

**ANNUAL REPORT
AND ACCOUNTS
2018-2019**

**National Museums Northern Ireland Annual Report and Accounts
For the year ended 31 March 2019**

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

15 October 2019

Chief Executive's Welcome

Museums have a certain affinity for looking back on the past and studying it to tell stories of change, evolution and progress. In the future if we were to look back on financial year 2018-19 at National Museums NI, I'm confident it will be underlined as a year of great significance.

This was the year when we opened *The Troubles & Beyond* gallery in the Ulster Museum laying down a marker of our intent to be braver and more active in facilitating understanding of our complex past. It was also a year of headliner exhibitions and broken records with the trio of loans – *Dippy On Tour*, *Tim Peake's Space Capsule* and *Leonardo 500* – contributing to our highest ever visitor numbers of 905,102 visitors, which will serve us well into the future in terms of new visitors returning.

More critical than the record-breaking visitor performance, however, is the organisation's progress along its journey of transformational change. All museums and cultural organisations face challenging and changing times in which they are tasked with finding new and different ways to remain relevant. Against a backdrop of consistent funding cuts, museums and cultural organisations also face the parallel challenge of becoming more sustainable, more resilient and more agile.

National Museums NI is no different in this regard. Our passion about Museums and Collections hasn't changed, but we know that we need to think differently and act differently to continue to be meaningful to the public that we serve.

Behind the cut and thrust of our exhibitions in financial year 2018-19, we have been working hard to roll out a programme of organisational change designed to strengthen our capacity and capability to meet the needs of our audiences, partners and stakeholders. We have taken the opportunity to review our Museums and services and identify those areas which need renewal or reinvestment. We have renewed clarity about our purpose, have a clear vision for the future direction of our Museums, and have the right passion and enthusiasm within our people to make it happen.

I am pleased to demonstrate our progress in this Annual Report; and with the focus, passion and determination clearly evident within the organisation, I have genuine excitement in reporting further progress next year.

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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.

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
- 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.

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 www.nmni.com.

Our Economic and Social Impact in 2018-19

We are passionate about the powerful role that our Museums can play in the modern world and strive to increase access to everyone, play a meaningful role within communities and ultimately generate a positive social impact. As a charity and non-profit organisation, we rely on a strong economic performance to power our activities focused on increased access and social impact.

Visitors

Visitors are the lifeblood of our Museums. Not only do they make us relevant, but their support helps generate critical funding through admissions, donations, retail and catering.

- We achieved 905,100 visitors, against an opening target of 800,000 (11% increase year-on-year) which represents a record breaking annual performance in the history of the organisation.

Economic impact on Northern Ireland

Tourism impact: 310,000 of these visitors were from outside Northern Ireland. This equates to 1 in every 7 visitors from outside NI visited National Museums NI during as part of their, generating around £18m of net additional expenditure to NI in 2018-19 from visitors outside of NI.

Economic impact: Providing these visitors with an excellent museum experience means that we also generate positive economic impact through our business operations:

- In 2018-19, this direct contribution to GDP amounted to £12m in UK Gross Value Added (GVA).
- In 2018-19 we spent £7.4m in total on NI-based suppliers. This expenditure, along with that of our staff, supports economic activity both within direct suppliers and further down the supply chain through multiplier effects.
- Total economic contribution £38m in Gross Value Added (GVA).

Economic impact on our Museum services

- Our strong performance in visitors' numbers has seen self-generated income grow to 24.2%.
- Through our funders we secured capital investment of £6.059 million, allowing us to carry out a range of estate improvements and the acquisition of site equipment and specimens, which are important for growing and enhancing our collections

Social impact

Our strong economic performance has powered what we have been able to achieve in terms of social impact, including:

- Our participatory and formal learning programmes reached 107,552 engagements representing a 5% increase on 2017-18.
- Participation with audiences with lower socioeconomic profiles increased from 19% to 22%.
- We successfully launched *Making The Future* and *Reimagine Remake Replay*, two significant programmes which will focus on community cohesion and engagement with younger people respectively.

Achievements and Performance

Key Performance Indicators

The key performance indicators and year-end achievements for the 2018-19 year are listed below:

	Actual 2018-19	Target 2018-19	Actual 2017-18
COLLECTIONS			
Percentage of storage estate as 'Acceptable', 'Good' or 'Excellent'	50%	55%	n/a
Specimens on collections database	73%	76%	n/a
Records to Spectrum Inventory Standard	46%	50%	n/a
Records to Full Spectrum Standard	12%	10%	n/a
LEARNING, ACCESS and PARTNERSHIPS			
Number of participants on formal learning visits	54,208	55,000	55,178
Percentage of C2DE Visitors	22%	19%	19%
Completion of Performance Management System	91%	95%	n/a
VISITORS			
Total number of visitors	905,102	800,000	817,892
Visitor ratings of exhibitions	85%	90%	n/a
Percentage of new visitors	34%	30%	31%
Maintain visitor satisfaction rating	99%	95%	99%
FUNDING, FINANCE and RESOURCES			
Self-generated income (non Grant in Aid)	£3.602m	£3.410m	£3.594m
Increase Average Spend :UAFP	£2.55	£3.90	n/a
UM	£1.53	£1.82	
UFTM	£2.87	£2.90	
Capital Investment Delivery	100%	100%	n/a

KPI Variance Explanation

Collections

New more defined KPIs were introduced for collections in 2018-19. Whilst major strides have been made in relation to storage this year, it has not been possible to achieve the stretching KPI target of a 5% increase in storage improvement. This is due to the overall scale and complexity of capital spend this year, the multiple demands on the relevant staff, and staff turnover. However, the refurbishment of the Folk Galleries as the new Ballycultra store for our ship plan collection is now complete. The capital works have finished, and the relocation of the ship plan collection has commenced. These were new KPIs and deliberately stretching. It should be noted that the one KPI we have not just met but exceeded is the most significant of the three, as records that are Full Spectrum Standard are of the highest quality and require no further work. We are also ensuring we do not make hurried moves to increase the percentage of records online by adding poor quality records as this will negatively affect the other two KPIs.

Learning, Access and Partnerships

The number of participants in organised learning visits was almost achieved with 54,208 visitors against a target of 55,000. With reducing school budgets for outside the classroom learning, maintaining this level has been a challenge.

Visitors

An important KPI for National Museums NI is target visitor numbers. We exceeded target by nearly 13% in 2018-19. This was largely due to the successes of *The Troubles & Beyond*, *Dippy on Tour* and *Leonardo 500* exhibitions at the Ulster Museum as well as *Tim Peake Spacecraft* exhibition at Ulster Transport Museum.

Visitor performance at Ulster Folk Museum and Ulster Transport Museum (reported jointly as UFTM) and Ulster American Folk Park (UAFP) lagged behind target until September due to adverse weather conditions at the beginning of the financial year. A very wet Easter was followed by a spell of very warm weather, both of which discouraged visitors. It is positive, therefore, that both sites managed to pull back their losses with UFTM finishing 2% ahead of target and UAFP only 2% below target.

Funding, Finance and Resources

The processing within 30-day target was achieved, and we are working towards paying more invoices within 10 days.

The average spend per head targets for 2018-19 were not achieved. The Ulster Museum target was based on 519,000 visitors which was exceeded significantly, therefore while income per head was not achieved the income from retail and catering was on budget. Consumer confidence is also a factor with the consumer confidence index in NI tracking lower than the previous year.

The UAFP target was based on 120,000 visitors and was based on a fully functioning café. The Ulster American Folk Park had a significantly reduced café offering for over six months of the year. A new catering franchise has been appointed and is now operational.

The Performance Management System almost achieved its target for 2018/19 but due to staff changes to complete reports before they left fell marginally short.

Tour de Force

The Impact of Touring Exhibitions in 2018-19

We are proud of our record-breaking 905,102 visitors in 2018-19 and acknowledge the role that substantial touring exhibitions including dinosaurs, astronauts and artistic marvels have played in

this success. In particular, Ulster Museum, which hosted three of the touring exhibitions, had its most successful year in its history with 623,272 visitors. Remarkably it enjoyed record numbers of visitors for seven months in a row between September 2018 and March 2019.

Dippy On Tour

We knew from past experience that dinosaurs ignite the imagination of young and old alike. We knew therefore to brace ourselves when bringing arguably the world's most famous dinosaur to the Ulster Museum.

Despite this, no-one could have foreseen the high levels of positivity, enthusiasm and infectiousness that this touring exhibition brought to our organisation, to Belfast and to Northern Ireland more widely. One only has to take a glimpse at headline performance indicators to see the impact Dippy has had: the highest grossing exhibition ever at the Ulster Museum; the busiest October, November and December ever at the Ulster Museum; and the occurrence of the busiest day to an exhibition ever at mid-term break.

The short-term impact of this performance is one thing; but it is the long-term legacy and perception change, particularly in relation to the family audience, that will drive most benefit for National Museums NI. 21% of visitors to Dippy, some 27,000 visitors, had never been to the Ulster Museum before and many more will have not visited for years. The fact that we were able to put our best foot forward with these audiences – in terms of an iconic attraction and the high levels of interactivity built into the exhibition – will be priceless for our audience development efforts for many years to come.

Leonardo 500

To mark the 500th anniversary of the death of Leonardo da Vinci, 144 of the Renaissance Master's greatest drawings in the Royal Collection went on display in 12 museums across the United Kingdom. The Ulster Museum, in collaboration with the Royal Collection, offered visitors a unique opportunity to see 12 of these works, reflecting Leonardo's extensive range of interest in the realms of painting, sculpture, architecture, music, anatomy, engineering, cartography, geology and botany. Each of the twelve drawings on display offered the visitor insight into the workings of one of the greatest minds in the Italian Renaissance, his draftsmanship, creative process and ingenuity.

