

NATIONAL MUSEUMS NI
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Restricted £	Unrestricted £	2023 £	Restricted £	Unrestricted £	2022 £
Income from:							
<i>Donations and Legacies</i>							
Donations	2	-	101,687	101,687	-	84,999	84,999
Gifts in kind	2	99,725	-	99,725	442,670	-	442,670
<i>Charitable activities</i>							
Grant-in-aid	3	3,143,000	16,131,000	19,274,000	4,073,000	14,488,000	18,561,000
Admissions	3	-	1,159,035	1,159,035	-	895,019	895,019
Other grants	3	1,039,679	-	1,039,679	975,575	-	975,575
<i>Other trading activities</i>							
Sponsorships	4	9,739	-	9,739	11,230	-	11,230
Trading	4	-	1,288,798	1,288,798	-	955,452	955,452
Investment income		-	8,254	8,254	-	121	121
Other income	5	-	191,976	191,976	-	23,867	23,867
Total income		4,292,143	18,880,750	23,172,893	5,502,475	16,447,458	21,949,933
Expenditure on:							
<i>Raising funds</i>							
Trading	6	41,134	1,435,405	1,476,539	18,820	1,120,438	1,139,258
<i>Charitable activities</i>							
Care of Collections	6	197,144	2,431,420	2,628,564	222,862	2,171,706	2,394,568
Curatorial & Education	6	616,994	2,814,399	3,431,393	470,869	2,331,496	2,802,365
Experience & Enterprise	6	274,588	5,947,247	6,221,835	39,558	5,090,179	5,129,737
Audience Development	6	145,100	1,652,986	1,798,086	214,265	1,474,343	1,688,608
Operations	6	106,208	8,133,489	8,239,697	27,896	7,062,739	7,090,635
		1,381,168	22,414,946	23,796,114	994,270	19,250,901	20,245,171
Net income/(expenditure)		2,910,975	(3,534,196)	(623,221)	4,508,205	(2,803,443)	1,704,762
Transfers between funds		(2,383,286)	2,383,286	-	(3,556,082)	3,556,082	-
Other recognised gains/(losses)							
Gains/(losses) on revaluation of fixed assets	8	-	4,277,853	4,277,853	-	3,858,953	3,858,953
Net movement in funds		527,689	3,126,943	3,654,632	952,123	4,611,592	5,563,715
Reconciliation of funds:							
Total funds brought forward		21,928,491	79,037,148	100,965,639	20,976,368	74,425,556	95,401,924
Total funds carried forward		22,456,180	82,164,091	104,620,271	21,928,491	79,037,148	100,965,639

All amounts included in the above statement relate to the continuing operations of National Museums NI. There are no recognised gains and losses other than those shown above. The notes on pages 67 to 82 form part of these accounts.

**NATIONAL MUSEUMS NI
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	31 March 2023	31 March 2022	1 April 2021
			Restated	Restated
		£	£	£
Fixed Assets				
Tangible assets	8	90,440,184	87,537,115	83,041,552
Heritage assets	8	12,671,032	12,070,456	11,004,711
Right of use assets	9	68,759	-	-
Intangible assets	10	954,002	637,171	372,901
Investment in subsidiary	11	<u>2</u>	<u>2</u>	<u>2</u>
		104,133,979	100,244,744	94,419,166
Current Assets				
Stock	12	276,117	274,514	284,591
Debtors	13	1,250,753	2,073,915	1,007,974
Cash at bank and in hand	14	<u>3,573,919</u>	<u>4,040,514</u>	<u>4,056,220</u>
		5,100,789	6,388,943	5,348,785
Liabilities				
Creditors - amounts falling due within one year	15	<u>(3,752,065)</u>	<u>(4,846,547)</u>	<u>(3,561,177)</u>
Net current assets		<u>1,348,724</u>	<u>1,542,396</u>	<u>1,787,608</u>
Total assets less current liabilities		105,482,703	101,787,140	96,206,774
Creditors - amounts falling due after more than one year	16	(29,856)	-	-
Provision for liabilities and charges	17	<u>(832,576)</u>	<u>(821,501)</u>	<u>(804,850)</u>
		(862,432)	(821,501)	(804,850)
Total Net Assets		<u><u>104,620,271</u></u>	<u><u>100,965,639</u></u>	<u><u>95,401,924</u></u>
Represented by:				
Restricted funds	18	22,456,180	21,928,491	20,976,368
Unrestricted funds	18	33,296,182	33,798,791	31,788,285
Revaluation reserve	18	<u>48,867,909</u>	<u>45,238,357</u>	<u>42,637,271</u>
		<u><u>104,620,271</u></u>	<u><u>100,965,639</u></u>	<u><u>95,401,924</u></u>

The notes on pages 67 to 82 form part of these accounts.

