



# Annual Report and Accounts 2020–21

VISIT US AT:  
IWM LONDON  
IWM NORTH  
IWM DUXFORD  
CHURCHILL WAR ROOMS  
HMS BELFAST  
[IWM.ORG.UK](http://IWM.ORG.UK)

# **Imperial War Museum**

## **Annual Report and Accounts 2020-21**

Presented to Parliament pursuant to section 9(8) Museums and  
Galleries Act 1992

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HC 367



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# 1. Introduction

## Who we are

IWM is a global authority on conflict and its impact on people's lives. We collect objects and stories that give an insight into people's experiences of war, we preserve them for future generations and we bring them to today's audiences in the most powerful way possible at our five branches (IWM London, IWM North, IWM Duxford, Churchill War Rooms and HMS Belfast) and across our digital channels. By giving a platform to these stories, we aim to help people understand why we go to war and the effect that conflict has on people's lives.

## Our vision

Using the personal stories and experiences in our unique collections, our objective is to help people, as global citizens, make sense of an increasingly unpredictable world. We do this, in part, by helping people have a deeper understanding of the connections between past conflict and the contemporary world. This is about exploring the way war has shaped the local and the global, about appreciating diverse views and about challenging our audiences to become ready to engage in difficult decisions for themselves, their communities and their world.

Our vision is to be a leader in developing and communicating a deeper understanding of the causes, course and consequences of war.

## What we stand for

As an organisation we are guided by four important values. We aim to be:

- **Courageous:** we are confident and have the courage to challenge the established wisdom, championing debate and innovative approaches
- **Authoritative:** our deep and dynamic knowledge of our rich collections makes us the first port of call on the history of modern conflict and sets standards of excellence in everything we do
- **Relevant:** we strive to make everything we do relevant to contemporary society, while maintaining a balanced and impartial point of view
- **Empathetic:** we are sensitive to people's emotions, respecting different points of view and the deep significance of our collections

## 2. Strategic Objectives

We aim to:

- **Increase our financial sustainability**

We will secure our long-term financial viability and create an entrepreneurial and dynamic working culture. As a result, we will build our income and financial flexibility so that we can continue to invest in our offer. We will improve our financial performance, build our resilience and strengthen IWM as a result.

- **Prioritise our audiences**

We will create excellent, inspiring and relevant visitor and learning experiences. As a result, people will have a deeper understanding of the causes, course and consequences of war and its impact on all our lives. We pride ourselves on the excellent customer service we will provide across all our work.

- **Deliver effective stewardship of our collections**

We will develop and care for our collections through effective management, building expertise, maximising access and improving storage. As a result, we will ensure our collections and knowledge remain relevant and accessible for audiences now and for generations to come, not least, by maintaining the momentum around reviewing and developing our collection.

- **Build our brand**

We will build our reputation as a global authority and our ability to deliver our purpose and vision by providing high quality products, services and experiences and communicating consistently in everything that we do. The strength of our brand is directly related to the scale of impact we are able to achieve.

## **3. Achievements and Performance**

### **3.1 Meeting our strategic objectives**

When the Covid-19 crisis began in early 2020 it caused all five of our branches to close on 17 March for the first time since the Second World War. The various periods of closure have limited how we can reach our audiences to tell the stories of conflict and the impact on people's lives. The closures and limited capacities upon reopening due to social distancing reduced our trading net profit for financial year (FY) 2020-21 by nearly 90%. Throughout the year, we have had to re-budget several times to ensure we end the year in a balanced position. This achievement is thanks to the support we received from the Government and the incredible effort our teams have put into adapting plans, innovating our programmes and ensuring the safety of our staff and visitors.

The pandemic has also brought about a rapid change to how we work and ground-breaking innovation in our programming. We have had to escalate our plans for digital programming and have re-prioritised our Digital Transformation Programme, which will ensure the museum has the systems to provide audiences with high quality experiences, now and in the future.

#### **3.1.1 Increasing our financial sustainability**

##### **Financial response to Covid-19**

The cultural sector has been one of the most affected by the global pandemic and IWM is no exception. It has disrupted the way in which we traditionally engage with our audiences, generate income and manage our collections and estate. However, the pandemic has also brought about a rapid change in how we work and lessons from this are embedded in thinking around how we will work in the future as well as ground-breaking innovation in our programming.

IWM site closures and openings have fallen in line with government guidance since the first site closure in March 2020. When closed, all sites are secured and available for essential work, and staff able to operate from home continue to do so. IWM utilised the Covid-19 Job Retention Scheme throughout the year and continued use of the scheme remains under review as the Government roadmap to reopening progresses.

Major reductions to expenditure have been actioned across all areas to reduce costs to essential items only. Recruitment of staff was frozen for the full year and vacant posts have been removed where possible. The museum ran a programme of voluntary exits, there were a number of redundancies and no pay rise was afforded, all of which contribute to wider cost saving initiatives.

IWM has been operating with additional levels of governance since March 2020 to effectively manage business continuity throughout the pandemic. Our Executive Leadership Team (ELT) and Senior Management Team (SMT) and management teams have met on a weekly basis. Comprehensive recovery plans, localised business continuity plans and a re-opening timeline to monitor building closures and establish re-opening guidelines allows us to respond timely and effectively to the latest government guidance.

In addition to direct communication with Department for Digital, Culture, Media and Sport

(DCMS) throughout the pandemic, we have continued to coordinate responses with National Museum Directors' Council (NMDC) and have had continued communication with counterparts at other National Museums and Arm's Length Bodies (ALBs). The Government agreed to support IWM with an initial grant of up to £4.5million, which has been utilised fully. We have provided several returns for DCMS regarding staff, financial sustainability and procurement and will continue to submit returns as and when required.

This year the Commercial team focused heavily on online business activity throughout site closures. The Membership scheme was relaunched with new cause-led messaging in response to changes in the external market and public behaviour as a consequence of the pandemic. The May Air Show, Flying Legends Air Show and Battle of Britain Air Show were cancelled in 2020 owing to ongoing pandemic restrictions. In addition to a refund, tickets holders were given the option to donate or transfer the ticket cost to Membership.

Work on major projects and masterplans have continued throughout the pandemic. After an initial period of closure and adaptation, work on the new Second World War and Holocaust Galleries progressed in line with government guidance and they are due to open in October 2021. There have been some additional costs owing to the impact of the pandemic on the workplace environment. The Parkside staff accommodation project progressed and has been handed over to IWM. In line with the Government reopening roadmap, teams are preparing the building ready to welcome staff in Summer 2021. Meanwhile, an integrated schedule and Investment Business Case reforecast have been drawn up for elements of the Duxford Masterplan and fundraising is ongoing via remote presentations.

Following the lessening of pandemic restrictions, extensive planning sessions took place to allow IWM sites to reopen for a brief period from August 2020. Lessons learnt from that period have provided a good foundation for ongoing planning for future site reopening as restrictions continue to loosen. This includes visitor and financial forecasting work for the 2021-22 financial year. The financial forecasts are highly sensitive to the expected levels of domestic and international tourist trade.

We have remained flexible in our plans for programming in response to Covid-19 restrictions. For example, our *Refugees* season opened in September 2020 shortly after the reopening of IWM sites. Subsequent national lockdowns meant the season was only open to the public for fewer months than originally planned. In response, the exhibition run was extended to the end of May 2021 to enable audiences to visit once sites reopened.

## **Digital transformation**

We have developed a new plan to accelerate our digital transformation programme over the new two years. Key systems within the scope of the plan include ticketing, e-mail marketing, Commerce and Finance. The critical change is a renewed focus on the customer experience. The overriding goal is to integrate systems, creating more consistent offline and online experiences which aim for a clear, measurable impact on both revenue and customer satisfaction. We are upgrading systems such as our CRM database to support our work across the organisation, including the new membership



strategy. The plan is approved and we are recruiting key roles externally and internally to deliver on it.

Our YouTube channel has seen significant growth over the past year. This is a direct result of a new strategy including streamlining our video output, introducing a new regular series, consistent posting of timely videos and a strong focus on audience-led topics. In the period March 2020 to March 2021 the team doubled the number to 20,000 subscribers. To improve further our digital reach and engagement we will be developing a new content strategy.

## **IWM Masterplan, Transforming IWM London Phase 2**

Over the past year, we have continued work on the building blocks of our future by investing in key transformation projects across the organisation. Work continued on our Transforming IWM London Phase 2 project which will deliver our new Second World War and Holocaust Galleries. When Covid first hit there was a short delay. However it has had a relatively minor impact, as has the effect of Brexit, and we will be opening the new galleries to the public in October 2021.

The new galleries are composed of six individual spaces that will tell the story of the conflict chronologically, exploring its global scale and impact upon people and communities. The galleries will reveal how whole societies were drawn into the war through mobilization, direct attack and occupation. We will be the first museum in the world to connect the Second World War with Holocaust galleries. In making this connection, a 783kg V-1 flying bomb will be suspended between the two new galleries, presenting an arresting symbol of how the Holocaust and the Second World War are interconnected.

## **HMS Belfast**

Due to restrictions of social distancing we were unable to safely open HMS Belfast when lockdown eased in July. We instead proceeded with much needed transformation onboard. We have benefited from £2 million Critical Infrastructure funding from the Government towards restoration. In addition, we have supplemented this with funding for reinterpretation. We plan to reopen with an enhanced public offer and improved infrastructure in Summer 2021.

Work to improve access to the ship comprises critical structural component replacement, and fabric improvements on the movable and fixed gangways, along with improved security glazing and floodlighting. In addition there is a major conservation-led project to ensure the vessel is watertight from above. As part of the works we are proceeding with cathodic protection which is a project to install additional active corrosion protection infrastructure.

## **Managing our estates and infrastructure**

Maintaining our estate is vital to our financial sustainability and ensures that our audiences and staff visit and work in a safe, well maintained environment. Our Estates Strategy supports IWM's purpose and strategic objectives. The strategy focuses on proactively maximising opportunities for the use of our estate. This will be achieved through a risk informed approach. As our estate comprises assets at every level, an Asset Investment Plan (AIP) methodology is being adopted in line with the approach

favoured by the Cabinet Office's Office for Government Property. Key to its success is understanding the risks manifested by the lifecycle, maintenance or replacement backlog and leveraging our estate to exploit opportunities for increased commercial operations. We have leased out the London All Saints building as we completed our new Parkside staff accommodation.