In total, the exhibition attracted 74,078 visitors. The appeal of Leonardo attracted not just art lovers but a wide range of visitors including students, schools, community groups and non-traditional audiences. It provided us with a platform to undertake a wide range of workshops and activities including adult lectures, children's events and drawing workshops.

This was not the first time we have hosted a Leonardo exhibition at Ulster Museum (and hopefully not the last), but we were extremely proud and honoured to have been part of such a unique tour to mark such a significant anniversary.

Modigliani: Female Nude

Amedeo Modigliani's 1916 masterwork, *Female Nude*, is noted as one of the most arresting and powerful works of the early 20th century. Through a partnership with the Courtauld Institute of Art National Museums NI had a rare opportunity to share the work of one of the 20th century's most revered artists with our audiences at the Ulster Museum.

Many of Modigliani's paintings depict his friends and lovers, and often his work suggests an intense relationship with the sitter. To follow this theme, *Female Nude* was hung with a small group of works from the Collection, each of which explores the relationship between artist and sitter.

45,988 people visited the exhibition, 32% of which were new visitors to the Ulster Museum and 36% of which travelled from outside Northern Ireland. In our research, visitors commented on this exhibition being an opportunity not to be missed, emphasising the role we play as a National Museum in sharing the best of global culture with our local audiences.

Tim Peake's Spacecraft

We were delighted to welcome *The Tim Peake Spacecraft Tour*, presented by the Science Museum Group and sponsored by Samsung, to the Ulster Transport Museum in February. The exhibition centred on the Soyuz TMA-19M descent module that brought Tim Peake back after 6 months of conducting research on the international space station, the exhibition also included Tim Peake's emergency space suit.

By 31st March 2019 the exhibition had attracted 27,769 visitors and was targeted to reach in excess of 60,000 visitors by the time it concluded on 12th May 2019. From what we have seen to date, the audience development benefits that the tour will deliver will be significant. Much like dinosaurs, spaceships are a big attractor for Museums audiences and as a result we experienced significant increases in both first-time visitors to the Museum, visitors who haven't been in more than five years and visitors from under-represented lower socioeconomic groups.

Whilst it was fantastic to witness visitors' excitement at seeing a spacecraft, it was equally pleasing to see visitors engaging and re-engaging with the transport industry collections. Rather than solely looking back at what transport was, Ulster Transport Museum also has a role to play in terms of inspiring engineers, innovators and inventors of the future. This touring exhibition has served as a catalyst for the Museum in further developing this role.

Exhibitions & events from within the organisation:

Whilst the touring exhibitions contributed to record-breaking visitor numbers, it's important to acknowledge the progress and successes that were achieved through our own exhibitions, programmes and initiatives. As part of our journey of change we have been taking the opportunity to renew and refresh our public programming to ensure that we are delivering the best possible experiences for our audiences. Below are just a few of the many of examples of this approach in action.

Hear Her Voice

2018 marked the 100-year anniversary of the Representation of the People Act, which first gave women the right to vote. As a National Museum, it was important for us to have an authoritative and insightful voice, not only in celebrating this centenary but also in providing appropriate platforms to reflect contemporary conversations around gender and diversity. We organised a fantastic range of exhibitions (two of which are highlighted below), displays, workshops and events, all of which were tied together through a thematic programme '*Hear Her Voice*'. Through *Hear Her Voice* we developed a cohesive year-long narrative giving us a stronger presence in the many discussions and debates that were taking place.

Making Her Mark

Opening in October 2018, this exhibition focussed on the work of women print artists from the Ulster Museum collection. It told the story of women's contribution to the print revival of the early 1900s through the works of artists such as Millar Parker, Gertrude Hermes, Thérèse Lessore and Lady Mabel Annesley. Expertly curated with a fresh design approach, this exhibition has set a new standard of excellence for the works on paper within the Collection.

Fashion and Feminism

Launching in June 2018, *Fashion and Feminism* marked a significant return of the fashion collection to the galleries of the Ulster Museum. From runways to picket lines, the exhibition examined the attitudes of feminists, from as far back as the 1800's to present day, as they use clothes to express their belief in the social, political and economic equality of men and women. Curating the collection to reflect the history of such a contemporary and relevant issue, *Fashion and Feminism* successfully gave Ulster Museum an authoritative, progressive and challenging voice.

Bluegrass Omagh

The annual *Bluegrass* music festival is an old-time classic on our events calendar and has continued to attract audiences for what is now 27 years. Not resting on the festival's established reputation, we challenged ourselves to refresh the event programming, to launch new marketing initiatives and to update the event pricing policy. Despite Tyrone playing in the All Ireland GAA Final on the same weekend, we achieved a 3% increase in visitors. More impressive again, however, was the evidence of the festival being able to attract new visitors (43% in 2018 versus 35% in 2017) and being able to deliver an even greater event (94% event satisfaction in 2018 versus 83% in 2017). It will continue to be important for National Museums NI to test what we deliver and it is great to see an old favourite such as the Bluegrass Festival rise to the challenge.

The Troubles and Beyond

The opening of *The Troubles and Beyond* gallery on the 20th anniversary of the Good Friday Agreement marks an important step in National Museums NI's recent history and future path. In places with contested histories, it is the role of museums and cultural institutions to provide shared and trusted spaces where difficult questions and conversations can be explored. *The Troubles and Beyond* gallery represents a confident step – the first of many - in our desire and ability to play this important role as a group of National Museums.

The opening of *The Troubles and Beyond* gallery at the Ulster Museum is a critical development in Northern Ireland's ability to understand our shared past in an unresolved present. It has created a central destination hub for the Troubles narrative; an arena of multivocality where voices from the past and present, old and young, those who lived through the Troubles, and those who are in Belfast for the first time, can engage with difficult subjects and exchange ideas.

It can do this because of the authenticity, diversity and inclusivity which were built into the core of its development. The objects and stories reflected in the exhibition were collected and developed through a long process of community engagement. The result is an exhibition that uses objects to bring together the wider social, economic, cultural, and political, influences which have shaped the Northern Ireland story. It's a shared space for local audiences to start conversations and a safe space where visitors to Northern Ireland can explore multiple perspectives and hear multiple voices. Audience involvement was encouraged through an engagement programme, which raised awareness of the project and offered members of the public the opportunity to comment and contribute. An Academic Advisory Group was also established to advise on overall approach, context, accuracy, inclusiveness and balance. The amalgamation of academic research, museum interpretation, and direct engagement has proved a successful model, due in no small part to the sense of involvement and ownership amongst key stakeholders.

The new gallery doesn't shy away from the difficult aspects of our past. A civil rights handbill distributed to theatregoers outside New York's Carnegie Hall reads, "You saw it in Selma...now take a look at it in Northern Ireland", offering a vivid reminder that the Troubles sits in a wider global context; the striking presence of a British bomb disposal robot paints a stark picture of everyday life. A visitor book from Ulster American Folk Park, which is signed by a twelve year-old Spanish student

killed later that day in the Omagh bomb, offers a powerful reminder of the ability of objects to make profound emotional connections.

But rather than solely tell a story of political violence, the exhibition also recognises that the Troubles did not take place in a vacuum. It gives visitors a sense that of the everyday culture that pervaded in Northern Ireland – it is as much a social history as it is a political history. A leather jacket from the punk band The Outcasts recalls the halcyon days (and nights) of Belfast’s Good Vibrations counter-culture, the futuristic Ulster-built DeLorean sports car appears in a 1981 Ulster Motor Show programme and the gold medal awarded to the pentathlon champion Mary Peters at the 1972 Munich Olympics evidences a remarkable personal achievement and a ray of light in the darkest year of the Troubles.

The opening of *The Troubles and Beyond* gallery was accompanied by a diverse programme of related events and activities, which aimed to deepen the dialogue with visitors and provide them with further opportunities to explore. We have consulted with WAVE and involved them in training our staff. The most notable example of this partnership is Colin Davidson’s Silent Testimony, which was re-exhibited to support the opening of the new gallery. The exhibition reveals the stories of eighteen people who are connected by their individual experiences of loss through the Troubles, and it has been met by an overwhelming public response as a result of its emotive, powerful and very human impact.

Taken together, *The Troubles and Beyond* exhibition and its programme of activity make for an immersive experience which engages visitors in a deep, meaningful interaction with a core strand of Northern Ireland’s story. The gallery will continue to develop over time through audience involvement as new objects, stories and testimonials are put forward from local people and are represented in this evolving story. The feedback from local audiences has been overwhelming and we have also been endorsed by community groups such as Queer Space who awarded Ulster Museum with ‘Queer of the Year 2018’ in recognition of the diversity reflected in our work.

The international impact has been equally strong. National Museums NI staff have spoken about curating contested history at conferences around the world including Mexico, Sweden, Bosnia Herzegovina and the USA, and the Ulster Museum been recognised as an International Site of Conscience for its endeavours in remembering past struggles for justice and addressing their contemporary legacies. We have also witnessed the daily, often emotional, impact on overseas visitors to Northern Ireland. The exhibition has evidenced a remarkable ability to attract the attention of tourism visitors with 50% coming from out-of-state markets compared to the average of 26% out-of-state more generally at the Ulster Museum. Most, if not all, of these visitors come to Northern Ireland with a preconceived notion of the Troubles, largely influenced by news media. But, without intervention, they don’t understand what life was really like and aren’t aware that post-Good Friday Agreement tensions are still under the surface despite no longer being reported on the news. The *Troubles and Beyond* exhibition is this intervention and, going forward, will play a key role in joining together the Troubles experience for the wider destination through unlocking understanding and prompting further exploration.

Museums. For Everyone.

All museums around the world are faced with the challenge of remaining relevant within their communities. A big part of this challenge is that, for too long, there have been large sectors of those communities that have been allowed to think that “museums aren’t for people like me.”