The accounts on pages 64 to 82 were approved by the Board of Trustees of National Museums NI on 11 October 2023 and are signed on its behalf.

Charlotte Jess

C Jess
Vice-Chairman of the Board of Trustees

Katrina Thomson

K Thomson
Chief Executive

**NATIONAL MUSEUMS NI
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	21	<u>3,276,635</u>	<u>4,414,752</u>
Cash flows from investing activities:			
Interest received		8,254	121
Purchase of intangible fixed assets		(318,956)	(205,917)
Purchase of tangible fixed assets		<u>(3,392,881)</u>	<u>(4,224,662)</u>
Net cash provided by (used in) investing activities		<u>(3,703,583)</u>	<u>(4,430,458)</u>
Cash flows from financing activities:			
Payments of lease liabilities		(38,672)	-
Interest on lease liabilities paid		<u>(975)</u>	<u>-</u>
Net cash provided by (used in) financing activities		<u>(39,647)</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		(466,595)	(15,706)
Cash and cash equivalents at 1 April 2022	21	<u>4,040,514</u>	<u>4,056,220</u>
Cash and cash equivalents at 31 March 2023	21	<u><u>3,573,919</u></u>	<u><u>4,040,514</u></u>

Further detail to this cash flow statement is reported in Note 21.
The notes on pages 67 to 82 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) (2019).

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 Department for Communities 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, Human Resources, Finance 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 equivalent staff employed in each activity. Governance costs are the costs incurred to ensure proper standards of public accountability within National Museums NI and are made up of internal audit, external audit and professional fees associated with governance.

Leases

Future lease liabilities are recognised on the balance sheet at their present value, unless the lease term is 12 months or less or the underlying asset has a low value. Corresponding right-of-use assets have also been recognised on the balance sheet representing the economic benefits of National Museum NI's right to use the underlying leased assets. The interest element of the lease payment is charged to the Statement of Financial Activities over the period of the lease at a constant rate in relation to the balance outstanding. Depreciation is provided on the asset on a straight line basis over the period of the lease.

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 National Museums NI's 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 National Museums NI'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 NI 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 NI 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 NI 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.nationalmuseumsni.org.

NOTES TO THE ACCOUNTS

Policy on management and preservation of heritage assets

Three policies outline National Museums NI'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 National Museums NI'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. In addition, a National Museums NI 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
On-Trade License	10 years

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by National Museums NI 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 National Museums NI to expenditure.

Reserves Policy

National Museums NI 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 2023 was £22.5m. 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 NI receives various types of funding which require separate disclosure. These are differentiated between restricted and unrestricted funds.

NOTES TO THE ACCOUNTS

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.

Exhibition fund - this fund represents the net book value of National Museums NI'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 National Museums NI for the specific purpose to purchase prints and drawings.

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

General fund - this fund is to enable National Museums NI 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 National Museums NI. They comprise the following:

Capital reserve - represents fixed assets transferred to National Museums NI from the Ulster Folk and Transport Museum when National Museums NI 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 National Museums NI 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 NI has been granted charitable status by HM Revenue & Customs.

NOTES TO THE ACCOUNTS

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations:		
Gift Aid	14,972	31,972
Other donations	86,715	53,027
	<u>101,687</u>	<u>84,999</u>
Gifts in kind:		
Donated assets	99,725	442,670
Donated services	-	-
Total	<u>99,725</u>	<u>442,670</u>

The income from donations of £101,687 are unrestricted (2021/22: £84,999). Gifts in kind income at March 2023 comprises donations to the collections of £99,725. At March 2022 this included donations to the collections of £442,670. In addition to above, is the contribution made by volunteers. Volunteers make a significant and diverse contribution to the success of National Museums NI. 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