We enacted our business continuity plan to react to Covid-19 and keep our collection safe and secure when we had to shut our doors. This involved establishing additional governance to ensure the organisation stayed connected and informed.

A hotel is planned for IWM Duxford but has experienced delays in development. The hotel is planned to be open by 2023 and will make it easier for visitors to Duxford to have an extended visit to give the site the time needed.

### **American Air Museum listing status**

In 2020, the American Air Museum at IWM Duxford has been listed at Grade II\* by the DCMS on the advice of Historic England. The memorial glass sculpture 'Counting the Cost' that lines the approach ramp leading to the museum entrance is also part of the listing.

It is an achievement that the site was listed just 25 years after construction began, as the minimum age for a site to be listed is typically 30 years.

### **IWM Duxford airfield operation**

The team at IWM Duxford continues to widen the impact and operation of our airfield services. Improved airfield markings had a positive impact on providing better runway approach angles and becoming an airfield locator aid. We continued with our airfield lighting project and planning permission has been granted by the local authorities, but the project has been postponed owing to the pandemic. Weather equipment replacement, provided by the company VAISALA, commenced at the end of the financial year.

The airfield remained active during the Covid-19 lockdown, initially for essential movements only and then slowly reopening to the wider general aviation community. This was all done in line with and following the directive from the Department for Transport.

The airfield team adapted during the Covid-19 tier systems in lockdown, while maintaining CAA licence compliance and currency.

### **Duxford Infrastructure works**

We have been able to make some significant progress again with help from the Critical Infrastructure funds from the Government.

We completed a project to create a new Security Operations Centre at IWM Duxford in December. This has enabled us to replace remote and out of date branch facilities with a new central facility. This will provide a modernised and enhanced security function.

The bridge over the A505 linking the north and south sides at IWM Duxford was replaced in October. This was a substantial project for a number of teams, working with Atalian Servest and Mabey Bridge Ltd to replace the old Bailey bridge. The old Mabey and Johnson Compact 100 Bailey bridge was built in 1984 by the Royal Engineers (based at Waterbeach near Cambridge at the time) under the supervision of the Property Services

Agency. The original Bailey bridges were developed during the Second World War and used by British and Allied Forces as portable, prefabricated crossings that needed few tools to assemble. Nearly 40 years on, the bridge had come to the end of its lifespan. A sympathetic replacement was agreed with local authorities and highways departments. The new bridge is a Mabey Compact 200, which is an evolution of the original bridge with the same modular dimensions, visually similar and still used by the military around the world today. It is designed to last for 25 years or more with regular maintenance work.

### **IT infrastructure development**

Over this period, IT expertise and project investment has focused on supporting masterplan projects, introducing new ways of working to transform our work culture and supporting the Digital Transformation Programme. Being audience-focused and enhancing our visitor experience remains a top priority. We have invested in SmartWay2, a booking system that enables staff to book hot desks and other assets online and remotely. This has been adapted to enable social distancing in our offices for the few staff who have been at desks on our premises this year. It will continue to support agile ways of working across IWM as staff start to return more fully to site.

Considerable resource is directed towards managing cyber security, an area identified as one of IWM's eight strategic risks and a major focus of our IT department. We continue to work to maintain our cyber security certifications as we remain compliant with Cyber Essentials accreditation. We received an extension due to the delays in the roll out of Windows 10 to all IWM computers due to the impact of Covid-19 on staff returning their laptops to site during lockdown. We plan to re-submit our re-certification for Cyber Essentials in May.

We adapted quickly to the Covid-19 crisis to enable our staff to work from home effectively and to enable business continuity and this continued throughout the year.

### **Smarter Working**

IWM has been looking at our ways of working for some time. This in part led to our Parkside staff accommodation project and planning for more collaborative working. We have continued work on developing a Smarter Working Strategy. Our aims are to:

- Empower our people through effective leadership, trust and technology to succeed in an output driven culture. The right policies, processes and tools will be in place to achieve this.
- Design workspaces to enhance output, meet business needs and remove barriers to collaboration
- Support staff and ensure they feel safe and have their specific individual needs considered
- Enable a digital workspace that is mobile and accessible, facilitating collaboration, document sharing and communications through the adoption of appropriate technology

We know we need to do this work to remain an employer of choice and for our financial sustainability. Lessening staff travel makes us more environmentally sustainable as well. As Covid-19 restrictions ease, more staff will return to the workplace in line with our new strategy implementation plans.

## **3.2 Prioritising our audiences**

### **Our audiences**

Due to the Covid-19 pandemic we found new ways to reach our audiences through our digital programming and through our digital channels. Our in-branch experiences continued where possible and we worked to adjust our programme to maximise visitor numbers and plan for the future.

### **Access and Inclusion**

We are committed to promoting access and inclusion throughout IWM and have a Governance Board devoted to implementing our Access and Inclusion Strategy. This year we started to roll out Access and Inclusion as a standing agenda item for all our Governance Boards to ensure that this is considered across IWM. All departments continue to report on their commitment to access and inclusion and the progress made in their areas as part of our quarterly reporting.

The Board commissioned AccessAble to conduct site audits to provide visitors with the details they need to visit our sites and provide us with the key areas we need to improve. We have started to make improvements to our estate such as offering gender neutral toilets to staff based at IWM London.

This year saw the creation of a network of Access and Inclusion Champions. This network consists of more than 20 members of staff drawn from all IWM departments and supports and monitors access and inclusion needs. Champions meet quarterly and regularly have guest speakers at their meetings to give them the chance to hear first-hand about best practices from specialists within the sector. The Champions discuss themes and topics before proposing recommendations or sharing insights with the Access and Inclusion Board to help inform decision-making and projects.

IWM released a statement in response to the Black Lives Matter protests in summer 2020 and our Senior Management Team has been tasked with monitoring the progress against the actions outlined in the statement. IWM has responded by reviewing our collecting strategies to ensure we are targeting acquisitions which tell the stories currently either not or under-represented in our collections. We have started discussions about how we tell the narrative of empire and conflict and how we can work more closely with the Commonwealth and countries of the former British Empire. This is in conjunction with our project 'Provisional Semantics' which will help inform how we interpret our collections.

### **Battle of Britain Zone at IWM Duxford**

On Battle of Britain Day, 15 September, the first narrative zone of the masterplan was opened to the public. The new installation in the historic Operations Block immerses visitors in the stories and experiences of the people who worked in this building during September 1940. New interpretation of the Battle of Britain collection in hangar 4 also introduces the stories of real people engaged in the battle. The zone is joined by an outdoor installation of a replica Spitfire and three prominent silhouettes representing key individuals based at Duxford during the Battle of Britain. The zone has been made possible by the support of an individual legacy gift and funding from Bloomberg Philanthropies, through which IWM Duxford is included on the Bloomberg Connects App

to provide visitors with additional digital content.

## **Victory 75**

As part of our Anniversaries programme, we commemorated the 75<sup>th</sup> Anniversary of VE day with Victory 75, a series of soundscapes and digital commissions, which was hugely successful, reaching 248 million people via various media. IWM's commission *I Saw the World End*, a new digital artwork from contemporary artists Es Devlin and Machiko Weston to mark the anniversary of the dropping of the atomic bomb received critical acclaim and was shown in Piccadilly Circus. Coverage included BBC GNS, Front Row and the Financial Times.

*Five stars, "this quietly devastating work leaves you as uneasy and unquiet as we ought to be." Jonathan Jones, The Guardian, I Saw the World End*

*"The pen may be mighty, but the oral renditions of war-time experiences can stir the soul."*  
*Audience Member on the Voices of War Soundscapes*

## **Refugees**

This year we continued with our seasons approach to programming with *Refugees*.

At IWM London, this included the *Forced to Flee* exhibition in partnership with AHRC and ESRC and the CNN collaboration *Life in a Camp* which immerses visitors in the Moria refugee camp in Lesbos and includes poignant footage of the camp following the fire that caused devastation in September. The Ai Weiwei *History of Bombs* installation which took over the IWM London Atrium was installed to great effect and applause.

*Aid Workers: Ethics Under Fire* at IWM North opened on 2 October and takes an innovative look at the ethical decisions faced by aid workers, placing visitors in the driving seat as they explore what decisions they themselves would take in challenging circumstances.

The stories and content of the exhibition had a strong impact on visitors, building empathy and understanding with 91% of visitors saying they felt more connected to how war and conflict impacts people's lives.

One great example is the 'Whitstable to Lesbos' initiative on JustGiving. A couple wanted to do something to support the work of Refugee Action after their visit to the *Refugees* exhibitions and are virtually walking the distance from Lesbos to Kent to raise money for the charity.

## **Our learning programmes**

IWM's Public Engagement and Learning (PEL) Strategy aims to transform the way we engage with our visitors onsite, offsite and online by increasing our impact and reach and by engaging with, and inspiring, new and more diverse audiences. This year we launched new programming that embodies the principles of the strategy:

## **Digital programming during Covid-19**

Our Public Engagement and Learning team reacted rapidly to adapt when our doors were closed owing to Covid-19.

A series of broadcasts called *Adventures in History* were developed aimed at school audiences. From shelters to submarines and life on the Home Front, IWM brought history into the homes of home schoolers including teachers across the world during lockdown. *Adventures in History* was released every Wednesday at 2pm on IWM's YouTube Channel and had over 39,000 views.

On Fridays families were called to action as part of our *Family Mission* digital series offering families fun interactive challenges and activities to take part in and then share their work with us via our Facebook and Twitter channels. These had more than 148,000 views.

### **BBC collaborations**

We engaged over 600,000 students with BBC Teach in 2020. These were hugely successful and had over 950,000 engagements.

IWM partnered with BBC Bitesize to create three resources about the experiences of the British West Indian Regiment and the South African Native Labour Corps during the First World War for children in key stage 3. These resources were presented by IWM's Alan Wakefield and BBC presenter Femi Nylander and used IWM collections to take a closer look at the lives of colonial troops. Over 178,000 people engaged with these resources.

### **Families programme**

*Cockpit Command* continued in 2020 as our STEM focussed activities when IWM Duxford was open to the public. It is fronted by well-known UK children's TV presenter and writer Ben Shires. *Cockpit Command* takes participants through the process the USAF went through in the late 1940's in order to design cockpits to fit pilots rather than relying on the law of averages used in previous designs.