National Museums NI are passionate about proving this couldn’t be further from the truth. Our museums are here for learning, inspiration, fun, discovery and exploration. For everyone.

Over the past 10 years and more, we have developed a deep practice in engaging with under-represented audiences in our community. In 2018-19 our participatory programmes reached over 54,208 participants and an additional 6,020 school children from areas of multiple social deprivation.

With the support of our stakeholders, our vision is to grow and develop these programmes even further and fully unlock the role of museums as places for community development and cohesion.

Below is an overview of some of the highlights from our socially engaged programmes.

Museums. For older people.

We are living in an ageing population. It is estimated that Northern Ireland's population will have reached 2 million by 2041 with a 65% increase in people aged 65 and over, prompting concerns about dependency and the loneliness epidemic. Museums offer uniquely rich opportunities to keep older people connected to society, connected to each other and connected to the wider community.

Our *Live Well* and *Treasure House* programmes are targeted at older people and in 2018-19 continued to deliver unique opportunities to keep seniors connected to society, to each other and to the wider community. *Live Well* involved six-week outreach programmes to groups of disadvantaged older people, with five weeks in their own communities and one supported museum visit. It also offered open afternoons to encourage individuals from these groups to become independent visitors. An independent evaluation of the programme reported that 97% of participants are proud of what they achieved through the activities, and 95% of participants are now more confident in what they do. *Treasure House* is a partnership with Clanmil Housing Association and ten times throughout the financial year it brought over 200 of their older tenants into our Museums.

Museums. For Families.

There are currently approximately 100,000 children living in officially defined levels of poverty in communities across Northern Ireland. 100,000 children who will go without many of the activities and experiences that their friends take for granted. 100,000 children who will experience a lack of access to learning and educational opportunities.

Breaking the cycle of underachievement in areas of deprivation remains a key challenge of society. Museums are places of lifetime opportunities and, through participative programmes, are key sources of learning, educational attainment and social inclusion for disadvantaged families in Northern Ireland.

Our Parental Engagement programme is targeted at families in areas of multiple deprivation. It continued to excel in 2018-19 and relished the opportunity to get non-museum-visiting families involved with the *Dippy On Tour* and *Tim Peake Spacecraft* exhibitions. Engagement activities – including *Berkeley Bear*, *Time Travellers*, *Summer Schools* and *Twilight at the Museum* – are curriculum and collections based, but, importantly, also recognise the needs of the parents giving them greater confidence to get involved with their child's learning. Other notable family engagements in financial year 2018-19 included free bus transport to *Dippy On Tour* and *Tim Peake Spacecraft* exhibitions for children with sensory needs and foster families, as well as a hugely impactful community *Dippy On Tour* outreach tour across shopping centres in areas of multiple deprivation.

Museums. For Youth.

The rise in mental health issues and access to employment and opportunities are key issues for young people within our communities. A quarter of young people in Northern Ireland feel "dangerously disconnected" from the community. 26% believe that people in their community do not care about them and 45% believe they do not have role models in their community.

Museums offer active and creative learning experiences which can raise the aspirations of young people and give them the skills and confidence to pursue further opportunities.

2018-19 saw the launch of *Reimagine Remake Replay*, an exciting regional project that allows young people to connect with and enhance museum collections, using a mix of creative media and the latest digital technologies. Over four years, 4,000 young people aged 16-25 from across Northern Ireland will make and curate their own exhibitions, take over museum and gallery spaces, and enhance existing exhibits and collections. Participants will avail of free programmes exploring

areas such as virtual reality filmmaking, 3D scanning and printing, event management, digital design and much more, while developing their own innovative content. Notable mention must also go to the *Collect Connect Create* programme, which saw National Museums NI partner with the Youth Justice Agency to facilitate art workshops for young offenders, which culminated in a unique exhibition at the Ulster Museum in January.

Museums. For Communities.

2018-19 saw the launch of the *Making the Future* programme, which will engage over 5,000 direct participants over its three-year lifespan. This collaborative Peace IV project will see a consortium of leading cultural organisations such as the Nerve Centre, National Museums NI, PRONI and Linen Hall Library deliver a comprehensive programme of cultural engagement, creativity and skills development. The programme has been designed to promote positive relations in Northern Ireland and the Border Counties, characterised by respect for different traditions and the ability to celebrate cultural diversity in an environment free from prejudice, intolerance and hate. The programme kicked off in January with the *Troubles Art* strand, a representation of responses to the Troubles by a range of artists from Northern Ireland and beyond. This exhibition was carefully curated to evoke a variety of experiences and emotions and to reflect on the causes, impact and complexity of the Troubles. Other community initiatives included *Women in Stitches*, through which women from across the UK took part in a mass participation artwork celebrating one hundred years of votes for women. The *Women in Stitches* banner was produced by a group made up of women from across North and West Belfast with different community backgrounds as part of a *Good Relations* peacebuilding programme through Shankill Women's Centre.

Collection and Conservation

Caring for and developing the Collection on behalf of the public is one of National Museums NI's most important and carefully considered responsibilities. Its nature and significance means that we are perennially in development mode; however 2018-19 has been significant in unlocking strategic storage projects as part of our journey of change, which will continue to benefit the Collection as we move into the future.

Collections Management and Care

2018-19 has been a year of great improvement in terms of our Collections Storage facilities. In addition to the new Ballycultra store at Cultra (the former Folk Galleries), the installation of new specialist art racking in the art stores at the Ulster Museum is well underway, with the main fine art paintings store completed. The procurement of contractors to fit out the new store in Belfast Harbour estate has been completed. The refurbishment of the Folk Galleries as the new Ballycultra store for our ship plan collection is now complete. The capital works have finished, and the relocation of the ship plan collection has commenced. However, we can only uplift the percentage improvement once the process of moving the collection is completed by August 2019 (at which point we will have achieved the 55% target for 2018-19).

Very significant progress is being made in preparing specimens to move to our new store at Belfast Harbour Estate. Sixty-five vehicles ranging from farm carts to heavy commercial motorised vehicles have been cleaned, structurally stabilised, lightly conserved, treated and repaired. One small railway chassis, three large aviation items and two boats have been similarly processed. Over 50 horse-drawn or hand-pulled vehicles have been moved to a temporary store at Dalchoolin ready to be moved to the new store.

The workflows currently underway are transforming the situation on the ground. The dynamism, commitment and initiative shown by our Conservation Technicians, Conservators, Object Handling Team, Curators and Documenters is a remarkable example of teamwork. In addition to ongoing work to support the storage projects, there has been an extensive programme of collection conservation and logistics in support of exhibitions and loans.

Collections Acquisitions and Development

This year, National Museums NI were pleased to have reviewed and improved the organisation's Collections Development Policy. This has been brought up to date with a new emphasis on collections research, contemporary collecting and collecting to better represent the diversity of society. The policy and accompanying processes also set out a more proactive and robust approach to disposal.

The premier acquisition in 2018-19 was a rare miniature of the Spanish Armada, painted around 1600. Placed under an export bar by the Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest, National Museums NI successfully fundraised to save this work for the nation. Funding was gratefully received from the National Heritage Memorial Fund, the Art Fund, Department for Communities, Friends of the Ulster Museum and the Esmé Mitchell Trust. The miniature is one of only two known in existence and the only one to depict Queen Elizabeth I. It provides invaluable visual context for National Museums NI's internationally renowned Spanish Armada collection.

With support from the Department for Communities, other significant acquisitions have included an exquisite Bronze Age gold sleeve fastener and contemporary ceramics by award-winning makers such as Sara Flynn. With additional support from the Art Fund, National Museums NI's small but important collection of video art has been enhanced with the acquisition of *Left, Right and Centre* (2017) by Cornelia Parker. Produced during her time as artist in residence for the 2017 UK General Election, this work deals with democracy and democratic representation, the power and role of the media, the spectre of fake news and the fear of invisible forces which can influence legislative elected assemblies.

A generous bequest to the Ulster Museum by the late Olive Letitia Nelson will enable the development of the prints and drawings collection for many years to come. Collecting has commenced with the acquisition of the drawing *St Francis in Prayer* by Cristofano Allori (1577-1621).

The '*Collecting The Troubles and Beyond*' programme, supported by the National Lottery Heritage Fund, has continued and increased in profile thanks to the new *The Troubles and Beyond* gallery at the Ulster Museum, which showcases much of the material acquired. In 2018-19 new acquisitions have included a football shirt worn by George Best and seven photographic prints by Donovan Wylie, which capture the demolition of the Maze Long Kesh prison. This significant donation from the Northern Ireland Prison Service collection has brought further strength and depth to National Museums NI's collection. Our collections development work on *The Troubles and Beyond* has been brought to national and international attention this year, especially through a dedicated documentary aired on Radio 4.

National Museums NI is grateful for the many donations to its collection in 2018-19, including:

- paintings by Basil Blackshaw and Jack Pakenham
- a collection of 19th century lace from the USA with an interesting emigrant story
- two Lambeg drums
- a number of designer fashion pieces
- contemporary material relating to the 2018 Processions event which celebrated the 100th anniversary of the Representation of the People Act.

Collections Research

National Museums NI started 2018-19 by appointing a Research Co-ordinator to support and promote research on the collections. This allowed for the development of two strategic initiatives – a National Museums NI Collections Research Policy 2019-24 and collaborative agreements with two local universities. It is hoped the latter, with Queen's University, Belfast and the Faculty of Arts and

Humanities at the University of Ulster, will build on existing collaborations and lead to further use of the national collections by students and researchers.

In addition to these new developments, National Museums NI has continued to support university students and staff by providing collections access and work placement opportunities. Ten undergraduate and postgraduate students worked on the collections this year, while a further two worked with National Museums NI as part of their studies.

The most notable research award this year was The Art Fund's Headley Research Fellowship to Dr Karen Logan, Curator of History. This project seeks to examine other international examples of curating difficult history, in the context of open discussion on addressing the legacy of the past in Northern Ireland. It contributes to sectoral discourse on best practice, while facilitating understanding of Northern Irish experiences in a wider context.