	2023	2022
	£	£
Resource grant-in-aid (Unrestricted)	16,131,000	14,488,000
Capital grant (Restricted)	3,143,000	4,073,000
Total received	<u>19,274,000</u>	<u>18,561,000</u>

Admissions	<u>1,159,035</u>	<u>895,019</u>
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Other grants	2023	2022
	£	£

Capital grants:

Friends of the Ulster Museum	10,100	6,500
National Heritage Memorial Art Fund	90,000	99,990
Art Fund	41,700	140,000
Esmee Mitchell Trust	6,000	8,000
IFPDA Foundation	8,532	-

Total capital grants	<u>156,332</u>	<u>254,490</u>
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Revenue grants:

Northern Ireland Environment Agency	350,534	253,693
National Portrait Gallery	5,465	-
British Library	800	138,119
Peace IV	4,496	174,246
National Heritage Lottery Fund	429,090	104,850
Esmee Fairbairn	29,054	-
National History Museum	10,008	-
Tate (British Art Network)	1,750	1,750
British Ecological Society	-	11,158
Imperial War Museum	11,471	-
Pilgrim Trust	1,894	-
Other	38,785	37,269

Total revenue grants	<u>883,347</u>	<u>721,085</u>
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	<u>1,039,679</u>	<u>975,575</u>
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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).

NOTES TO THE ACCOUNTS

4. INCOME FROM OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Sponsorships	<u>9,739</u>	<u>11,230</u>
Trading:		
Shop	791,286	560,114
Hire of facilities	104,470	20,307
Consultancy fees	42,648	41,154
Photographic sales	33,127	34,045
Events income	140,139	245,189
Franchise income	<u>177,128</u>	<u>54,643</u>
	<u><u>1,288,798</u></u>	<u><u>955,452</u></u>

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

5. OTHER INCOME

	2023	2022
	£	£
Other Income	<u>191,976</u>	<u>23,867</u>
	<u><u>191,976</u></u>	<u><u>23,867</u></u>

6. EXPENDITURE

	Staff costs	Other	Indirect	Depreciation &	2023	2022
	£	Direct costs	costs	impairment	Total	Total
	£	£	£	£	£	£
Trading	553,259	637,756	47,921	237,603	1,476,539	1,139,258
Care of Collections	1,895,102	77,533	232,944	422,985	2,628,564	2,394,568
Curatorial & Education	2,249,334	418,558	211,325	552,176	3,431,393	2,802,365
Experience & Enterprise	4,342,082	298,963	579,580	1,001,210	6,221,835	5,129,737
Audience Development	1,022,595	340,283	145,862	289,346	1,798,086	1,688,608
Operations	<u>1,542,328</u>	<u>5,181,053</u>	<u>190,395</u>	<u>1,325,921</u>	<u>8,239,697</u>	<u>7,090,635</u>
	<u><u>11,604,700</u></u>	<u><u>6,954,146</u></u>	<u><u>1,408,027</u></u>	<u><u>3,829,241</u></u>	<u><u>23,796,114</u></u>	<u><u>20,245,171</u></u>

Expenditure on charitable activities was £23,796,114 (2021/22: £20,245,171) of which £1,381,168 were restricted (2021/22: £994,270).

NOTES TO THE ACCOUNTS

6. EXPENDITURE (continued)

Staff costs

	2023	2022
	£	£
Salaries and wages (includes temporary non-payroll staff)	8,507,520	7,983,906
Social security costs	765,040	645,820
Pension costs	2,281,896	2,085,262
Apprenticeship levy	25,664	23,460
Other staff costs	<u>24,580</u>	<u>28,534</u>
Total costs within expenditure	<u><u>11,604,700</u></u>	<u><u>10,766,982</u></u>

Included in the above costs is £431,301 (2021/22: £763,161) paid in respect of employment agency staff. Included in other staff costs are £13,506 (2021/22: £11,883) of redundancy costs.

Staff costs of £310,068 (2021/22: £434,789) have been capitalised in relation to capital project management time and are not included in resources expended.