Our *Family Mission* continues to be popular with families who use these interactive storytelling backpacks to explore the story of a young paratrooper being guided by his Dakota pilot on the eve of D-Day. The final act of the trail takes place under the Dakota in the American Air Museum with a specially commissioned piece of writing used to tell the story of airborne operation on D-Day.

### **Schools programme**

Our in-person schools programme was suspended until September 2021 owing to the impact of Covid-19 as restrictions make school group visits more challenging. Meanwhile, we have prioritised future proofing the technology for the next three years by purchasing new hardware and exploring a new hosting provider. This will allow us to ensure the best quality of experience while increasing the numbers of participants and videos being updated.

### **PEL engagement figures 2020-21**

Our engagement was very different in 2020-21, as we reached our audiences mainly via our digital channels. Our engagement figures are below. Digital engagement figures include our learning webpage views, downloaded resources, videos and soundscapes and engagement with our learning activities via social media.

### **3.4 Deliver effective stewardship of our collections**

#### **Collecting Strategies**

We have ambitious Collecting Strategies which inform our collections priorities. These strategies cover, respectively, the First World War and Early Twentieth Century Conflict, the Second World War and Mid-Twentieth Century Conflict, Cold War and Decolonisation and Contemporary Conflict. Each strategy is tailored to suit the needs of each collection although all the strategies share common values.

#### **Collections development**

Our collections management approach is responsive and dynamic. In the past year, despite the challenges, we continued to conserve and care for our world-leading collections and to make those collections widely accessible and usable. This work is crucial to masterplanning and interpretation development and ensures that our collections and the stories that we hold remain relevant for present and future audiences.

IWM's Collections Review programme continues to shape our collections strategically, working within our Collections Development Strategies and our Curator Charter. The programme ensures that our resources are directed towards the preservation of our original, unique material while addressing the collections access needs of the audiences we serve. The programme is geared to support the development of our future galleries and public programmes. We are actively looking at how we might tell more diverse, global stories through development of the collections. We are also exploring the ways in which we might look at what conflict has meant for the British Empire and Commonwealth so that we can bring the latest scholarship and historical thinking to bear in our interpretation. Our teams have worked with the IWM Institute Associates as well as external advisors and practitioners to build a body of knowledge in order so that we can respond appropriately to contemporary events such as Black Lives Matter.

#### ***UKRI Strategic Priorities Fund bid 'Towards a National Collection'***

*'Provisional semantics: addressing the challenges of representing multiple perspectives within an evolving digitised national collection'* is a programme working with key stakeholders to unpick the original descriptive language associated with a sample of photographs taken by British official photographers in India during the Second World War.

Two subject specialists who will research and produce new captions for a sample of photographs have been recruited. These captions, and the process of co-producing them, will then be critically assessed by an internal and external stakeholder group. The results will be analysed as part of the broader project in collaboration with Tate, The National Trust and University of the Arts London.

#### **Collections Management**

We have Estates and Collections Storage strategies to care and maintain our vast collection. We constantly monitor environmental conditions and regularly conduct suspension checks. We've increased certain activity such as pest management, which has become an issue in many museums during Covid-19 lockdowns. We keep effective

inventory of our collections and their condition.

We are using the DCMS Infrastructure Funding to progress Northside Collections Storage and work on the art store at Lambeth Road. The projects to provide appropriate, sustainable freezer and cooled environments for various media had progressed well and at some pace. The contract to provide new facilities in Building 104 has been awarded.

We have received additional funding from the Government to support the Digital Futures project which aims to digitise 2.1 million items in the next four years. The focus is on images, film, and sound. For late twentieth century conflicts these highly vulnerable media need to be digitised to ensure their long-term preservation. We actively monitor the rate of deterioration and use a rapid response budget so that the programme can be responsive.

### **Notable acquisitions**

New acquisitions to IWM's collections support our mission to tell important stories of conflicts since 1914 as they have affected service personnel and civilians across the globe.

The challenges of the year also proved a challenging environment for acquisitions. The reduction in potential donor contact, the pausing of in-person oral history collection projects, the elimination of the acquisitions' budgets and the impact of furlough combined to place unprecedented pressure on our ability to collect.

In the light of these circumstances there was a shift in emphasis of the collections development work to fulfilling the aims of the Collections Development Strategies in other ways, not least in regards to improving the documentation of existing material, making virtual contact with existing donors to enhance collections records and conducting collections analysis to support disposal and digitisation projects.

Below are some acquisitions of note from 2020-21:

#### Victoria Cross of Private Christopher Augustus Cox VC

The Victoria Cross awarded to Private Christopher Augustus Cox VC (25 Dec 1889-24 Aug 1959), 'B' Company, 7th (Service) Battalion: The Bedfordshire Regiment, previously on loan to us, has been donated by his grandchildren David Cox and Maureen Miller on behalf of his whole family.

Christopher Cox was born in King's Langley, Hertfordshire and, after leaving school, worked as a farm hand. Enlisting in the Bedfordshire Regiment, he went to France on 26 July 1915. As the Germans withdrew to the Hindenburg Line on 13 March 1917, the 7th Bedfords moved to occupy the village of Achiet-le-Grand. It finally fell to them on 17 March after four days of heavy fighting. When the 7th Bedfords' attack was halted by ferocious German fire, the whole line took cover in shell-holes. Cox, acting as a stretcher-bearer in 'B' Company, went out on his own and rescued four men. He then went out again to bring in wounded from adjoining units, some of whom he carried to safety on his back. Over the course of four days Cox was constantly in the front line, tending the wounded, salvaging drums of machine-gun ammunition and marking out gaps in the barbed wire with tape. The award of the Victoria Cross was announced on 11 May 1917.



### William Robinson Clarke identification bracelet

Clarke was the first black pilot to serve with the Royal Flying Corps during the First World War. He was born in Kingston, Jamaica, on 4 October 1895. Clarke was a mechanic and one of the first people in Jamaica to learn to drive.

On the outbreak of war in 1914, he paid for his own travel to England to enlist, joining the Royal Flying Corps in July 1915 as a mechanic and driver. In December 1916 he started flying training, gaining his pilots wings five months later. Clarke was posted to No.4 Squadron at Abeelee in May 1917, flying RE 8 aircraft on the Western Front. Like so many others', his operational service was brief.

On the morning of 28 July 1917, he and his observer were flying a reconnaissance mission near Ypres when their aircraft was attacked by German fighters. Clarke, seriously wounded, had to make a forced landing within British lines. Following convalescence, he was found medically unfit to fly and returned to duty as a mechanic.

Honourably discharged in 1919, Clarke was awarded the Silver War badge for his wounds. He returned to Jamaica and was life president of the Jamaican branch of the Royal Air Forces Association for many years. He died in 1981.

### John Hicks collection

This diverse collection tells the story of John Hicks, a working-class man from rural Gloucestershire, from his schooldays through service in the First World War to his life in the years following the conflict. It comprises, among other items, a pencil case he made as a schoolboy, a notebook he used during his war service, trench art miniature coal scuttles made from cartridge cases, his Victory Medal and his War Medal.

Hicks was wounded in 1918 and the most powerful items are examples of needlework he made while convalescing. The highlight of the collection is an embroidered vicar's stole that was used during Remembrance Sunday services over the First World War Centenary. We have few examples in our collections where the story of an individual is illustrated from childhood to retirement. The 'full life' coverage afforded by this collection fits the Collections Development Strategies, especially with regard to the Consequences of War.

### Mark Harris interview

This is a detailed interview covering the interviewee's operational service in Northern Ireland, Bosnia, Kosovo, Iraq and Afghanistan. The interviewee provides thoughtful reflections on his role on Operation Telic 1 and Operation Telic 6 where he recalls the death of Saddam Hussein's sons, the escalating security situation, working with the US Army and remembering the Special Forces personnel captured in 2005 at Basra Prison. Detailed aspects of his Operation Herrick 14 tour are also described with discussions exploring significant groups that are under-represented in the collection including Afghan security forces and Afghan interpreters.

### Richard Scott interview

This is an informative interview from an experienced medic who deployed six times to Helmand between 2006 and 2014. It is of particular interest for his reflections on the changes he saw in types of casualty and medical equipment and treatments during this

period, also providing useful details on the way Medical Emergency Response Teams (MERT) operated.

### **Collections access**

We continue to work to publish more of our records online, although some of this work has been delayed by disruption due to Covid-19 and some staff furlough. By the end of the year 1,067,851 records were published to Collections Online and over 335,645 records are available online for use and reuse. We have published 100% of Art, 95% of Sound, 92% of Objects, 86% of Film and 83% of Library Records.

Due to Covid-19 there was limited access to our Reading Room while the museum was closed.

### **3.5 Building our brand**

Through developing our voice, we provide a forum for questions to be asked and answered, leading IWM's position in contemporary debate as a confident and authoritative voice about the world around us and the conflict it inherently creates.

### **IWM Institute**

After a 2-year pilot period, the IWM Institute successfully launched to the public on 17 November with the first performance in *Refugee Nights*, a virtual festival supporting IWM's *Refugees* season. Taking place across three evenings in November and December 2020, the series explored refugee stories behind the headlines through panel discussions, artistic performances and eyewitness testimonies. Our programming partners were the Arts and Humanities Research Council (AHRC) and the Economic and Social Research Council (ESRC), International Organisation for Migration, English PEN and the Disasters Emergency Committee. Our media partner was CNN and we received sponsorship from law firm Macfarlanes LLP.

Innovative in its format, the festival also provided a fresh take on refugee issues: it was simultaneously academic, celebratory and empathetic. The series blended the personal and political, art and policy, to get a deeper understanding of the people behind news headlines. Series host Hassan Akkad, Syrian refugee and filmmaker, lent authenticity to the series, and his hosting-style was praised by many viewers. Lessons were taken on board from *Reimagining Victory*, a Victory 75 activity, to create a visually dynamic and compelling series, supported by IWM's programming partners.

### **Inaugural Annual Lecture - David Miliband**

On 11 March the IWM Institute's Inaugural Annual Lecture was broadcast live on Crowdcast. This was the first of a yearly series of lectures which will be organised by the IWM Institute and will invite some of the world's most prominent speakers to discuss and find solutions to a number of pressing conflict-related issues.