National Museums NI has also supported research internally via its '*Foundations for the Future*' programme. Through this, five curators received over £1,500 to support work on the collections.

These grants have funded research visits to the National Museum of the Royal Navy, preparation of ammonites for further study, and research for the *Making Her Mark* exhibition at the Ulster Museum.

Twelve peer-reviewed publications were authored by National Museums NI staff, and a further three on the collections were produced by university researchers. These were on a diverse array of topics from descriptions of new sponges and nudibranchs to animal horn spoons and Captain Crozier's penguin. It is hoped that the new arrangements with the local universities will lead to further similar outputs in the coming years.

Finally, National Museums NI have teamed up with eight other museums from across the UK to form the Distributed Natural Sciences Collections Network. This network will increase awareness of and access to the collections, while providing new opportunities for research in the future.

Future Estate

One of National Museums NI's key enablers is to 'build the museum infrastructure of the future' which is focussed on managing and investing in our museum services and estate in order to meet the needs of our audiences, stakeholders and partners, both now and into the future.

Estate Strategy

A significant development in 2018-19 was the development of an Estate Strategy for National Museums NI and the implementation of the resulting Year One action plan. The Estate Strategy represented the first time in recent years that the organisation has had an opportunity to consider how its land and property assets serve our corporate objectives. It examines how they can best be organised and configured to serve society. The strategy will become a core strategic building block for the organisation and provides a focus on a number of areas including:

- a challenge to review underperforming assets
- addressing the significant repairs and maintenance backlog which has accumulated over the last decade, currently valued at £12.9 million
- an opportunity to refresh, renew and invest in museum facilities.

Capital Programme

The 2018-19 year saw the delivery of a £6.059m capital programme which was a significant achievement in terms of the effort and teamwork involved. It delivered a series of important and transformative projects around the estate. Of particular significance was the purchase of a new offsite store as part of the ongoing transport collections store project. We also invested in other storage facilities across the estate which will have major benefits for the care of our Collections.

Investment in infrastructure around the estate was another key strand of the capital programme. This saw investment into the extension of fire and intruder alarm systems, upgrade of a key water pumping station, investment in ICT storage and equipment and security infrastructure improvements around the sites. Significant investment was made into continuing energy efficiency and monitoring projects, which again will continue to benefit our operations as we move forward.

Enabling our People

National Museums NI is committed to developing an organisation that is highly skilled and engaged in achieving our aims and objectives. We are dedicated to contributing to the care of the national collections and providing an excellent service to the public. Our organisational development activity reflects our key corporate enabler of developing our people as our greatest asset. We need to ensure that we are agile, resilient and striving for excellence in our challenging operating environment.

We have adopted the contemporary concept of a 'Purpose Based' organisation focusing more on 'Why' we do things as opposed to 'What' we do. This has resulted in National Museums NI developing our Core Purpose as being 'Here for Good', which has begun its rollout across the organisation and will permeate everything we do moving forward.

Over the course of 2018-19 we began the process of implementing the recommendations from our culture development programme. This project saw staff from across the organisation looking at the key areas of leadership, performance and learning, and engagement and communications. We developed and introduced our new performance management system – the Performance Excellence Framework – which is based on our values and agreed organisational behaviours. All managers with a staff responsibility attended a four-day Foundations in Leadership and Management programme. This programme was based on our inclusive leadership traits identified by the culture development team and included the key elements from our core purpose "Here for Good". We also introduced site sponsorship meetings to improve engagement and communication within and between our sites.

We supported a range of learning and development opportunities during 2018-19 ranging from compliance, best practice, and professional and personal development. Our staff have participated in formal and informal development opportunities with a range of sector partners including the Museums Association 'Transformers Influence Programme', the Association of Leading Visitor Attractions (ALVA), and the British Museum's International Training Programme. This participation has extended networks as well as the reach of our reputation and brand.

We demonstrated our commitment to good industrial relations through formal and informal partnership with our trades union, the Northern Ireland Public Service Alliance (NIPSA). We continued to invest in a seconded section secretary.

During 2018-19 our Executive Team membership fell by one to the current three. This gave us the opportunity to review our operating model and corresponding structure to identify more efficient and effective ways of working. This, together with a focused Voluntary Exit Scheme, has enabled us to continue to refine the organisational structure. Whilst we lost valued colleagues during the year we have taken the opportunity to recruit into key roles attracting some very good talent for the future and strengthening our leadership and management teams across the organisation.

Volunteering

Over the course of 2018-19 we enjoyed and benefited from positive engagement with volunteers on a number of new and existing programmes. We had over 50 volunteers support the Dippy exhibition at the Ulster Museum and the majority of these volunteers also supported us when Tim Peake's Spacecraft visited us at the Ulster Transport Museum. Our '*Unlocking our Sound Heritage*' project, in conjunction with the British Library, also attracted a number of volunteers to assist us with the digital cataloguing of our sound archive. At the Ulster American Folk Park we continued with our

successful partnership with Leonard Cheshire as well as with the Irish Garden Preservation Society and the Lace Guild of NI at the Ulster Folk Museum.

Financial Review

Financial Objective

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

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 2019, National Museums NI had net income of £3.4m (2017-18: net income of £1.3m).

The total income for the year was £22.2m, an increase of £4.2m from 2017-18. This includes £6.7m of capital expenditure and £0.55m Voluntary Exit Scheme.

Expenditure was above 2017-18 levels at £18.8m compared to £17.1m in the prior year.

Depreciation has remained consistent with 2017-18. Land and Property Service review of our estate as at 31 March 2019 did not result in any impairments in the year.

The organisation still has significant reliance on Grant-in-aid for its principal funding source, largely from recurrent grants. In 2018-19 Department for Communities provided 80.4% of the total income (including "in kind" donations) through allocated recurrent and capital grants (2017-18: 75.7%).

Reserves

National Museums NI has accumulated reserves of £91m (2017-18: £86m). The policy on reserves is included in note 1, Accounting Policies, to the accounts. Restricted reserves total £19m (2017-18: £18m) and unrestricted reserves total £31m (2017-18: £29m). Revaluation reserves totalling £40m (2017-18: £39m) have accumulated through revaluations on land and buildings. Within unrestricted reserves, National Museums NI has two designated funds, the Board reserve funds totalling £563k (2017-18: £690k). 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 2019 after taking out designated and restricted reserves was £72m (2017-18: £67m). The organisation has cash balances of £6m at the year end. Cash reserves were built up to facilitate payment of invoices relating to the 2018-19 year but received after March 2019.

Liquidity

In 2018-19, £17.5m 81.1% (2017-18 68%) of National Museums NI gross income derived from revenue Grant-in-Aid from the Department for Communities. This included £0.55m for Voluntary Exit Scheme. 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.

Any new capital programme is dependent upon the successful generation of grants and donations and the receipt of these funds.

Losses and Special Payments

There were no losses or special payments in year.

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 2018 to 31 March 2019, National Museums NI paid 98% of its invoices within 30 days (2017-18: 100%). 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 2018 to 31 March 2019, National Museums NI paid 90% of its invoices within 10 days (93% in 2017-18).

Land and Buildings

Land and buildings were subject to a full valuation by Land and Property Services (LPS) on 31 March 2019. This has resulted in a net upward revaluation of £2.24m on those assets.

Estate

National Museums NI's estate as at 31 March 2019 consists of land valued at £17.1m and buildings valued at £51.3m.

Financial

Net assets at 31 March 2019 were £90.5m (2017-18: £85.8m).

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 2019.

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

- Securing appropriate levels of Government funding in the future;
- Achieving income generation targets;
- Maintaining public support for museums;
- Capacity and resilience of the organisation;
- The ability to care for and manage the collections; and
- Investment in the estate infrastructure.

The Audit and Risk Assurance Committee, chaired by an independent non-executive, 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.

Two matters are reported on in the Governance Statement regarding the Finance function. These are primarily around the structure and delayed upgrade of the financial accounting system.

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. During the year staff have helped raise £4,209 through a number of events. 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 2018-19 National Museums NI reviewed and updated the Corporate Plan 2018-21 which is aligned to the Outcomes Delivery Plan (Draft Programme for Government). This Plan affords us the opportunity to both develop existing, and build new partnerships that will create greater social and economic impact. Given the diversity of activities and the scale of the operations we deliver, National Museums NI intend to contribute positively to many of the indicators within the Outcomes Delivery Plan. Our key contribution is to increase the number of people engaging in cultural activities in addition to improving the health and well-being of citizens.

Although we are operating in an increasingly challenging financial climate we have ambitious intentions to transform our facilities and services to ensure that the National Collections are cared for more effectively and shared with an increased number of people. We aim to be even more engaging and relevant to greater numbers of visitors and ensure that our overall social and economic impact continues to grow.

Our Corporate Plan 2018-21 is built around five key priorities which are:

- To care for and develop collections;
- To open up access to our collections;
- To create more engaging visitor experiences;
- To connect with more people; and
- To build the museum infrastructure of the future.

Delivery of these priorities are supported by five key enablers:

- Developing our people as our greatest asset;
- Being visible & valued;
- Being audience focused;
- Growing & diversifying our income; and
- Delivering through stronger partnerships & collaborations.

We are working towards an ambitious plan for investment in our Capital Assets across storage and the museum sites.