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

Support costs

	Trading	Curatorial	Care of	Experience	Audience	Operations	2023	2022
	£	& Education	collections	& Enterprise	Dev	£	£	£
Finance/CEO office/ Human Resources	103,273	455,416	502,006	1,249,024	314,341	410,312	3,034,372	1,907,098
Governance - included in above	<u>13,656</u>	<u>31,736</u>	<u>24,311</u>	<u>57,544</u>	<u>16,629</u>	<u>76,206</u>	<u>220,082</u>	<u>86,895</u>

Governance costs

	2023	2022
	£	£
Audit and accountancy fees	39,755	45,336
Other governance costs	<u>180,327</u>	<u>41,559</u>
	<u><u>220,082</u></u>	<u><u>86,895</u></u>

7. NET INCOMING RESOURCES

Net incoming resources is stated after charging:

	2023	2022
	£	£
Auditors' remuneration:		
in respect of audit services	18,100	23,395
in respect of internal audit	21,655	21,941
Depreciation	3,613,531	3,236,608
Amortisation	98,110	75,384
Impairment	117,600	(388,834)
(Profit)/Loss on Disposal of Fixed Assets	<u>-</u>	<u>53,754</u>

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 2022	73,521,892	13,051,648	14,521,253	508,093	101,602,886	12,070,456	113,673,342
Additions	739,759	342,483	1,237,511	-	2,319,753	600,576	2,920,329
Disposals	-	-	(1,329)	-	(1,329)	-	(1,329)
Impairment Charges	(117,600)	-	-	-	(117,600)	-	(117,600)
Revaluation	1,709,039	-	909,756	25,661	2,644,456	-	2,644,456
At 31 March 2023	<u>75,853,090</u>	<u>13,394,131</u>	<u>16,667,191</u>	<u>533,754</u>	<u>106,448,166</u>	<u>12,671,032</u>	<u>119,119,198</u>
Accumulated depreciation							
At 1 April 2022	6,093	4,075,449	9,697,073	287,156	14,065,771	-	14,065,771
Depreciation	2,245,682	335,821	961,712	33,722	3,576,937	-	3,576,937
Disposals	-	-	(1,329)	-	(1,329)	-	(1,329)
Revaluation	(2,243,689)	-	591,770	18,522	(1,633,397)	-	(1,633,397)
At 31 March 2023	<u>8,086</u>	<u>4,411,270</u>	<u>11,249,226</u>	<u>339,400</u>	<u>16,007,982</u>	<u>-</u>	<u>16,007,982</u>
Net book value							
At 31 March 2023	<u>75,845,004</u>	<u>8,982,861</u>	<u>5,417,965</u>	<u>194,354</u>	<u>90,440,184</u>	<u>12,671,032</u>	<u>103,111,216</u>
At 31 March 2022	<u>73,515,799</u>	<u>8,976,199</u>	<u>4,824,180</u>	<u>220,937</u>	<u>87,537,115</u>	<u>12,070,456</u>	<u>99,607,571</u>

Land and buildings at net book value comprise:

	2023 £	2022 £
Leasehold Improvements	3,989	5,982
Long leaseholds	75,841,015	73,509,817
	<u>75,845,004</u>	<u>73,515,799</u>

Included in land and buildings is a cleared site of approximately 0.25 acres located at Landseer Street, Belfast which has been valued at £482,400. National Museums NI's primary objectives per its Asset Management Strategy are deriving maximum value from its estate, with the sale of this respective asset is expected to take place within the 2023-24 financial year.

A full valuation by Land and Property Services (LPS) was carried out at 31 March 2023.

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

Property	Value	Basis of Valuation
Ulster Museum	27,697,150	Land at existing use value and buildings at depreciated replacement cost
Ulster Folk Museum	14,313,297	Land at existing use value and buildings at depreciated replacement cost
Ulster Transport Museum	19,547,373	Land at existing use value and buildings at depreciated replacement cost
Ulster American Folk Park	5,426,840	Land at existing use value and buildings at depreciated replacement cost
Residential Centre	1,623,955	Land at existing use value and buildings at depreciated replacement cost
Land at Landseer Street	482,400	Land at market value less disposal costs
Stores	6,750,000	Market value and Land at existing use value and buildings at depreciated replacement cost
	<u>75,841,015</u>	

All other assets of National Museums NI were revalued in line with appropriate indices at 31 March 2023.