This year's lecture, which reached over 1,000 live views, formed part of IWM's *Refugees* season and explored how looking to the past for guidance can equip us with ways to address the contemporary refugee crisis. The keynote address was delivered by David Miliband, former British Foreign Secretary and CEO at the International Rescue Committee (IRC) which is one of the world's leading humanitarian relief organisations.

David Miliband therefore asked what history can teach us about the global refugee crisis whilst drawing on his own personal experience as the son of refugees who fled Nazi persecution in the Second World War.

He was joined by the BBC's Chief International Correspondent Lyse Doucet and the conversation focused on topics such as how the global asylum system came into place after the Second World War and the IRC's practical recommendations for addressing the contemporary refugee crisis. This was followed by an audience question and answer session.

## **Loans programme**

In response to the Covid-19 pandemic a number of loan venues, both UK and international, have had to reschedule or postpone their exhibition programmes during the course of the year. IWM has subsequently lent to a small number of venues within the UK and abroad. We have successfully worked within the limits of UK government guidance to fulfil and re-programme as many requests as possible and supported loan venues to realise their exhibitions.

A number of UK venues have had to close due to the UK Government's national tier systems and subsequent lockdown(s), but we have continued, to be flexible and work to fulfil borrower ambitions.

Below is a list of some of the highlights of the loans delivered during the period; most notably the Battle of Britain 80 partnership programme, funded by the Art Fund, enabled IWM to participate in a national campaign to mark the 80<sup>th</sup> anniversary of the Battle of Britain, with three UK partner organisations, which in turn enabled us to reach new audiences.

1. As part of IWM's Battle of Britain partnership programme, three paintings, *An Aerial Battle, 6 September 1940* by Francis Dodd, an *Untitled* work, c. 1940 by Eileen Agar, and *Squadron Leader G L Denholm, DFC* by Thomas Cantrell Dugdale were lent to the Harris Museum, Art Gallery & Library for the exhibition *Art of the Second World War: Commemorating the 80<sup>th</sup> Anniversary of the Battle of Britain*, from 5 December 2020 to 14 March 2021. The paintings were transferred from the Russell-Cotes Art Gallery & Museum, Bournemouth, which had previously shown these in the exhibition *Sea, Land, Air and Home: Art of the Second World War*, opened on 29 August and unable to complete its run until 22 November.
2. Three items, including a pair of Second World War special operations executive decoy overshoes, were lent to the House of European History, Brussels for an exhibition entitled *Fake for Real: A History of Forgery and Falsification*, from 21 October 2020 to 31 October 2021.
3. Two drawings by Henry Moore, including *At the Coal Face, A Miner pushing a Tub*, 1942 and two photographs by Bill Brandt of Elephant & Castle Tube station, 1940 were transferred to the Sainsbury Centre from the Hepworth Wakefield for the exhibition *Bill Brandt/ Henry Moore* from 5 November 2020 to 22 August 2021.

4. Six items, including a star item - a haversack civilian respirator bag belonging to Queen Mary - were lent to the V&A, London for the exhibition *Bags: Inside Out* from 21 November 2020 to 12 September 2021.
5. Nine items, including a Zeppelin incendiary bomb dropped on Bromley-by-Bow, London on 23 September 1916, and a telephone switchboard from the First World War period, are being lent to the Science and Industry Museum, Manchester, for the exhibition *Top Secret: From Ciphers to Cyber Security*, which will run until the end of August 2021. This exhibition was initially shown at the Science Museum, London in 2019/2020.
6. The painting entitled *A Balloon Site, Coventry 1943* by Laura Knight is being lent to the Laing Art Gallery, Newcastle for the exhibition entitled *Challenging Convention*, from 17 May to 31 August 2021.
7. As part of IWM's Battle of Britain partnership programme, two paintings, *An Aerial Battle, 6 September 1940* by Francis Dodd and an *Untitled* work, c. 1940 by Eileen Agar are being lent to Touchstones Rochdale for the exhibition *We Can Do It. War's Other Voices*, from 17 May to 24 October 2021.

## Awards

We are delighted to have been recognised in the following awards over the past year:

- HMS Belfast: National Historic Ships UK Flagship Award 2020
- Museum and Heritage Awards Marketing and Communications Strategy of the Year, for our creative marketing for IWM North: *Yemen Inside a Crisis*
- British Air Display Association Trophy: annual award for exceptional contribution within the air show world

## War and Conflict Subject Specialist Network

The War and Conflict Subject Specialist Network (WCSSN) is a partnership programme led by IWM, to build capacity, connections and confidence in the cultural heritage sector. Its aim is to share knowledge and skills among the many organisations and groups across the UK and further afield who cover our subject matter in their work. At the end of the financial year there were 551 members of the WCSSN ranging from museums and archives to researchers, community groups and performing arts.

This year, the WCSSN created a programme called 'Connecting, sharing, learning: sustaining relationships between collections and older communities during the Covid-19 pandemic'. This activity focussed on the 80<sup>th</sup> anniversary of the Battle of Britain. It produced a resource pack which reached more than 300 older people throughout the UK and also delivered seven short Zoom sessions directly into care homes, which included talks, quizzes and an interactive crossword. Feedback has been extremely positive, from care providers, project partners and audiences:

*"I thoroughly enjoyed myself and found it all very interesting – how marvellous that all of this came to us. I am very thankful!"*

## Second World War and Holocaust Partnership Programme

IWM's Second World War and Holocaust Partnership Programme (SWWHPP) is a three-year programme funded by the National Lottery Heritage Fund (NLHF), which supports audiences across the UK to explore the legacy of these histories and their relevance today.

Alongside the opening of new Second World War and Holocaust Galleries in 2021, SWWHPP will support eight cultural heritage partners to engage with new audiences and together share hidden or lesser-known, local stories related to these histories. The programme will support skills development in partner organisations and facilitate loans of IWM's rich collection in support of digital and community-based events co-produced with local communities and creative artists. Digital internships have been established, aimed at people who wouldn't usually consider a role in museums and heritage.

With the partner for Scotland still to be confirmed, IWM's SWWHPP partners are:

- National Museums Northern Ireland
- Tyne and Wear Archives and Museums
- Aberystwyth University
- Manchester Jewish Museum
- The Holocaust Exhibition and Learning Centre, Huddersfield
- The National Holocaust Centre, Nottingham
- Cornwall Museums Partnership - Bodmin Keep & Museum of Cornish Life

Extending IWM's reach and impact beyond our physical branches, SWWHPP will increase and diversify audiences through partners' co-produced public engagement activities and digital outputs, particularly among audiences who have low or minimal engagement with IWM and our partners. SWWHPP's projects aim to deepen public understanding of the Second World War and the Holocaust, while increasing awareness, visibility and engagement with IWM's collections.

In their local contexts, each partner will creatively engage audiences with collections that are linked to specific geographic and memory spaces, creating personal responses which will draw upon family, community and national contexts. Co-produced creative outputs will vary across partners' projects, ranging from a temporary exhibition in Aberystwyth exploring the stories of refugees from National Socialism who fled to Mid-West and North Wales to commemorative performances for Holocaust Memorial Day at Manchester Jewish Museum and a digital map created by NMNI to tell the hidden stories relating to Second World War heritage in Northern Ireland.

The Programme facilitated a series of regular online workshops including a successful three-day workshop to encourage partners' work with creative artists. Another workshop focussed on themes of Empire and global and local connections. We also worked with partners to facilitate ways in which they might work with new audiences, co-production and digital engagement.

StoryFutures Academy (SFA) – part of the National Film and Television School and Royal Holloway University of London – has been confirmed as programme partners for the touring digital installation. The installation will showcase unique digital stories from each national partner and be located in the main Atrium at IWM London when the new Second World War and Holocaust Galleries open in autumn 2021.

## **Volunteer engagement**

Despite disruption due to Covid-19 our volunteer force continued where possible throughout the year.

Through external networks, awards, showcasing, steering groups and representation we maintain our positive external standing as a volunteer organisation. A dedicated team of volunteers add value to most areas of work at IWM. In 2020-21, our mission, and the work that we do, was supported by an average 950 volunteers working across our five branches and digitally. This includes over 200 volunteers recruited this year. Their valuable contribution amounted to a total of 22,585<sup>1</sup> hours in 2020-21<sup>2</sup>, which equates to the time equivalent of around 12.5 full time equivalent posts in additional resource capacity. This was despite the limited capacity for volunteers through the year due to the pandemic.

In normal times, volunteers deploy across IWM<sup>3</sup> delivering excellence in visitor experience to all (including schools) and underpinning our supporter journey. They give valuable provision to our Public Engagement and Learning, Visitor Experience, Marketing and Interpretation departments as well as Special projects. A significant number of volunteers support us in 'back of house' digital roles, collections care and conservation.

We have been implementing our new Volunteering Strategy as we want to increase volunteering at IWM and create a programme that is impactful, flexible and appealing. We have recruited a team of Volunteer Team Leaders to develop and support our volunteers at our sites. Our strategy seeks to utilise IWM's full talent and workforce (paid and voluntary) better to underpin the delivery of IWM strategic goals within a financially sustainable environment.

Delivery of our volunteer work is split across four key functions: Generalist: focused on delivering an enhanced, positive and consistent visitor experience/journey; Specialist: focused on changing the way people think and feel about conflict; Technical: focused on the stewardship of our collection; Digital: focused on our digital transformation and access. We have three front of house volunteer roles: Discover, Dazzle and Activator.

Over the last challenging year, the Volunteer Engagement team has kept in close contact with our volunteers, ensuring they are connected to our cause, represented in our discussions and plans and ready to return happily, safely and with confidence. The Volunteer Engagement team ran over 300 online events during lockdown. The team have developed a 'Welcome Back E-Pack' and are looking forward to welcoming volunteers and volunteer line managers back to site as Covid-19 restrictions ease.

### **3.6 Key supporters in 2020-21**

IWM remains extremely grateful for all the generous individual donations, grants and

<sup>1</sup> We are still working towards full adoption and use of Better Impact across all volunteers and sites to log hours (and give feedback). Currently this figure is around 58%.

<sup>2</sup> Onsite Volunteers make up 90% of our volunteer force. Volunteers were therefore only able to contribute for a small percent of time with only 44% of our volunteers logging hours 1/4/20 -31/3/21. This was due to various lockdowns and implications from the pandemic.

