilities at Ulster American Folk Park and Ulster Folk Museum.

21. LOSSES AND SPECIAL PAYMENTS

There were no losses or special payments in the year.

NOTES TO THE ACCOUNTS

22. FINANCIAL INSTRUMENTS

National Museums NI's resources are met through grant-in-aid funding received from the Department for Communities and also through grant funding from other sources and from income generated through admissions, trading activities and donations. The Museum does not hold any complex financial instruments. The only financial instruments included in the accounts are receivables and payables, cash and short term investments. Trade receivables are recognised at fair value less a provision for impairment (bad debt). The provision is made when the Museum is of the view that the debt may not be collectable in full, or in part, in accordance with the terms. The organisation has no borrowings and relies primarily on departmental grants for its cash requirements. Other than the financial assets and liabilities which are generated by day to day operational activities, National Museums NI holds no financial instruments.

Liquidity Risk

National Museums Northern Ireland secure funding for all activities in advance of expenditure being committed. National Museums Northern Ireland is not therefore exposed to material liquidity risks.

Credit Risk

National Museums Northern Ireland have credit policies and procedures in place and currently do not extend material credit facilities. National Museums Northern Ireland is not therefore exposed to any material credit risk.

23. CONTINGENT LIABILITIES

There are currently no contingent liabilities to report.

24. EVENTS AFTER THE REPORTING DATE

There have been no significant events after the year end.



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