NOTES TO THE ACCOUNTS

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 £
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
2021-22	623,075	442,670	1,065,745
2022-23	500,851	99,725	600,576
	<u>2,100,602</u>	<u>2,383,782</u>	<u>4,484,384</u>

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

NOTES TO THE ACCOUNTS

9. RIGHT OF USE ASSETS

9.1 Quantitative disclosures around right-of-use assets

2022-23

	Buildings £	Fixtures & Fittings £	Total £
Right-of-use assets			
As at 1 April 2022	-	-	-
Additions	88,648	16,705	105,353
Depreciation expense	(32,236)	(4,358)	(36,594)
As at 31 March 2023	<u>56,412</u>	<u>12,347</u>	<u>68,759</u>

9.2 Quantitative disclosures around lease liabilities

	2023 £	2022 £
Buildings:		
Not later than one year	33,000	-
Later than one year and not later than five years	22,000	-
Later than five years	-	-
Less: interest element	(723)	-
Present Value of obligations	<u>54,277</u>	<u>-</u>
Other:		
Not later than one year	4,459	-
Later than one year and not later than five years	8,175	-
Later than five years	-	-
Less: interest element	(229)	-
Present Value of obligations	<u>12,405</u>	<u>-</u>
Total Present Value of obligations	<u><u>66,682</u></u>	<u><u>-</u></u>

9.3 Quantitative disclosures around elements in the Statement of Comprehensive Net Expenditure

	2023 £	2022 £
Expense related to short-term leases	6,770	-

9.4 Quantitative disclosures around cash outflow for leases

	2023 £	2022 £
Total cash outflow for leases	39,647	-

NOTES TO THE ACCOUNTS

10. INTANGIBLE FIXED ASSETS

	Computer software	On-trade licence	Total
Cost or valuation	£	£	£
At 1 April 2022	592,390	186,738	779,128
Additions	<u>402,091</u>	<u>12,850</u>	<u>414,941</u>
At 31 March 2023	<u>994,481</u>	<u>199,588</u>	<u>1,194,069</u>
Amortisation			
At 1 April 2022	141,957	-	141,957
Charge for year	<u>94,784</u>	<u>3,326</u>	<u>98,110</u>
At 31 March 2023	<u>236,741</u>	<u>3,326</u>	<u>240,067</u>
Net book value	£	£	£
At 31 March 2023	<u>757,740</u>	<u>196,262</u>	<u>954,002</u>
At 31 March 2022	<u>450,433</u>	<u>186,738</u>	<u>637,171</u>

11. INVESTMENTS

	2023	2022
	£	£
Investment in Subsidiary - National Museums Northern Ireland Enterprises Limited	<u>2</u>	<u>2</u>

National Museums NI owns the whole of the issued share capital of National Museums Northern Ireland Enterprises Limited (NMNIEL), a registered company. The registered office of NMNIEL is Administration Office, Ulster Folk Museum, Bangor Road, Holywood, Northern Ireland, BT18 0EY. At 30 September 2021, NMNIEL had net assets totalling £2.

12. STOCK

	2023	2022
	£	£
Shop goods for resale	201,790	208,892
Academic publications for resale	22,300	25,701
Maintenance materials and consumables	28,975	24,579
Farm stock	<u>23,052</u>	<u>15,342</u>
	<u>276,117</u>	<u>274,514</u>

13. DEBTORS

	2023	2022
	£	£
Trade debtors	119,672	109,897
Prepayments and accrued income	642,792	741,686
Other debtors	<u>488,289</u>	<u>1,222,332</u>
	<u>1,250,753</u>	<u>2,073,915</u>

NOTES TO THE ACCOUNTS

14. CASH AT BANK AND IN HAND

	2023	2022
	£	£
Cash at bank and in hand	<u>3,573,919</u>	<u>4,040,514</u>

15. CREDITORS (amounts falling due within one year)

	2023	2022
	£	£
Trade creditors	603,198	1,721,449
Other taxes and social security	181,654	186,753
Accruals	2,738,809	2,839,323
Deferred income	191,100	98,640
Other creditors	478	382
Lease liabilities	<u>36,826</u>	<u>-</u>
	<u><u>3,752,065</u></u>	<u><u>4,846,547</u></u>