<sup>3</sup> HMSB was closed for the duration of 2020 with no warship conservation in action.

sponsorships to the museum during the last year. This support is essential in helping us achieve our charitable mission, which is to communicate a deeper understanding of the causes, the course and the consequences of war and conflict since the First World War. While it is not possible to acknowledge all the contributions that we receive, we would particularly like to thank the funders and donors below, as well as those who wish to remain anonymous.

### **Public Funders**

- Arts Council England
- Arts and Humanities Research Council
- Art Fund
- Arts Fundraising & Philanthropy
- The National Lottery Heritage Fund

### **Trusts and Foundations**

- Association of Jewish Refugees
- The Bamford Charitable Foundation
- The Michael Bishop Foundation
- The John S Cohen Foundation
- The Dorfman Foundation
- The Clore Duffield Foundation
- Esmée Fairbairn Foundation
- Fondation G
- The Foyle Foundation
- Fraenkel Charitable Trust
- The Robert Gavron Charitable Trust
- The Peter Harrison Heritage Foundation
- High Lee House Trust
- The Headley Trust
- The Hintze Family Charitable Foundation
- The Gerry Holdsworth Special Forces Charitable Trust
- Robert W Johnson IV Charitable Trust
- The Laurence Misener Charitable Trust
- Moynitrust
- N.M. Rothschild & Sons Limited
- Pears Foundation
- Old Possum's Practical Trust
- The Rothschild Foundation (Hanadiv) Europe
- The Gerald and Gail Ronson Family Foundation
- The Alan and Babette Sainsbury Charitable Fund
- The JMCMRJ Sorrell Foundation
- The Wolfson Foundation
- Wolfson Jewish Education Fund

### **Corporate**

- ARM Holdings PLC
- Avalon Aero Ltd
- Bedfordshire Police Sports and Social Club
- Bloomberg Philanthropies
- Cambridge Police Federation
- Essex Police Sports and Social Club
- Hertfordshire Constabulary Sports & Social Club
- J Leon Charitable Fund
- John Lewis Partnership

- Jotun Paints Europe Limited
- Little Greene Paint Company
- Macfarlanes LLP
- Marshall Sports & Social Club
- Nardello & Co
- Rebellion Developments Limited

### **Individuals**

- Mrs Mollie Chadwick - In memory of
- Ms Karen Cook
- Mrs Tamsin Todd-Defriez
- Sir Harry Djanogly
- The Hon Sir Michael Kadoorie
- Sir Sydney and Rosa Lipworth
- Mr Peter Oppenheimer
- Julian and Victoria Brahm Schild
- Mr Leslie Simpkins - In memory of
- Mr David Wells
- Sir Guy Weston
- Mr Rodney Williams - In memory of
- Mr Frederick Wills - In memory of
- Robert Zarnegin
- All Anonymous Donors and Supporters

### **Patrons**

#### **Nash Circle**

- John and Susan Apletree
- Mr Ian Baggs
- Mr Douglas Blausten
- Jeffrey and Elizabeth Boyling
- Mrs Rae Byrne
- David and Madeleine Cannon
- Lieutenant Commander Paul Fletcher
- Anthony and Maureen Hall
- Mr Marc Hanson
- Mrs Clare Jakeman
- Dame Judith Mayhew Jonas DBE
- Commodore Jonathan Lett Royal Navy
- Dr. and Mrs. Gary Pasternack
- Elisa Segrave
- Colin and Kathy Smith
- Mrs Kathryn Uhde
- Matthew Westerman

#### **Singer Sargent Circle**

- Romen and Brigid Bose

#### **Orpen Circle**

- Julian and Victoria Brahm Schild



## **4. Plans for Future Periods**

We have developed our latest Corporate Plan (CP21), covering the four financial years April 2021 to March 2025, to build on the lessons we have learned over the past year – both the successes and the challenges we have faced – so we recover from the pandemic as a socially responsible, more financially resilient and sustainable organisation. We have had to rethink our operating model so we can deliver both our recovery vision and our vision to 2030. This work is ongoing as we continue to move towards this new model, seeking to achieve even greater flexibility and responsiveness in the future.

Throughout CP21 and beyond we will be focusing on ensuring we are more financially resilient and rebuilding our reserves to ensure we are in a robust position for the future. We will be reliant on additional Government support in financial year 2021-22 but predict we will see a strong return in our self-generated income during 2022-23. We are prioritising activity that will help deliver this. A major priority is the Digital Transformation Programme, which we are seeking to deliver as fast as both resource and capacity will allow. Together with other key infrastructure projects across our estate this will enable us to deliver an incredible customer experience in a sustainable environment, helping us to maximise income generation opportunities. The roll out of our Commercial Strategy, including the development of new ecommerce initiatives and the maturation of our newly launched membership scheme, will be vital in this, seeking to diversify income further and therefore helping to secure our future financial resilience.

We have re-considered our priorities to ensure we use the opportunities during the period of recovery to optimise our social impact and cement our role as an authority on communicating a deeper understanding of war and conflict. We will achieve this through our adapted public programme which will be delivered both in person and digitally, working in partnership and diversifying our collections. We are currently revising our Audience Development Strategy, which will inform how we engage our existing audiences and build relationships with our new audiences under the current climate. It is vital that we understand and share the impact of our programming and visitor experiences. Our new social impact framework will demonstrate the effect we have on our visitors and provide staff and stakeholders with the knowledge that what we do is making a profound difference to people's lives.

Our people are critical to the success of our recovery. We will be investing in their wellbeing through the continued roll out of our HR strategy, which includes the introduction of 14 Mental Health First Aiders across all our branches and across departments. Our Smarter Working Programme will provide staff with greater flexibility to work in a way that is best for them, helping them to live healthier and more balanced lives. The new ways of working will also improve our sustainability, make us a more inclusive workplace and support our staff to work more collaboratively, effectively and efficiently.

As we move forward into the next phase of the pandemic and beyond, our museum's success is dependent on building our financial sustainability, developing our engagement with our audiences and supporting our staff and their diverse range of skills.

### **4.1 Increase our financial sustainability**

In order to deliver on the ambitions of our Corporate Plan, we need to be fiscally robust. Even the reduction of expenditure and activity is not enough on its own to guarantee IWM's financial viability and we will need to introduce further mitigations to help us address the shortfall.

We will consider the top contracts in the organisation by value (looking at the total spend for the year to 31 March 2020) and appraise for each if we can deliver the services more cost effectively and more flexibly. We have achieved this for both the Hard and Soft Service Facilities Management contracts. The benefit of this will arrive fully from 2022-23. In addition, we have retendered the visitor service and security contract. The new contract started on 1 April and focuses on security services solely. Again, the full cost benefit will not be realised until the 2022-23 with an amount for the redundancy costs of staff transferred under TUPE to be factored into the first year. The next highest value contracts relate to energy, IT maintenance, equipment and support, media buying and web maintenance. Further efficiency and flexibility will be sought when retendering during the next year.

The ambition is both to generate an increase in net income and to diversify income streams. A start on this has been made. Unrestricted fundraising has not been a productive area for IWM or one that has received focus. To address this an Unrestricted Income Board has been established, led by the Director of Development. The first-year target is to increase net income by £0.25 million, increasing to £0.5 million p.a. thereafter.

In addition, we have undertaken a review of our admissions pricing with the help of external advisers Baker Richards. Recommendations have been provided and accepted for new pricing which will be introduced from the first year. Some additional work is necessary to develop this further for future years. In 2021-22 this has a lower impact but thereafter it will increase net income substantially, by £3 million p.a. from 2022-23 onwards, growing to £4 million by 2024-25.

Further phases of our CRM project will be rolled out as part of our Digital Transformation Programme which will enable greater understanding of what motivates our customers. During CP21 we will also be reviewing our ticketing capability as well as further developing CRM and membership capabilities. The use of data generated from CRM and producing relevant and resonant marketing from this will be critical for long-term income generation.

We will work to develop commercial events to bring in different audiences, make use of our unique spaces and diversify income. Events will be a combination of in-person and digital.

The hotel development at IWM Duxford will progress and be delivered in 2023. This will enable increased visitation to Duxford and facilitate longer visits to the massive site.

The Smarter Working Programme will continue by implementing the Smarter Working Strategy with clear objectives and investment requirements. It will deliver a flexible working model and culture across all the IWM branches and allow staff to have more autonomy over how and where they conduct their work and allow for healthier living.

The additional support provided by the Government for 2021-22 is very welcome and will bolster our unrestricted reserves and provide protection for the uncertainty that we are likely to face for the full year. Our financial situation will remain vulnerable throughout this time. A 10% decrease to our visitor number forecasts will mean a reduction in income of

over £1 million for instance. Our lifecycle budgets for security, estates and IT are only half of what we would normally wish them to be whilst contingency funds have been reduced as well. To address this we have reduced our fixed cost base and will continue to do so, introducing more flexibility in our resourcing. In addition the major programmes of activity all have their funding secured.

## **4.2 Prioritise our audiences**

We exist to reach our audiences and give them access to our stories, our collections and our spaces. Our plans for the future will be the foundation for major change through the phased implementation of masterplans for IWM London and IWM Duxford, alongside activity to systematically upgrade all our branches.

We will continue with our 'blended' programme of digital and physical learning experiences which will increase IWM's social impact and serve national and international audiences as the pandemic continues. Testing this new model, gathering audience intelligence and leveraging digital advancements this year will underpin the new Learning Strategy which will be developed for 2022-23.

Transforming IWM London Phase 2 will open with the new Second World War and Holocaust Galleries in Autumn 2021. The new galleries will draw heavily upon the unique personal stories that IWM's collections contain to present a vivid narrative that reflects the realities of the Second World War and the Holocaust and the resulting impact upon the world. The £30.5 million project will see IWM London become the first museum in the world to present the Holocaust narrative physically and intellectually within the context of the Second World War. Spanning two floors, the new galleries will tell the story of this period of history for a 21<sup>st</sup> century audience, highlighting how the Second World War remains the most devastating conflict in human history.

Personal stories will be at the heart of the new Holocaust Galleries, along with a breadth of objects and original material that will help audiences consider the cause, course and consequences of this terrible period in world history. The new galleries will explore three core themes of persecution, looking at the global situation at the end of the First World War; escalation, identifying how violence towards Jewish people and communities developed through the 1930s; and annihilation, examining how Nazi policy crosses the threshold into wide-scale state-sponsored murder in the heart of 20<sup>th</sup> century Europe. By robustly interrogating the identity of the perpetrators, the galleries will explain who was responsible for these crimes, what motivated them and how ordinary they often were in every other way.