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 'Essential Skills for Board Members' training provided by CIPFA 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 *₁

* assumed responsibility for Learning, Partnership, Marketing and Communications

*₁ assumed responsibility for Public Engagement

Reference and Administrative Details

Name of the charity

The charity is registered under the name National Museums and Galleries of Northern Ireland. The charity operates under the 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
106 University Street
Belfast
BT7 1EU

Internal Auditors

EY
Chartered Accountants
22 Bedford Street
Belfast
BT2 7DT

Solicitors

Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7DT

Board of Trustees

In the absence of the Minister and in conjunction with the Commissioner for Public Appointments, the Permanent Secretary of the Department for Communities extended the appointment of the Chairman, Mr Miceal McCoy, to the 31st December 2019. During the year the Board of Trustees comprised the following:

Mr M McCoy (Chairman)
Professor K Fleming
Mrs D Harshaw
Dr R Kelly OBE
Mr A McFarland
Mrs A Moor (resigned 11 May 2018)
Mr J Rice (resigned 24 April 2018)
Professor M Catto
Professor G Earls
Mrs H Francey
Dr L Litvack
Dr G McIlroy
Mrs C Molloy
Dr M Ward

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.

Related party transactions are shown in note 18 of the accounts.

Personal data related incidents

National Museums NI has given consideration to the requirement to report personal data related incidents. It is content that there were no such incidents in the year ended 31 March 2019.

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: 27 September 2019



K Thomson
Chief Executive
Date: 27 September 2019

Remuneration and Staff Report

Remuneration Committee

The Board has established a Remuneration Committee to support them in undertaking their responsibilities for overseeing the performance and remuneration of the Museums' senior staff. In particular, it oversees approval of the Senior Civil Service Pay Strategy as it applies to the Chief Executive and reviews the Chief Executive's approvals of the Senior Civil Service Pay Strategy as it applies to other Directors employed under SCS terms and conditions.

Membership of the Committee

The membership of the Remuneration Committee during the year comprised:

Mrs H Francey (Chairman)
Dr R Kelly OBE
Mr M McCoy
Mr A McFarland
Dr L Litvack

The Chief Executive attends any meetings which review senior staff remuneration except for discussions concerning her own pay and performance.

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 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 (Subject to Audit)

	2018-19				2017-18			
	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	90-95	-	45,000	130-135	85-90	-	33,000	120-125
C Catney Chief Operating Officer	70-75	-	28,000	95-100	60-65 (70- 75 full year equivalent)	-	25,000	95-100
W Blair Director of Collections	65-70	-	21,000	90-95	65-70	-	26,000	95-100
L McCorry Director of Public Engagement (to 31 October 2018)	40-45 (70-75 full year equivalent)	-	16,000	85-90	60-65 (65- 70 full year equivalent)	-	25,000 -	95-100

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 (2017-18: £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 2018-19 year (2017-18: £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.

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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The following table and information is subject to audit:

	2018-19	2017-18
Band of Highest Paid Director's Total Remuneration	£90,000- £95,000	£85,000- £90,000
Median Total Remuneration	£22,739	£22,514
Remuneration Ratio	4.07	3.89

The banded remuneration of the highest-paid director in National Museums NI in the financial year 2018-19 was £90,000 to £95,000 (2017-18: £85,000-£90,000).

In 2018-19 no employees received remuneration in excess of the highest-paid director. Remuneration ranged from £17,526 to £91,285 (2017-18: £17,315 to £88,596).

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 2019 except for an honorarium to the Chairman amounting to £10,000.

Pensions of Senior Management (Subject to Audit)

	Accrued pension at pension age as at 31/3/19 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/19	CETV at 31/3/18	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
K Thomson Chief Executive	30-35	2.5-5	472	394	25
C Catney Chief Operating Officer	0-5	0-2.5	42	18	16
W Blair Director of Collections	25-30	0-2.5	358	115	10
L McCorry Director of Public Engagement (to 31 October 2018)	0-5	0-2.5	21	12	5

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

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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%.

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.

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 2018 was 2.4% and HM Treasury has announced that public service pensions will be increased accordingly from April 2019.

Employee contribution rates for all members for the period covering 1 April 2019 - 31 March 2020 are as follows:

Annualised Rate of Pensionable Earning (Salary Bands)		Contribution rates – All members
From	To	From 01 April 2019 to 31 March 2020
£0	£23,500.99	4.6%
£23,501.00	£54,500.99	5.45%
£54,501.00	£150,000.99	7.35%
£150,001.00 and above		8.05%

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

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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/topics/working-northern-ireland-civil-service-pensions-ni>

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 (Subject to Audit)

Staff Cost	Permanently employed staff £	Others £	2019	2018
			£	£
Salaries and wages (includes temporary non-payroll staff)	6,944,367	1,452,167	8,396,534	7,733,727
Social security costs	602,551	-	602,551	602,331
Pension costs	1,407,276	-	1,407,276	1,425,806
Apprenticeship levy	19,948	-	19,948	16,731
Other staff costs	1,016,349	-	1,016,349	329,960
	9,990,491	1,452,167	11,442,658	10,108,555
Less: recovery of outward secondment	(71,549)	-	(71,549)	(46,907)
Total	9,918,942	1,452,167	11,371,109	10,061,648

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

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and liabilities. 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 2012 scheme valuation was completed by GAD in February 2015. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2015 to 31 March 2019.

For 2018-19, employers' contributions of £1,407,276 (2017-18: £1,425,806) were payable to the NICS pension arrangements at one of three rates in the range 20.8% to 26.3% of pensionable pay, based on salary bands.

Work was completed on the 2016 valuation, based on the position as at 31 March 2016. The outcome of this scheme valuation informed employer contribution rates for 2019-20. Employer contribution rates payable will range from 28.7% to 34.2% of pensionable pay, based on salary bands. This change is primarily due to the reduction in the SCAPE discount rate (as announced at Budget 2018) to 2.4% pa above CPI. The contribution rates are set to meet the cost of the benefits accruing during 2019-20 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £7,282 (2017-18: £6,959) 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% (2017-2018, 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 £253, 0.8% (2017-2018 £246, 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 £1,237. Contributions prepaid at that date were £637.

0 persons (2017-2018: Nil) retired early on ill-health grounds.

Costs apportioned by activity (Subject to Audit)

Activity area	2019	2018
	£	£
Trading	428,885	328,930
Curatorial and Collection Care	3,080,930	2,645,616
Public Engagement	4,706,235	4,040,398
Education	896,704	993,720
Operations	2,258,356	2,052,984
Total	11,371,109	10,061,648

The average number of persons employed (Subject to Audit)

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

	2019	2018
Permanent contract	206	217
Temporary agency contract	47	28
Fixed term funded contract	14	15
Total	267	260

The average number of full time equivalent employees analysed by activity was as follows:

	2019	2018
Curatorial and Collection Care	57	47
Public Engagement	123	119
Education	6	17
Operations	47	48
Human Resources and Organisational Development	6	6
Finance and Income Generation	24	18
Chief Executive's Office	4	5
Total	267	260

Further analysis of full time equivalent employees is as follows:

	Male	Female
Senior civil servants	2	2
Employees	133	130
Total	135	132

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

Annual Salary Band	2019 £	2018 £
£60,001 - £65,000	-	-
£65,001 - £70,000	2	2
£70,001 - £75,000	1	1
£75,001 - £80,000	-	-
£80,001 - £85,000	-	-
£85,001 - £90,000	-	1
£90,001 - £95,000	1	-

Other Disclosures

There was no-one engaged in off-payroll during the year.

There was no expenditure on consultancy during the year (2017-18 £nil).

No emoluments were paid to members of the Board of Trustees for the year ended 31 March 2019 except for an honorarium paid to the Chairman amounting to £10,000 (2017-18: £10,000). Travel expenses of £5,169 were reimbursed to eight Trustees.

Further information on staff costs is contained in note 6.

Sickness Absence

National Museums NI employed 264 staff (expressed as full-time equivalents). Staff absenteeism for the period 1 April 2018 to 31 March 2019 was 4.05% (2017-18: 5.02%), which equates to an average per FTE of 8.98 days (2017-18: 11.14 days). The majority of this sickness absence continues to be attributable to staff on long term sickness with short term sickness rates remaining relatively static.

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 (Subject to Audit)

Exit package Cost Band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
£10,000-£25,000	-	-	13	1	13	1
£25,000-£50,000	-	-	10	-	10	-
£50,000-£100,000	-	-	4	4	4	4
£100,000-£150,000	-	-	-	-	-	-
£150,000-£200,000	-	-	-	-	-	-
Total number of exit packages	-	-	27	5	27	5
Total resource cost (£)	-	-	£823,581	£329,960	£823,581	£329,960

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. The total budget allocated for the VE scheme was £936,717 in 2018-19 of which £823,581 comprised compensation costs paid to 27 members of staff and the remaining balance of £113,136 for staff costs.

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



K Thomson
Chief Executive
Date: 27 September 2019

STATEMENT OF TRUSTEES' AND CHIEF EXECUTIVE'S RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2019

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 is fair, balanced and understandable.

Governance Statement for the Year Ended 31 March 2019

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 2019 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 2018-19;
- 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.

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 through Quarterly Accountability Meetings with the Department for Communities. 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;

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- 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.

During the year the Board commissioned an Independent Review of Board Effectiveness. An Action Plan was developed reflecting key recommendations and is in the process of being implemented.

Board Membership and Attendance

During the year the following served as Trustees:

	Attendance at Board meetings 2018-19 (max 7 including the AGM, and 2 additional meetings)
Mr M McCoy, Chairman	7
Mr M Catto	7
Professor G Earls	7
Professor K Fleming	5
Mrs H Francey	6
Mrs D Harshaw	7
Dr R Kelly OBE	6
Dr L Litvack	6
Mr A McFarland	7
Dr G McIlroy	6
Mrs C Molloy	6
Mrs A Moor Term ended 14 May 2018	n/a
Mr J Rice Term ended on 23 April 2018	n/a
Dr M Ward Term ended on 31 December 2018	2

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 knowledge of the organisation's service provision, inclusion in the development of key performance indicators and strategy.