Movement on deferred income

	Contract / grant	Sponsorship	Event deposit	Advance admin charge	Total
	£	£	£	£	£
Balance as at 1 April 2022	55,785	3,000	36,105	3,750	98,640
Amounts released from previous years	(6,592)	-	(32,439)	(3,750)	(42,781)
Incoming resources deferred in the current year	76,683	-	54,808	3,750	135,241
Balance as at 31 March 2023	<u>125,876</u>	<u>3,000</u>	<u>58,474</u>	<u>3,750</u>	<u>191,100</u>

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

16. CREDITORS (amounts falling due after more than one year)

	2023	2022
	£	£
Lease liabilities	<u>29,856</u>	<u>-</u>
	<u><u>29,856</u></u>	<u><u>-</u></u>

NOTES TO THE ACCOUNTS

17. PROVISIONS FOR LIABILITIES AND CHARGES

	Payroll	Other	Total
	£	£	£
Balance as at 1 April 2022	821,501	-	821,501
Provided in year	-	20,000	20,000
Provisions not required written back	(8,925)		(8,925)
Utilised in year	-	-	-
Balance as at 31 March 2023	<u>812,576</u>	<u>20,000</u>	<u>832,576</u>

Following Government guidance on a legal case, (*PSNI v Agnew*), a provision of £812,576 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. This case was heard in December 2022 and a result is not expected to be heard until late 2023 but could result in a decision which either reduces the period of liability or confirms the full period back to 1998. The 2022/23 Holiday Pay provision has been estimated and covers the period from 1998 to 31 March 2023.

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). The partial release of the provision during the year reflects the decrease in Employer National Insurance Contributions (NI) from 15.05% to 13.8% during 2022/23.

A provision of £20,000 has been made for a potential settlement. There are uncertainties around the timing and value, however this is expected to be confirmed during 2023.

Analysis of expected timing of discounted flows

	Payroll	Other	Total
	£	£	£
Less than one year	-	20,000	20,000
Later than one year and not later than five years	812,576	-	812,576
Later than 5 years	-	-	-
Balance as at 31 March 2023	<u>812,576</u>	<u>20,000</u>	<u>832,576</u>

NOTES TO THE ACCOUNTS

18. STATEMENT OF FUNDS

	At 1 April 2022 Restated £	Income £	Expenditure £	Revaluation £	Transfers £	At 31 March 2023 £
Restricted Funds						
Collection acquisition fund	12,070,456	338,694	-	-	261,882	12,671,032
Government grant for fixed assets	(199,054)	2,586,180	-	-	(2,392,210)	(5,084)
Exhibition fund	8,976,198	342,484	(335,821)	-	-	8,982,861
Voluntary Exit Scheme fund	9,484	-	-	-	-	9,484
Payroll Provision	(821,501)	-	-	-	8,925	(812,576)
The Art Fund	100,000	41,700	-	-	(41,700)	100,000
Curatorial Projects Fund	8,099	-	-	-	-	8,099
O.L. Nelson Legacy	476,992	-	-	-	(38,652)	438,340
P Donald Legacy	411,265	-	-	-	(91,531)	319,734
National Heritage Memorial Fund	-	90,000	-	-	(90,000)	-
General fund	896,552	893,085	(1,045,347)	-	-	744,290
	<u>21,928,491</u>	<u>4,292,143</u>	<u>(1,381,168)</u>	<u>-</u>	<u>(2,383,286)</u>	<u>22,456,180</u>
Unrestricted Funds						
Designated fund:						
Board Reserve fund	125,274	101,687	-	-	-	226,961
Board Reserve capital fund	473,719	-	-	-	-	473,719
Undesignated funds:						
Capital reserve	2,327,064	-	(469,458)	-	-	1,857,606
Revaluation reserve	45,238,357	-	(648,301)	4,277,853	-	48,867,909
Government grant for fixed assets	31,632,674	-	(2,375,664)	-	2,428,803	31,685,813
General fund	(759,940)	18,779,063	(18,921,523)	-	(45,517)	(947,917)
	<u>79,037,148</u>	<u>18,880,750</u>	<u>(22,414,946)</u>	<u>4,277,853</u>	<u>2,383,286</u>	<u>82,164,091</u>
Total Funds	<u>100,965,639</u>	<u>23,172,893</u>	<u>(23,796,114)</u>	<u>4,277,853</u>	<u>-</u>	<u>104,620,271</u>

The transfer of £2,392,210 from Restricted Funds: Government grant for fixed assets, represents the acquisition of assets during the year which have no restrictions on use.