We will use royalties from *They Shall Not Grow Old* to upgrade our First World War Galleries which opened in 2014 and will benefit from further investment to ensure they continue to provide the best possible visitor experience. We will refresh the visitor offer of the Main Exhibition Space (MES) at IWM North, prioritising the collections items that need to be removed for care purposes and digital content.

Building on the success of the Art Hang in 2019, we will continue to refresh the art displayed in the IWM North MES, showcasing IWM's rich collection, and look to introduce an art trail.

Using external funding we will improve the visitors experience at Churchill War Rooms,

introducing new interpretive methods at key narrative points on the visitor route including the Trans-Atlantic Telephone Room and Chief of Staff's Conference Room. We will improve the overall customer experience and accessibility of Churchill War Rooms by improving lighting and seating in the central room and introduce light-touch interpretive elements, including a scale tactile model of the site, supporting visitors' understanding of the architecture of Churchill War Rooms and their location within it.

We will investigate and test new types of multimedia guide technologies and undertake evaluation into potential narrative options. We will ensure that we have a robust understanding of our visitor needs and what the best new technological offer could be that will provide a high-quality visitor experience at the three charging sites

Our Anniversaries programme will continue to mark key anniversaries such as the 20<sup>th</sup> anniversary of 9/11 and the 40<sup>th</sup> anniversary of the Falklands War in 2021 and 2022 respectively.

We will have delivered an improved experience on HMS Belfast. The realisation of these projects will be transformative: vastly improving our visitor experience, increasing our market share and building income return through admissions growth and visitor engagement.

We have adapted our temporary exhibition programme, with the programme reduced for the first two years of the plan. The *Refugees* season has been extended further into 2021 at IWM London and IWM North to provide a strong offer for reopening and maximise the number of visitors who will visit as the public becomes more culturally active. The extended runs will be replicated across the programme to maximise value.

We will review our Public Engagement and Learning Strategy and review and revise as the strategy period comes to an end in 2021. Our schools programme will ensure that IWM becomes the place to explore and debate issues that matter to the world we live in. The programme will be digital only until September 2021 when self-guided and Holocaust schools programming will be available onsite. We will launch new Holocaust and Second World War learning programmes and resources. The programme will support teachers with ways to interpret our challenging subject matter and engaging young people with the Holocaust as it fades from living memory. Our programme for adult audiences will establish IWM as the place for experimentation and engaging with contemporary conflict. We will work with strategic partners to extend our reach and impact.

We are improving the way that we evaluate our activity and impact, share audience research results across the organisation and use this evidence in forward planning. We will measure the social impact of IWM across our five branches, digital channels and IWM Institute for the Public Understanding of War and Conflict, so that we are able to evidence the impact our organisation is having on our audiences, the communities we serve, within our sector and on a national and international platform.

### **4.3 Building our brand**

Through the continual strengthening of our voice, IWM will maintain its position as an authority and a driving educational force on the issues of war and conflict which affect us today as well as guardians of historic records of the battles of the past.

Our success in delivering major capital change is contingent on bringing stakeholders and, in particular, funders with us. We will embed a clear, targeted Stakeholder Strategy that identifies the primary influencing and advocacy relationships that support our business and those that we will nurture at each of our branches. We will build unrestricted giving by focusing our energy on maintaining these important relationships.

We will continue to implement our Partnerships Strategy which will identify how we build on the momentum and successes of our existing partnerships. We will build on the success of the War and Conflict Subject Specialist Network established in 2019 to increase capacity, connections and confidence in the cultural heritage sector. It will provide a forum for sharing knowledge and skills and deliver national programmes, initially focusing on imminent major Second World War anniversaries.

We have announced the creation of the IWM 14-18 NOW Legacy fund which was possible as a result of the success of the film *They Shall Not Grow Old*. Through the programme, IWM will be making £2 million available for new art commissions. It will ensure that over 20 commissions are fully funded, bringing art to audiences across the UK in new and exciting ways and supporting artists and engagement with the arts in the wake of Covid-19. The programme is funded by a share of the royalties from *They Shall Not Grow Old*, which was set aside specifically to build upon the impact of 14-18 NOW which commissioned artworks and experiences throughout the First World War Centenary. IWM will be working in partnership with cultural organisations from across the country to co-commission new artworks from world-leading artists. Reinvesting the financial legacy of *They Shall Not Grow Old* back into the cultural sector will reinforce IWM's commitment to commissioning contemporary artists to record the experiences of conflict, while supporting partners across the UK as they recover from Covid-19. Co-commissioning partners and artists will be announced throughout 2021.

Five organisations will be appointed directly by IWM as co-commissioning partners, with an additional 15 selected from the 525 members of IWM's War and Conflict Subject Specialist Network. Inspired by the heritage of conflict, these co-commissions will be transformational to the communities to which they belong. Artworks will be displayed around the UK and, where possible, as part of IWM's future public programme.

The IWM Institute for the Public Understanding of War and Conflict will combine IWM's own expertise with insights from related sectors. The Institute will develop an annual events programme for audiences both digitally and in person, once government guidance permits. This new series will help IWM to deliver on its mission to deepen public understanding of the cause, course and consequences of war and prioritise our audiences (particularly development audiences) by inspiring innovative and cutting-edge public programming.

We will be delivering our Volunteering Strategy that will continue the step-change in our volunteer programme by aiming for an increase in volunteer take-up by 60%. We will do this by recruiting more Volunteer Team Leaders to ensure our volunteers are well supported. We will ensure we continue to offer life-enhancing opportunities to our volunteers, grow volunteer participation and contribution, attract volunteers from a more diverse pool and evidence the positive gains volunteering has on the delivery of IWM strategy.

#### **4.4 Effective stewardship of our collection**

We care for an extraordinary collection of art, documents, film, photographs, books, sound recordings and objects for generations to come. Our founding mission, to collect material to illustrate the common experience of war and record individual experiences, means that our collections contain the reactions, memories and stories of the whole of society.

Our inventory record and data on the condition of our collections will be maintained and upheld as new items enter IWM's management control. We are making progress in the strategic digitisation of our collection (for access, preservation and commercial purposes), prioritised according to our major projects.

Our Digital Futures project will digitise 2.1 million items by the end of 2024-25. Our focus will be on images, film and sound. For late 20<sup>th</sup> century conflicts these highly vulnerable media need to be digitised to ensure their long-term preservation. During the life of this project we will monitor the rate of deterioration and use a rapid response budget so that the programme can be responsive.

Condition information will drive a programme of preventive care and conservation projects, to support masterplanning and inform preservation digitisation priorities.

Our preservation work will continue to inform our Collections Storage Strategy, which will seek environmentally sustainable solutions for the long-term care of our collections.

Our process of collection development will be intelligent and holistic, identifying items that are duplicates or unnecessary examples of type, but also seeking suitable alternative homes for these items, where other organisations can use them to provide opportunities for display or engagement.

Our curators are guarantors of the continuing global relevance of our stories. They will continue to enhance and open up this world-class asset through the implementation of the Collections Development Strategies. By facilitating and enabling all other teams in the museum our curators will embed authority and empathy throughout our work.

## 5. Financial Review

IWM's financial statements include the Grant-in-Aid received from government and the consolidation of the commercial and learning activities performed by the IWM Trading Company. The Consolidated Statement of Financial Activities is to be found on page 75.

The accounts are presented in accordance with the provisions of the Statement of Recommended Practice (SORP) 2015. The movement in net resources for this year, after depreciation but before revaluation changes, is an inflow of £2.283 million, a decrease of £3.035 million year on year. The previous year had seen funds increase by a total of £0.074 million.

The change in 2020-21 is made up of a decrease in the net unrestricted funds of £5.067 million, after transfers, and an increase in restricted funds of £3.094 million.

IWM claimed under the Coronavirus Job Retention Scheme (CJRS) grant to fund staff who were furloughed during the year. The total amount claimed through that scheme added to £2.908 million.

Income from unrestricted funds has dropped by £17.732 million. Within this, income from admissions has fallen by £11.346 million which is just over 89 per cent drop year on year. The major contributor is the closure of all branches of IWM for eight out of the twelve months of the year with significant restrictions to the number of visitors allowed on site under Covid-19 safety regulation. To compensate the significant fall in commercial income, IWM received additional unrestricted Grant-In-Aid from DCMS of £6.120 million.

Unrestricted expenditure has decreased by £13.639 million compared to the previous year. This is mainly as a result of tight budgeting constraints, a frozen recruitment policy and a Voluntary Exit and Reduced Working Hours programme implemented to generate the required savings.

The net movement on restricted funds is attributable to income funding received in support of our Transformation project for IWM London and some delays in the actual construction programme.

Overall, the level of funds carried forward at 31 March 2021 decreased by £1.973 million in comparison to a restated increase of £10.766 million in the previous year. In addition to the income drop, the fixed assets revaluation is also recording a loss of £4.256 million as assessed at 31 March 2021 (increase of £5.448 million the previous year).

The Trustees continued to apply the approved investment policy during the year. The policy states that the credit rating of the banks with which IWM and its subsidiaries place funds must be at least a 'double A' rating, as assessed by the Standard and Poor's index. In addition, in order to spread risk as widely as possible, IWM entities have a cap of £4 million or 25 per cent of the total Group funds available for investment at that date, whichever is the lower, with any one institution, unless exceptional amounts of cash are being held. All investments were held in cash at 31 March 2021.

The Trustees have reviewed and assessed the principal risks and uncertainties likely to impact IWM's financial performance as being related to Covid. The three main risks under Covid are continuous restrictions applying to opening branches, limitations imposed impacting visitors and tourists in the UK and economic impact to the UK and the world leading to a possible economic recession. In all three cases, IWM has modelled

scenarios over a period of five years and assessed the shortfalls required to sustain statutory responsibility as defined in the Imperial War Museum Acts 1920 and 1955. These scenarios have been shared with DCMS and mitigation plans have been agreed.

## **5.1 Going concern**

The accounts have been prepared on the going concern basis. Under Section 2 of the Imperial War Museum Acts, 1920 and 1955, the Museum has a statutory responsibility for keeping its collections and making them available for inspection by the public, and the Trustees and Accounting Officer have assumed in making the going concern assessment that sufficient Government funding support will continue to be made available to fulfil this responsibility.