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All of the existing Trustees have reached the end of their appointed terms. In the absence of a Minister, six month extensions have been put in place on a rolling basis. During the year, three of the Trustees declined the extensions offered.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) met five 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): they 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: they met twice to review the 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 Catto	n/a	4	n/a
Professor G Earls	5	n/a	n/a
Professor K Fleming	n/a	0	n/a
Mrs H Francey	n/a	4	2
Mrs D Harshaw	3	n/a	n/a
Dr R Kelly OBE *From AGM 1/10/18	4	n/a	1*
Dr L Litvack	n/a	2	2
Mr M McCoy, Chairman	4	4	2
Mr A McFarland	n/a	3	1
Dr G Mcllroy	5	n/a	n/a
Mrs C Molloy	5	n/a	n/a
Mrs A Moor Term ended 14 May 2018	n/a	n/a	n/a
Mr J Rice Term ended on 23 April 2018	n/a	n/a	n/a
Dr M Ward Term ended on 31 Dec 2018	n/a	0	n/a

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

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

Business Planning and Risk Management

Business Plan

The draft annual Business Plan 2018-19 was submitted to the Department on 25 January 2018. The Board of Trustees reviewed the Business Plan on 22 March 2018. The Department issued formal approval of the Business Plan on 25 March 2018.

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:

- Securing appropriate levels of Government funding in the future;
- Achieving income generation targets;
- Maintaining public support for museums;
- Capacity and resilience of the organisation;

- The ability to care for and manage the collections; and
- Investment in the estate infrastructure.

In 2018-19 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 Staff Code of Conduct and the Whistle-Blowing Policy.

During 2018-19 there were no incidents of Fraud in accordance with the Anti-Fraud Policy and no instances of Whistleblowing.

The Anti-Fraud Policy and Fraud Response Plan were updated to reflect “Good Practice Procedures in Fraud Investigations”.

There were no personal data related incidents during the year.

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. During the year EY staff assisted in the Pensions Legacy Project. EY staff working on this project were not connected to the Internal Audit assignments.

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 Annual Audit Plan 2018-19 was approved by the Audit and Risk Assurance Committee in June 2018. The Committee considered reports on the following systems audits performed in 2018-19:

AUDIT ASSIGNMENT	LEVEL OF ASSURANCE PROVIDED
Business Continuity Planning	Satisfactory
People Management	Satisfactory
Health and safety – Fire Safety	Satisfactory
Finance	Limited
Corporate Governance	Satisfactory
Income Generation	Satisfactory

During the 2018-19 year the Internal Auditors identified three Priority 1 issues. These issues were:

- Finance – Integra 2 Upgrade
- Finance – Structure
- Finance - Roles and Responsibilities

The overall opinion of the Head of Internal Audit for 2018-19 is as follows:

“We consider that National Museums NI has a framework of controls in place that provides an overall satisfactory level of assurance over the effective and efficient achievement of the National Museums NI’s objectives and the management of key risks.”

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 identified the following matters, which they consider that National Museums NI should include within the Governance Statement for the 2018-19 year. Each of these issues were raised in Internal Audit’s review of the Finance Function and Financial Processes, final report issued 28 February 2019:

- **Role, remit and structure of the Finance Function:** the current structure and skills mix within the Finance function may not provide an adequate and effective support for the current and future financial management of National Museums NI. In particular, Internal audit identified an absence of effective delegation of responsibilities and multi-skilling across the Finance team and an over-reliance being placed upon certain individuals. Internal Audit identified a general lack of understanding and awareness across the Finance team in relation to the collective role and responsibilities of the Function. Internal audit concluded that the role, remit and structure of the team is not adequate to support the future partnering model and strategic direction of National Museums NI.
- **Integra Finance System:** the current version of the Integra finance system is outdated and an upgrade to ‘Integra 2’ has been planned for a significant period of time. On this basis, technical support for the current version of the system is no longer available and the current provider is supporting National Museums NI on an unofficial basis until the system upgrade has been completed. Internal Audit identified a high level of inefficiency in financial processes which further contributes towards ongoing resourcing pressures within the Finance team.

NI Audit Office (NIAO)

The statutory audit of National Museums NI was undertaken by the NIAO’s Comptroller and Auditor General (C&AG) in accordance with auditing standards issued by the Auditing Practice Board (APB) taking into account the UK Auditing Practice Board’s Practice Note 10 (revised); Audit of Financial statements in Public Sector Bodies in the United Kingdom and Practice Note 11 for the audit of Charities. The audit was planned and executed in accordance with the Audit Strategy which was considered by the Audit and Risk Assurance Committee and presented to the Board of Trustees in March 2019.

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 three 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: 27 September 2019

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

Opinion on financial statements

I certify that have audited the financial statements of the National Museums Northern Ireland for the year ended 31 March 2019 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. 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 2019 and of its total incoming resources and expenditure of resources 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.

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 of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) 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 2016, 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.

Other Information

The Trustees and the Chief Executive are responsible for the other information included in the Annual Report. 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 the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and accountability disclosures to be audited have been properly prepared in accordance with Department for Communities directions made under the Museums and Galleries (Northern Ireland) Order 1998; and
- the information given in the Trustees' Annual Report which we check for consistency for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities of the Trustees and Chief Executive for the financial statements

As explained more fully in the Statement of the Trustees' and Chief Executive's Responsibilities, the Trustees and the Chief Executive are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

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

I am required to obtain evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

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.

Matters on which I report by exception

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

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Remuneration and Staff report and accountability disclosures to be audited are not in agreement with the accounting records; 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.

Report

I have no observations to make on these financial statements.



KJ Donnelly

Comptroller and Auditor General

Northern Ireland Audit Office

106 University Street

Belfast

BT7 1EU

4th October 2019

NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019

	Note	Restricted £	Unrestricted £	2019 £	Restricted £	Unrestricted £	2018 £
Income from:							
<i>Donations and Legacies</i>							
Donations	2	-	133,097	133,097	500,000	94,989	594,989
Gifts in kind	2	352,511	-	352,511	1,093,770	-	1,093,770
<i>Charitable activities</i>							
Grant-in-aid	3	6,199,300	11,280,390	17,479,690	1,587,900	10,976,305	12,564,205
VES funding	3	522,000	-	522,000	187,255	-	187,255
VER funding	13	27,611	-	27,611	16,695	-	16,695
Admissions	3	-	1,137,855	1,137,855	-	1,147,245	1,147,245
Other grants	3	1,164,988	-	1,164,988	889,034	-	889,034
<i>Other trading activities</i>							
Sponsorships	4	30,176	-	30,176	78,327	-	78,327
Trading	4	-	1,315,059	1,315,059	-	1,259,116	1,259,116
Investment income		-	804	804	-	172	172
Other income	5	-	61,905	61,905	-	125,939	125,939
Total income		8,296,586	13,929,110	22,225,696	4,352,981	13,603,766	17,956,747
Expenditure on:							
<i>Raising funds</i>							
Trading	6	-	1,144,841	1,144,841	-	891,667	891,667
<i>Charitable activities</i>							
Curatorial and Collection Care	6	822,557	3,203,057	4,025,614	516,571	3,037,296	3,553,867
Public Engagement	6	482,860	6,133,156	6,616,016	99,188	5,510,020	5,609,208
Education	6	289,967	1,073,090	1,363,057	300,123	1,181,597	1,481,720
Operations	6	252,914	5,375,371	5,628,285	269,427	5,261,743	5,531,170
		1,848,298	16,929,515	18,777,813	1,185,309	15,882,323	17,067,632
Net income/(expenditure)	7	6,448,288	(3,000,405)	3,447,883	3,167,672	(2,278,557)	889,115
Exceptional item - release of provision	13	-	-	-	457,402	-	457,402
Net income/(expenditure) after exceptional item		6,448,288	(3,000,405)	3,447,883	3,625,074	(2,278,557)	1,346,517
Transfers between funds	14	(5,592,652)	5,592,652	-	(2,012,414)	2,012,414	-
Other recognised gains/(losses)							
Gains/(losses) on revaluation of fixed assets	8	-	1,258,037	1,258,037	(3)	2,894,509	2,894,506
Net movement in funds		855,636	3,850,284	4,705,920	1,612,657	2,628,366	4,241,023
Reconciliation of funds:							
Total funds brought forward		18,115,477	67,722,061	85,837,538	16,502,820	65,093,695	81,596,515
Total funds carried forward		18,971,113	71,572,345	90,543,458	18,115,477	67,722,061	85,837,538

All amounts included in the above statement relate to the continuing operations of the National Museums NI. There are no recognised gains and losses other than those shown above. The notes on pages 46-58 form part of these accounts.

NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Fixed Assets			
Tangible assets	8	80,609,844	76,182,888
Heritage assets	8	<u>8,921,324</u>	<u>8,186,648</u>
		89,531,168	84,369,536
Current Assets			
Stock	9	328,399	309,082
Debtors	10	1,211,824	732,529
Cash at bank and in hand	11	<u>6,084,512</u>	<u>3,631,818</u>
		7,624,735	4,673,429
Current Liabilities			
Creditors - amounts falling due within one year	12	<u>(6,612,445)</u>	<u>(3,177,961)</u>
Net current assets		<u>1,012,290</u>	<u>1,495,468</u>
Total assets less current liabilities		90,543,458	85,865,004
Provision for liabilities and charges	13	<u>-</u>	<u>(27,466)</u>
Total net assets		<u><u>90,543,458</u></u>	<u><u>85,837,538</u></u>
Represented by:			
Restricted funds	14	18,971,113	18,115,477
Unrestricted funds	14	31,239,097	28,646,850
Revaluation Reserve	14	<u>40,333,248</u>	<u>39,075,211</u>
		<u>90,543,458</u>	<u>85,837,538</u>

The notes on pages 46-58 form part of these accounts.