More detail on restated balances as at 1 April 2021 can be found in note 26.

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NOTES TO THE ACCOUNTS

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Fixed Assets	21,653,893	82,480,086	104,133,979	100,244,744
Current Assets	3,519,545	1,581,244	5,100,789	6,388,943
Liabilities	<u>(2,030,379)</u>	<u>(2,584,118)</u>	<u>(4,614,497)</u>	<u>(5,668,048)</u>
Total Net Assets	<u>23,143,059</u>	<u>81,477,212</u>	<u>104,620,271</u>	<u>100,965,639</u>

20. CAPITAL COMMITMENTS

There were £200k of capital commitments at 31 March 2023 (2021/22: £311k) relating to multi year capital projects.

21. NOTES TO CASHFLOW

Reconciliation of net income to net cash inflow from operating activities	2023 £	2022 £
Net income/(expenditure) for the reporting period as per the statement of financial activities	(623,221)	1,704,762
Adjustments for:		
Depreciation	3,613,531	3,236,608
Impairment	117,600	(388,834)
Amortisation	98,110	75,384
(Profit)/loss on disposal of fixed assets	-	43,549
Decrease/(increase) in stock	(1,603)	10,077
Decrease/(increase) in debtors	823,162	(1,065,941)
Increase/(decrease) in creditors	(754,740)	782,617
Increase/(decrease) in provision	11,075	16,651
Deposit interest receivable	(8,254)	(121)
Interest on lease liabilities paid	975	-
Net cash provided by (used in) operating activities	<u>3,276,635</u>	<u>4,414,752</u>

Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>3,573,919</u>	<u>4,040,514</u>

Analysis of change in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash	4,040,514	(466,595)	3,573,919
Cash equivalents	-	-	-
Overdraft facility	-	-	-
Loans due within one year	-	-	-
Loans due after one year	-	-	-
Finance lease obligations	-	-	-
Total	<u>4,040,514</u>	<u>(466,595)</u>	<u>3,573,919</u>

NOTES TO THE ACCOUNTS

22. RELATED PARTY TRANSACTIONS

National Museums NI 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 £144,505 was paid to SIB for secondee services to provide Asset Management support and £695 was received from SIB for corporate event bookings. The Chief Executive is a non executive director of Visit Belfast and during the year £6,300 was paid to Visit Belfast for annual partnerships and publications (2021/22: £3,060). Visit Belfast paid £nil to National Museums NI in the current year (2021/22: £nil). The Chief Executive is a non executive director of Tourism Ireland. During the year nothing was paid to Tourism Ireland (2021/22: £nil) and £2,720 was received as a donation (2021/22: £2,040).

National Museums NI 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

23. 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. National Museums NI 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 National Museums NI 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 NI secures funding for inescapable core activities in advance of expenditure being committed. National Museums NI however relies on Self -Generated Income to discharge its full statutory obligations therefore is exposed to some liquidity risk.

Credit Risk

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

24. CONTINGENT LIABILITIES

There are currently no contingent liabilities to report.

25. EVENTS AFTER THE REPORTING DATE

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

26. PRIOR YEAR ADJUSTMENTS

During the year it was noted that in prior periods there was a misallocation of fixed asset additions to the Revaluation reserve instead of the Government grant for fixed assets reserve, which resulted in an overstatement of the Revaluation reserve and an understatement of the unrestricted reserves.

The impact of the correction of this error on periods presented is as follows:

	Unrestricted funds	Revaluation reserve	Total
	£	£	£
At 1 April 2021 per original signed accounts	24,802,114	49,623,442	74,425,556
Adjustment as at 1 April 2021	6,986,171	(6,986,171)	-
Restated position at 1 April 2021	31,788,285	42,637,271	74,425,556
Net movement in funds year ended 31 March 2022 (as originally stated)	(1,545,576)	6,157,168	4,611,592
Adjustment as at 31 March 2022	3,556,082	(3,556,082)	-
Restated position at 31 March 2022	33,798,791	45,238,357	79,037,148

There were no other adjustments to any of the figures presented in the Statement of Financial Activities, Balance Sheet or other primary statements.