Alongside this, Trustees have reviewed the revised Corporate plan which was set out over four years. This consideration concluded that IWM's income will begin to recover in 2021/22 but will not reach pre-Covid-19 levels before 2023/24. In response, IWM has devised a more agile operating model, capable of withstanding delayed recovery in its income while protecting the collection. Covid-19 has caused significant upheaval in our traditional income streams, with mandatory shop and office closures, cancellation and postponement of events, and financial uncertainty for many of our donors. We have reviewed our expenditure and developed a progressing model enabling our income generating activities to be flexed accordingly hence enabling us to sustain breakeven outcomes. Taking into account the Government funding support, the new business model and its principal risks, IWM's Trustees have a reasonable expectation that IWM will continue in operation and meet its liabilities as they fall due over the next four-year period of this assessment.

## **5.2 Reserves policy**

### **Objective**

The policy, approved by the Trustees as part of the Corporate Plan, incorporates policies for contingency to cope with short-term variations in estimates of market conditions, and to build longer-term reserves to ensure financial stability for the future and investment for essential projects.

### **Contingency**

The ongoing regime of expenditure controls and cash flow management will continue. Budget forecasts are subject to detailed review on a quarterly basis. Budget holders have real-time access to their budget information and commitments against these. They are required to complete a formal review on a monthly basis. Specifically, a third of the annual budget amount is withheld until the actual results of the first six months of activity are known. In addition, projects that are to be funded from externally raised income will not be started until such funding is secure. These mechanisms have worked effectively in allowing us to adapt and respond within financial years without significant disruption.

In addition, IWM has a contingency plan to provide for a fund of 5 per cent of operational expenditure.

### **Reserves**

The reserves policy is an integral part of the strategic approach to financial management



of IWM. Funds held by IWM comprise restricted monies and/or funds designated to capital expenditure. The financial strategy is to increase unrestricted reserves to build robustness and flexibility. The policy is to increase reserves to three months of operational expenditure for the longer term.

In order to address the financial pressures arising from the impact of Covid-19 the museum will utilise unrestricted reserves to help meet any shortfall and provide the final element of any contingency as required. Contingency funding was reduced to minimal levels in the financial year 2020-21 and lifecycle programmes were curtailed substantially. The combination of these factors, together with the uncertainty regarding the realisation of visitor projections and the risks regarding any further lockdown measures arising from a second wave of infection, highlight the need to bolster funds as much as is possible. IWM budget modelling includes recovery of unrestricted reserves to the policy stated level by 31 March 2023.

### **5.3 Public sector payment policy**

IWM has implemented the Confederation of British Industries' Prompt Payers Code. All suppliers are informed by standard letter of IWM's payment procedure and the system for addressing complaints and disputes. The percentage of invoices paid promptly within 30 days in 2020-21 was 81 per cent (84 per cent in 2019-20).

## 5.4 Key Performance Indicators

The results reported below represent the Key Performance Indicators based on our Management Agreement with the Department for Digital, Culture, Media and Sport (DCMS). Results are shown in '000s unless otherwise stated.

Performance Indicator ('000s)	2020-21	2019-20	% change
Number of visits to IWM (excluding corporate hospitality guests and virtual visitors)	267	2,230	-88%
Number of unique website visits	12,664	12,265	3%
Number of visits to IWM by children under 16	61	517	-88%
Number of overseas visitors	10	1,199	-99%
Number of facilitated and self-directed visits to IWM by children under 18 in formal education	0	141	-100%
Number of instances of children under 18 in onsite organised activities	12	169	-92%
Percentage of visitors who would recommend a visit	95%	99%	-4%
Admissions income (gross)	£1,338	£12,684	-89%
Trading net profit	-£316	£4,664	-107%
Fundraising income	£5,417	£8,497	-36%
Number of UK loan venues ( <i>exact number reported</i> )	69	70	-1.4%

Note: The number of physical visits has been adversely impacted by the periods of Museum closure throughout the year to comply with governmental lockdown requirements. The financial returns from Admissions income and the Trading Net profit generated from the physical visits, specifically from retail, catering and airshows, has been affected similarly.

## 6. Staff Report

The disruption created by the pandemic and sudden closure of all IWM branches had enforced a significant shift to our ways of working and dictated refocus to our plans and priorities, overnight. While at the end of last year we were preparing to explore and methodically implement the technological advances and adapt to the ever changing world of work, the emergence of the lockdowns throughout the year meant that we had to apply a much more flexible approach and rewrite our plans and policies and adapt our business model instantaneously.

What the past year has also taught us is that this once-in-a-generation situation has proved to be a real catalyst to innovate. It reshaped and re-evaluated our expectations for our working lives and set foundations to review our strategies and approaches to how we organise work and manage our people.

While our overall HR Strategy vision remained valid, we had to pause and review the implementation framework and shift our focus to business continuity plans, providing support to staff and managers during the crisis. Our first response to the uncertainty created by the lockdown was to freeze recruitment activities – only business critical roles were progressed to appointment.

Our HR team led on furlough implementation – a completely new concept introduced by the government to provide financial support to employees and businesses. To manage and administer the programme we developed new policies and processes. Throughout the 2020-21 reporting year, up to 83% of our staff were on furlough (flexible or full time) which generated £3m of government grant income to IWM and helped us to avoid large-scale redundancies. During the year, 395 salaried staff were furloughed on a flexi basis.

With wellbeing at the forefront of our people agenda, the HR team, in partnership with the Communications team and other operational stakeholders, guided our workforce to adapt to the completely new regime, whether that was for 'working from home', 'furlough' or attending work during lockdowns.

To help us understand the level of wellbeing and engagement across our workforce we carried out staff surveys. The results helped us to provide essential equipment to staff working from home and support managers to ensure their teams maintained good level of engagement and wellbeing. The survey results influenced our communications plan and enabled to progress the development of the Smarter Working Strategy.

In December 2020 IWM launched a new Mental Health First Aider programme and successfully trained 14 colleagues who will be able to support an individual, help to make their life at work easier and encourage them to access the available professional support.

Throughout the year a series of guides, training sessions and suggestions on how to look after your health and manage wellbeing was shared via the intranet. These included 'Working from home-best practice guide', 'Manager's toolkit for managing during pandemic' and 'Bye-Bye Burnout'. Colleagues showed great support towards each other and encouraged participation in informal non work-related activities such as staff Christmas party (online), sharing their hobbies or creations or competing in CCAN's University Challenge, part of the IWM Together series.

## **6.2 Training and development**

Our key priority during the exceptional year was to continue offering development opportunities to staff. As our training budget was reduced to help offset the 80% reduction in our income, we focused on the obligatory courses and successfully converted them from classroom-delivery to online virtual sessions.

Additional online resources directory was shared with staff in effort to maintain their engagement and good wellbeing. A new online learning platform (GoodHabitz) with bite-size learning videos was also launched. After the initial month following the launch, engagement with the platform reduced and remained low throughout the year. It is a clear indication that staff at IWM prefer and value our face-to-face (albeit virtual) live sessions offered through the Learning Prospectus. We will review the provision of the online learning offer with the aim of optimising it to meet the needs of IWM and our staff.

We expanded the Prospectus offer in the second half of the year to include courses such as Management Development, Access & Inclusion, Finance for Non-Financial Managers and Safeguarding Awareness. Engagement with these courses was high and with the encouragement of furloughed staff to participate, we achieved 86% of attendance rate for the year on average.

During the year we delivered 82 sessions as part of the Prospectus (102 in the year before), which were attended by 981 staff (919 the previous year). This translates into total of 318 full working days spent by our staff engaging in in-house training via the Prospectus, in other words on average we had delivered 0.6 day of in-house training per employee although many staff participated in additional seminars, conferences and online webinars. External training was paused due to budget constraints and only essential regulatory courses were sponsored. We continued to support eight staff with higher education studies. Apprenticeship appointments were frozen as part of the external recruitment freeze.

## **6.3 Staff composition**

We follow policy guidelines issued by the Cabinet Office about the employment of disabled people. We are an Equal Opportunities Employer and have agreed statements of safety policy under section 2(3) of the Health and Safety at Work Act 1974.

Staffing levels and salary costs have changed considerably over the course of the year to March 2021. At the end of the previous year the Full Time Equivalent (FTE) number of staff was 469.7, with a further 31.6 posts either vacant or approved for recruitment as part of the previous Corporate Plan. This would have produced a total FTE staff of 501.3. This number has reduced to 435.3 currently. This has been achieved through a combination of voluntary early exits and redundancies, resignations, the expiry of fixed term contracts and the elimination of some posts from the structure. This represents a total reduction of 66 FTE posts, a saving of 13%.

Staff turnover during the year was low (20% overall but when considering resignations only it was 6.4%), mainly due to lockdown and economic downturn (29% or 19.4% respectively the year before). Absence level, including sickness continued the trend of

overall minimal level, being 75% less than in 2019-20: 1.1 day absent per FTE in 2020-21 (4.4 days in 2019-20), mainly thanks to working from home and furlough scheme.

## **6.4 Inclusivity**

IWM recognises that diversity is vital to a successful organisation and remains committed to further developing a culture of diversity and inclusion to ensure equal opportunities for all. In 2020-21 we have continued to implement our Access and Inclusion Strategy which was approved in 2018. The strategy sets out how we will transform our work to ensure that anyone can access IWM and that staff, audiences and collections at our national museums reflect the diversity of our local communities, the nation as a whole and the Commonwealth. Through small, meaningful changes over time, access and inclusion will become embedded and part of business as usual. Implementing the strategy is being taken forward by IWM's Access and Inclusion Governance Board.

To achieve the goal of improving inclusivity and diversity at IWM and fulfil IWM's commitments stated in response to the Black Lives Matter movement, the HR department's sustained campaign through the Intranet asking all staff to complete their sensitive information pages on ITrent has doubled the completion throughout the year, reaching 221 out of 478 (46%) by the end of March.

Over the past year our HR practices have been reviewed to help remove unconscious bias from the recruitment application process, supported by an organisation-wide training programme. We have robust recruitment policies in place to ensure fair assessment based on competency.

There were no off-payroll engagements during the year.

## **7. Environmental Sustainability Report**

We are committed to reducing our carbon footprint and the impact of our operations on the environment. We actively seek to conserve energy, water, paper and other resources, particularly those that are scarce or non-renewable. We aim to reduce and minimise waste through best practice by reusing and recycling and by using reconditioned and recycled products and materials where such alternatives are available.