The accounts on pages 43-58 were approved by the Board of Trustees of National Museums NI on 27 September 2019 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

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	17	<u>6,542,785</u>	<u>3,266,804</u>
Cash flows from investing activities:			
Interest Received		804	172
Proceeds from the sale of property, plant and equipment		5,580	623,929
Purchase of property, plant and equipment		<u>(4,096,475)</u>	<u>(2,622,087)</u>
Net cash provided by (used in) investing activities		<u>(4,090,091)</u>	<u>(1,997,986)</u>
Change in cash and cash equivalents in the reporting period		2,452,694	1,268,818
Cash and cash equivalents at 1 April 2018	17	<u>3,631,818</u>	<u>2,363,000</u>
Cash and cash equivalents at 31 March 2019	17	<u><u>6,084,512</u></u>	<u><u>3,631,818</u></u>

Further detail to this cash flow statement is reported in Note 17.

The notes on pages 46-58 form part of these accounts.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

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 costs, 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 NI and are made up of internal audit, external audit and professional fees associated with governance.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019**

Provisions

National Museums NI launched a voluntary early retirement scheme (VER) during 2005-06 as part of a Reform and Modernisation Programme. The scheme gives retirement benefits to certain qualifying employees in accordance with the rules of the Principal Civil Service Pension Scheme (NI). Under this scheme National Museums NI bears the costs of these benefits until normal retiring age. As required by Government Accounting rules, National Museums NI has made a full provision for the cost of providing these additional benefits through to 2018-19. Financial year 2017-18 was the last year a provision was required to be made and there is no provision needed going forward.

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 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 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.nmni.com.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019**

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 a successful application for renewal for Museum Accreditation in 2015, approved by the Board of Trustees in March 2015 and will be reviewed on or before March 2020. 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.

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 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 at 31 March 2019 shows a deficit of £147,305. 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.

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 the Museum's permanent exhibitions.

NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

Reform and Modernisation fund - for the provision for the future costs of obligations under the Reform and Modernisation programme. A Voluntary Early Retirement Scheme forms a substantial part of this programme. This deficit fund will reduce annually as funding allocations are released. The final payment under this scheme was made in April 2018.

Voluntary Exit Scheme fund - to fund the Voluntary Exit Scheme implemented in 2016-17.

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.

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 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 the Museum to manage its working capital relating to unrestricted activities.

Unrestricted Designated Funds

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 the HM Revenue & Customs.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

2. DONATIONS AND LEGACIES

	2019 £	2018 £
Donations:		
Gift Aid	5,023	22,520
Other donations	128,074	572,469
	<u>133,097</u>	<u>594,989</u>
Gifts in kind:		
Donated assets	350,230	1,087,802
Donated services	2,281	5,968
	<u>352,511</u>	<u>1,093,770</u>

The income from donations of £133,097 is unrestricted (2018: £594,989). Gift in kind income at March 2019 includes donations to the collections of £350,230 and donated services of £2,281, both of which are classed as restricted. In addition to the 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

	2019 £	2018 £
Resource grant-in-aid	11,280,390	10,976,305
Capital grant	6,199,300	1,587,900
Total received	<u>17,479,690</u>	<u>12,564,205</u>
Voluntary Exit Scheme	<u>522,000</u>	<u>187,255</u>

A Voluntary Exit Scheme with a budget of £936,717 was implemented during the year of which £522,000 was drawn down as Grant In Aid during 2018-19. £823,581 was paid to 27 members of staff and the balance comprised other staff costs.

Voluntary Early Retirement Scheme	<u>27,611</u>	<u>16,695</u>
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Funding for the Voluntary Early Retirement Scheme relates to the provision detailed in note 13.

Admissions	<u>1,137,855</u>	<u>1,147,245</u>
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Other grants

	£	£
Capital grants:		
Heritage Lottery Fund	42,852	94,048
Friends of the Ulster Museum	5,000	4,750
National Heritage Memorial	115,000	-
Art fund	89,000	-
Esmee Mitchell	5,000	-
NIEA	20,000	-
Total capital grants	<u>276,852</u>	<u>98,798</u>

Revenue grants:

Northern Ireland Environment Agency	327,939	346,404
Big Lottery Fund Grant	273,593	310,430
Heritage Lottery Fund	132,504	63,948
Esmee Fairbairn	4,062	20,823
Queens University Belfast	15,565	19,456
British Library	58,147	-
Peace IV	63,518	-
Other	12,808	29,175
Total revenue grants	<u>888,136</u>	<u>790,236</u>
	<u>1,164,988</u>	<u>889,034</u>

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

3. INCOME FROM CHARITABLE ACTIVITIES (continued)

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). The Big Lottery Fund Grant relates to a grant received in 2018-19 of £134,327 for the 'Healthier Older People Through Museums' project, a grant received of £87,868 for the 'Treasure House' project. There were unspent funds at 31 March 2019 of £79,257 for the 'Healthier Older People Through Museums' project. There was a reduction in accrued income of £25,054 relating to the 'Treasure House' project. In respect of the 'Live and Learn' project, a Big Lottery project from 2009-10, there were unspent funds of £4,468 in the year.

4. INCOME FROM OTHER TRADING ACTIVITIES

	2019 £	2018 £
Sponsorships	<u>30,176</u>	<u>78,327</u>
Trading:		
Shop	864,260	738,349
Hire of facilities	226,638	125,979
Consultancy fees	13,539	15,321
Photographic sales	32,646	41,039
Events income	16,134	147,065
Franchise income	<u>161,842</u>	<u>191,363</u>
	<u>1,315,059</u>	<u>1,259,116</u>

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

5. OTHER INCOME

	2019 £	2018 £
Other	<u>61,905</u>	<u>125,939</u>

The profit and loss on sale of fixed assets of £1,591 (2018: £114,502) is included in other income. Other income is unrestricted.

6. EXPENDITURE

	Staff costs £	Other Direct costs £	Indirect costs £	Depreciation £	2019 Total £	2018 Total £
Trading	428,886	537,395	12,686	165,874	1,144,841	891,667
Curatorial and Collection Care	3,080,930	334,802	72,662	537,220	4,025,614	3,553,867
Public Engagement	4,706,235	629,988	156,308	1,123,485	6,616,016	5,609,208
Education	896,704	210,909	7,831	247,613	1,363,057	1,481,720
Operations	<u>2,258,356</u>	<u>2,586,371</u>	<u>59,327</u>	<u>724,231</u>	<u>5,628,285</u>	<u>5,531,170</u>
	<u>11,371,111</u>	<u>4,299,465</u>	<u>308,814</u>	<u>2,798,423</u>	<u>18,777,813</u>	<u>17,067,632</u>

Expenditure on charitable activities was £18,777,813 (2018: £17,067,632) of which £1,848,299 were restricted (2018: £1,185,309).

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

6. EXPENDITURE (continued)

Staff costs

	2019 £	2018 £
Salaries and wages (includes temporary non-payroll staff)	8,396,534	7,733,727
Social security costs	602,551	602,331
Pension costs	1,407,276	1,425,806
Apprenticeship levy	19,948	16,731
Other staff costs	<u>1,016,349</u>	<u>329,960</u>
	11,442,658	10,108,555
Less: recovery of outward secondment	<u>(71,549)</u>	<u>(46,907)</u>
Total net costs	<u><u>11,371,109</u></u>	<u><u>10,061,648</u></u>

Included in the above costs are amounts of £1,452,167 (2018: £766,566) paid in respect of employment agency staff.

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

Support costs

	Trading £	Curatorial and Collection Care £	Public Engagement £	Education £	Operations £	2019 £	2018 £
Finance/CEO office/ Human Resources	155,134	990,269	2,132,537	95,754	844,902	4,218,596	1,735,658
Governance	<u>2,990</u>	<u>10,655</u>	<u>16,776</u>	<u>3,407</u>	<u>14,979</u>	<u>48,807</u>	<u>49,631</u>
	<u>158,124</u>	<u>1,000,924</u>	<u>2,149,313</u>	<u>99,161</u>	<u>859,881</u>	<u>4,267,403</u>	<u>1,785,289</u>

Human resources costs include costs of the voluntary exit scheme of £936,717 (2018-19: £329,960).

Governance costs

	2019 £	2018 £
Audit and accountancy fees	45,522	40,024
Legal and professional fees	<u>3,285</u>	<u>9,607</u>
	<u><u>48,807</u></u>	<u><u>49,631</u></u>

7. NET INCOMING RESOURCES

Net incoming resources is stated after charging:	2019 £	2018 £
Auditors' remuneration:		
in respect of audit services	16,800	15,000
in respect of internal audit	28,722	25,024
in respect of other services	222,800	54,200
Depreciation	2,798,423	2,338,992
Insurance	115,372	109,611
Rent and rates	1,096,397	1,037,781
Heat and light	576,631	579,196

NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

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 2018	66,209,762	11,771,322	9,484,589	265,996	87,731,669	8,186,648	95,918,317
Additions	2,887,811	421,742	2,528,371	133,404	5,971,328	734,676	6,706,004
Disposals	-	-	(13,561)	(54,958)	(68,519)	-	(68,519)
Revaluation	(643,536)	-	55,900	6,892	(580,744)	-	(580,744)
At 31 March 2019	<u>68,454,037</u>	<u>12,193,064</u>	<u>12,055,299</u>	<u>351,334</u>	<u>93,053,734</u>	<u>8,921,324</u>	<u>101,975,058</u>
Accumulated depreciation							
At 1 April 2018	-	2,782,761	8,500,024	265,996	11,548,781	-	11,548,781
Charge for year	1,886,923	317,759	576,387	17,354	2,798,423	-	2,798,423
Disposals	-	-	(9,575)	(54,958)	(64,533)	-	(64,533)
Revaluation	(1,886,923)	-	41,929	6,213	(1,838,781)	-	(1,838,781)
At 31 March 2019	<u>-</u>	<u>3,100,520</u>	<u>9,108,765</u>	<u>234,605</u>	<u>12,443,890</u>	<u>-</u>	<u>12,443,890</u>
Net book value							
At 31 March 2019	<u>68,454,037</u>	<u>9,092,544</u>	<u>2,946,534</u>	<u>116,729</u>	<u>80,609,844</u>	<u>8,921,324</u>	<u>89,531,168</u>
At 31 March 2018	<u>66,209,762</u>	<u>8,988,561</u>	<u>984,565</u>	<u>-</u>	<u>76,182,888</u>	<u>8,186,648</u>	<u>84,369,536</u>

Land and buildings at net book value comprise:

	2019 £	2018 £
Long leaseholds	<u>68,454,037</u>	<u>66,209,762</u>

A full valuation of Land and Buildings by Land and Property Services was carried out at 31 March 2019.

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

Property	Value	Basis of Valuation
Ulster Museum	26,031,099	Land at existing use value and buildings at depreciated replacement cost
Ulster Folk and Transport Museum	31,947,112	Land at existing use value and buildings at depreciated replacement cost
Ulster American Folk Park	5,036,366	Land at existing use value and buildings at depreciated replacement cost
Residential Centre	1,489,340	Land at existing use value and buildings at depreciated replacement cost
Land at Landseer Street	600,000	Market value
Store at 31 March 2019	<u>3,350,120</u>	Market value
	<u><u>68,454,037</u></u>	

All other assets of National Museums NI were revalued in line with appropriate indices at 31 March 2019.

NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

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 £
2014-15	143,564	54,585	198,149
2015-16	35,923	524,450	560,373
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
	<u>898,152</u>	<u>2,213,728</u>	<u>3,111,880</u>

There have been no disposals of heritage assets since 1 April 2001.

9. STOCK

	2019 £	2018 £
Shop goods for resale	258,700	236,565
Academic publications for resale	27,129	29,357
Maintenance materials and consumables	31,143	32,190
Farm stock	11,427	10,970
	<u>328,399</u>	<u>309,082</u>

10. DEBTORS

	2019 £	2018 £
Trade debtors	441,763	288,807
Prepayments and accrued income	257,195	243,214
Other debtors	512,866	200,508
	<u>1,211,824</u>	<u>732,529</u>

11. CASH AT BANK AND IN HAND

	2019 £	2018 £
Cash at bank and in hand	<u>6,084,512</u>	<u>3,631,818</u>

NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

12. CREDITORS (amounts falling due within one year)

	2019 £	2018 £
Trade creditors	1,109,430	893
Other taxes and social security	220,616	152,463
Accruals	5,071,499	2,678,484
Deferred income	187,480	323,609
Sundry creditors	23,420	22,512
	<u>6,612,445</u>	<u>3,177,961</u>

Movement on deferred income:

	Contract / grant £	Sponsorship £	Event deposit £	Advance admin charge £	Total £
Balance as at 1 April 2018	313,426	10,000	183	-	323,609
Amounts released from previous years	(177,134)	(10,000)	(183)	-	(187,317)
Incoming resources deferred in the current year	39,800	-	7,638	3,750	51,188
Balance as at 31 March 2019	<u>176,092</u>	<u>-</u>	<u>7,638</u>	<u>3,750</u>	<u>187,480</u>

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

13. PROVISION FOR LIABILITIES AND CHARGES

National Museums NI launched a voluntary early retirement scheme in 2005-06 as part of the Reform and Modernisation Programme. There are no provisions required in 2018/19 for this.

	2019 £	2018 £
VOLUNTARY EARLY RETIREMENT SCHEME PROVISION		
At 1 April	27,466	271,743
Provision added back	145	229,820
Release in provision - exceptional item in SoFA	-	(457,402)
Expenditure against provision	<u>(27,611)</u>	<u>(16,695)</u>
At 31 March	<u>-</u>	<u>27,466</u>

NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

14. STATEMENT OF FUNDS

	At 1 April 2018 £	Income £	Expenditure £	Revaluation £	Transfers £	At 31 March 2019 £
Restricted Funds						
Collection acquisition fund	8,186,648	657,037	-	-		8,843,685
Government grant for fixed assets	-	5,658,604	-	-	(5,658,604)	-
Exhibition fund	8,988,560	421,743	(317,759)	-	66,097	9,158,641
Reform and Modernisation fund	(27,466)	27,611	-	-	(145)	-
Voluntary Exit Scheme fund	14,581	522,000	(19,948)	-	-	516,633
The Art Fund	100,000	89,000	(89,000)	-	-	100,000
Curatorial Projects Fund	8,099	-	-	-	-	8,099
O.L. Nelson Legacy	500,000	-	(8,640)	-	-	491,360
General fund	345,055	920,592	(1,412,952)	-	-	(147,305)
	<u>18,115,477</u>	<u>8,296,587</u>	<u>(1,848,299)</u>	-	<u>(5,592,652)</u>	<u>18,971,113</u>
Unrestricted Funds						
Designated fund:						
Board Reserve fund	216,572	-	-	-	(61,498)	155,074
Board Reserve capital fund	473,719	-	-	-	(66,097)	407,622
Undesignated funds:						
Capital reserve	4,068,429	-	(425,881)	-	-	3,642,548
Revaluation reserve	39,075,211	-	143,340	1,258,037	(143,340)	40,333,248
Government grant for fixed assets	24,050,688	-	(1,911,441)	-	5,658,605	27,797,852
General fund	(162,558)	13,929,111	(14,735,534)	-	204,982	(763,999)
	<u>67,722,061</u>	<u>13,929,111</u>	<u>(16,929,516)</u>	<u>1,258,037</u>	<u>5,592,652</u>	<u>71,572,345</u>
Total Funds	<u>85,837,538</u>	<u>22,225,698</u>	<u>(18,777,815)</u>	<u>1,258,037</u>	<u>-</u>	<u>90,543,458</u>

The transfer of £5,658,604 from Restricted Funds: Government grant for fixed assets, represents the acquisition of assets during the year which have no restrictions on use.

NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted £	Unrestricted £	2019 Total £
Tangible Fixed Assets	18,013,866	71,517,301	89,531,167
Current Assets	6,476,373	1,148,362	7,624,735
Liabilities	<u>(5,519,126)</u>	<u>(1,093,318)</u>	<u>(6,612,444)</u>
Total Net Assets	<u>18,971,113</u>	<u>71,572,345</u>	<u>90,543,458</u>

16. FINANCIAL COMMITMENTS

Land & Buildings	2019 £	2018 £
Operating leases which expire in:		
Less than one year	39,938	-
One to five years	-	-
More than five years	<u>-</u>	<u>-</u>
Total Financial Commitments	<u>39,938</u>	<u>-</u>

National Museums NI pays rent on two properties, Oakbank & Ashbank sites, under leases which expire on 31 December 2019.

17. NOTES TO CASHFLOW

Reconciliation of net income to net cash inflow from operating activities	2019 £	2018 £
Net income/(expenditure) for the reporting period as per the statement of financial activities	3,447,883	1,346,517
Adjustments for:		
Depreciation	2,798,423	2,338,992
(Profit)/loss on disposal of fixed assets	(1,591)	(114,502)
Decrease/(increase) in stock	(19,317)	(6,806)
Decrease/(increase) in debtors	(479,295)	58,189
Increase/(decrease) in creditors	824,952	(111,137)
(Decrease) in provision	(27,466)	(244,277)
Deposit interest receivable	<u>(804)</u>	<u>(172)</u>
Net cash provided by (used in) operating activities	<u>6,542,785</u>	<u>3,266,804</u>
Analysis of cash and cash equivalents		
	2019 £	2018 £
Cash at bank and in hand	6,084,512	3,631,818

18. 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. During the year £35,440 was paid to SIB for professional fees relating to Asset Management and an Operating Review. The Chief Executive is a non executive director of Visit Belfast. During the year £8,400 was paid to Visit Belfast for Membership. The Director of Collections is a member of the Irish Museums Association, during the year £43 was paid to the Irish Museums Association for membership fees and £200 was received from the Irish Museums Association for travel expenses. A number of transactions took place to organisations on which NMNI Trustees sit as Board members - NMNI paid £57 to the British Film Institute for tickets for films, £400 to the Scotch Irish Trust of Ulster for training and £280 to the National Trust for CeDar courses. In addition £480 was paid for hire of Cultra Manor by Bryson Intercultural; £120 received from Rosetta Primary School for a school visit; a painting was received from the Royal Ulster Academy of Artists and £4,585 from the Scotch Irish Trust of Ulster for reimbursement of overheads.

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 and Personnel.

19. CAPITAL COMMITMENTS

National Museums NI have capital commitments at 31 March 2019 of £2.079m in relation to the new Heron Road storage facility.

20. LOSSES AND SPECIAL PAYMENTS

None in year.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019**

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

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.

22. CONTINGENT LIABILITIES

On 17th June 2019 the Court of Appeal ruled in respect of Northern Ireland Industrial Tribunal's November 2018 decision on cases taken against the PSNI on backdated Holiday Pay. It is recognised that the final detail remains to be determined by the Industrial Tribunal who will be guided by the Court of Appeal's Judgement.

This is an extremely rare and complex case with a significant number of issues that still need to be resolved, including further legal advice with regards to the Judgement; the scope; timescales; process of appeals and engagement with Trade Unions. The legal issues arising from this judgment and the implications for the Northern Ireland Civil Service (NICS) and wider public sector will need further consideration. The Department of Finance (DoF) is leading a piece of work across the NICS, reviewing the implications for each of the major staffing groups across the public sector.

Until there is further clarity when this work has concluded, and based on the inherent uncertainties in the final decision that will be made, a reliable estimate cannot be provided at this stage.

23. EVENTS AFTER THE REPORTING DATE

There have been no significant events after the year end.

24. Approval of financial statements

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



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