We know that most of the fall in our consumption and travel costs is due to the Covid-19 pandemic and the fact that for much of the year our doors have been closed to visitors and to most of our staff. However, we continue to move in the right direction in regard to sustainability and it is a priority for IWM.

Our new and sector-leading Sustainable Development Policy aims to improve our performance and practice by meeting all relevant current and foreseen statutory regulations and official codes of practice, using passive and low energy systems wherever practicable and achieving the sustainable development targets set by the government.

We are registered with the Government Reduction Commitment (CRC) Energy Efficiency Scheme, measuring and monitoring consumption at each of our five branches and making this information available to the public through Display Energy Certificates.

Transforming IWM London Phase 2, the second phase of our long-term masterplan for IWM London, has progressed in 2020-21. The project involves new gallery development within a grade 2 listed, historic building and as such we are working to a bespoke framework which draws from BREEAM (a recognised environmental assessment method and rating system for buildings). We also have achieved BREEAM excellence for Parkside, the project to deliver new staff accommodation to the rear of All Saints, London.

### **7.1 Greenhouse gas emissions**

One of IWM's strategic aims is to increase our financial sustainability to secure the long-term financial viability of our organisation and continue to fund our world-class public offer. Efficiency is at the heart of this objective and energy consumption reduction is a priority, measured as one of our Key Performance Indicators and reported to Senior Management.

We have made great progress in being better able to record our greenhouse gas emissions. This year our greenhouse gas emissions have decreased by 40%. Emissions have gone down, despite our ongoing Transforming works.

#### **7.1.1 Collections management**

With regard to new initiatives, we have made significant progress in reducing energy consumption and greenhouse gas emissions with the introduction of new, sustainable collections storage solutions. Our new collections store at IWM Duxford, which opened in 2019, has radically reduced energy consumption. It has been built to a high fabric performance (with minimal U-values, no thermal bridges and high air tightness). The new store is coupled with the ground to maintain the cool temperatures required, essentially

reducing heating, ventilation and air conditioning requirements of our store to domestic levels. The result is an archive that can maintain PD5454 conditions with no heat input, the only services required being a domestic sized supply MVHR unit with a small amount of dehumidification and cooling. This approach maintains exceptionally stable conditions and in the long term will bring down energy usage and costs considerably.

### **7.1.2 Estate management and masterplanning**

The management of our estate is an area where we can make long-term, demonstrable improvement. The estate we manage is considerable, comprising 114 buildings, an operational airfield dating back to the First World War, a Second World War cruiser and Churchill's wartime bunker beneath Whitehall. The nature of our estate and the age, condition and variety of the heritage buildings in our care present us with a considerable challenge in reducing our carbon footprint and operating costs. We are achieving energy savings in our permanent collections and temporary exhibitions through a continued, phased programme of replacing lighting with more efficient schemes. We continue to replace the lighting schemes at IWM London with LEDs.

In implementing our masterplan for IWM London and for Transforming IWM London Phase 2, we have collaborated with the project sustainability consultants on drafting and implementing two new sustainability frameworks:

- a framework for IWM construction projects that will guide the development of Transforming IWM London Phase 2 and give us with a standardised approach for future construction projects
- a framework for general building operation that will introduce a score card to help us assess performance and set improvement targets. This is a key part of our Sustainability Strategy currently being developed to bring emissions levels down further.

### **7.1.3 Exhibition delivery**

Waste minimisation continues to be a major objective of our exhibitions production. We maintain a stock of showcase fronts which are incorporated where possible in the designs for our temporary exhibitions. These have been used many times before and shared across our branches. Moving forward, we are procuring a reusable showcase system for our temporary exhibition programme that will improve sustainable practice and reduce waste. If we are unable to reuse showcases, they are offered to other museums.

Our mission to make our collections as widely accessible as possible through the loans of our collection has an impact on our carbon footprint. To minimise this, every effort is made to consolidate loans and combine shipments, while part-load transits are used to save on fuel and reduce resources.

### **7.1.4 Performance review**

Total scope 1: greenhouse gas emissions show a decrease of 40% as noted. Total scope 2: energy consumed in kWh has also fallen by 39.5% on last year.

Our travel emissions fell by 90%. Staff have made use of remote working technology to continue to collaborate remotely and this will largely continue going forward.

We have seen a 48% fall in overall waste disposal on last year.

<b>Greenhouse gas emissions (actual)</b>	2020-21 actual	2019-20 actual	% change year on year	2018-19 actual	2017-18 actual
Scope 1: total emissions (tCO <sub>2</sub> e)	993	1,657	-40%	1,520	1,580
Scope 1: emissions from gas consumption (tCO <sub>2</sub> e)	423	701	-39.5%	759	833
Scope 1: emissions from oil consumption (tCO <sub>2</sub> e)	541	802	-32.5%	738	720
Scope 1: emissions from fuel consumption (tCO <sub>2</sub> e) <sup>4</sup>	29	154	-81%	23	27
Scope 2: Energy consumed electricity (tCO <sub>2</sub> e)	1,755	2,903	-39.5%	3,639	4,685
Scope 2: Energy consumed (kWh) electricity, gas and oil consumption combined ( <i>rounded up to nearest 000's</i> )	7,526	14,281	-47%	15,973	16,710
Scope 3: Domestic business travel (tCO <sub>2</sub> e)	11	107	-90%	111	84

<b>Greenhouse gas emissions Financial expenditure '000s</b>	2020-21	2019-20	% change year on year	2018-19 actual	2017-18 actual
Carbon offset purchases	£0	£0	0	£0	£0
Scope 1: expenditure of emissions from organisation-owned fleet vehicles (gross) <sup>5</sup>	£7.34	£11.50	-36%	£11.96	£13.07
Scope 2: expenditure of energy consumed (kWh) electricity, gas and oil consumption combined <sup>6</sup>	£1,142	£1,593	-28%	£1,564	£1,433

<sup>4</sup> Previous year totals have been restated as they were based on fuel consumption solely from IWM owned vehicles. This has been adjusted to include emissions from all vehicles used in our operations (including leased vehicles).

<sup>5</sup> Previous year totals have been restated as they were based on fuel consumption solely from IWM owned vehicles. This has been adjusted to include emissions from all vehicles used in our operations (including leased vehicles).

<sup>6</sup> 2019-20 comparative figure is 1,514 (down 3%). 2019-20 expenditure now also includes aircraft fuel for improved accuracy.



Electricity expenditure	£967	£1,266	-24%	£1,308	£1,200
Gas expenditure	£170	£246	-30%	£256	£233
Scope 3: Total expenditure of official business travel (subdivided below)	£30	£380	-92%	£429	£379
Air travel	£0	£18	-100%	£20	£18
Rail and underground	£12	£225	-95%	£255	£225
Bus or coach	£0	£7	-100%	£8	£7
Hire car or taxi	£5	£38	-87%	£43	£38
Private vehicle	£12	£91	-87%	£103	£91

## 7.2 Waste management and minimisation

We work in partnership with our waste service provider to ensure that no waste is sent to landfill and that all waste generated is responsibly sorted and disposed of so that the bulk of waste from our daily museum operations, large-scale visitor events (such as air shows), corporate hospitality and the maintenance of our grounds is recycled or composted. Where appropriate, waste material is reused. Our waste contractor, Servest, actively avoids sending any waste to landfill, instead ensuring that waste that cannot be recycled or reused is incinerated through the waste-to-energy schemes, where energy created from remaining waste is channelled back into the National Grid.

IWM has put sustainability front and centre as we move to paperless working and electronic records management.

We have seen a 48% fall in overall waste disposal on last year. Although this is largely because of staff working offsite, a lot of activity continued, including our Transforming works. The volume of waste incinerated through waste-to energy has also reduced by 39.5% on last year and a steady volume of waste generated through our operations has been recycled or reused.

We advocate the use of water bottles (glass) and reusable tumblers instead of disposable plastic cups. Where the use of plastic cups is unavoidable, we have advised that recyclable/ biodegradable alternatives be purchased in place of plastic. Our public caterers offer a discount for customers who bring in their own hot beverage reusable cups to minimise the purchase and use of disposable takeaway cups.

Our IT department continue to adopt policies that promote sustainable practice. We are

rolling out our 'one device' strategy, which has reduced our number of devices and wastage. We have completed our new Parkside staff accommodation, which will be our first completely agile workspace (hot desking and remote working reducing our stock of hardware and the disposal of obsolete devices). Staff will move into the building when Covid-19 restrictions are eased. We continue to move more services to the cloud, following the migration of our Intranet (SharePoint) to a cloud-based service. This saves on power consumption and data centre cooling, but also physical hardware replacement and related waste.

<b>Waste minimisation</b>	2020-21 actual	2019-20 actual	% change year on year	2018-19 actual	2017-18 actual
Total waste disposed (tonnes)*	267	519	-48.5%	592	638
Hazardous waste disposed	0	11	-100%	12	9.27
Waste sent to landfill (tonnes)*	0	0	-	0	0
Waste recycled or reused (tonnes)*	105	250	-58%	271	163
Composted waste (tonnes)*	0	0	-	18	18
Percentage of waste recycled and composted*	39%	49%	-20%	28%	37%
Waste incinerated to convert to energy (tonnes)*	162	268	-39.5%	445	280
Average waste produced per annum per visitor and full time equivalent staff (kilograms)	1.02	0.25	+308%**	0.26	0.26
Average waste recycled, reused or composted per annum per visitor and full time equivalent staff (kilograms)	.404	0.12	+236%**	0.09	0.09

\* The proportion of waste to landfill is zero as our service providers since November 2016 have not sent any waste to landfill.

\*\*This is largely due to the drop of visitor figures in 2020-21.

<b>Waste minimisation Financial expenditure '000s</b>	2020-21 actual	2019-20 actual	% change year on year	2018-19 actual	2017-18 actual
Total expenditure on waste disposal	£153	£210	-27%	£185	£193
Expenditure on waste sent to landfill	£0	£0	-	£0	£0
Expenditure on waste recycled/reused	£61	£101	-40%	£84	£88
Expenditure on waste incinerated	£0	£0	-	£0	£0
Expenditure on waste converted to energy	£93	£109	-14%	£100	£105

### 7.3 Finite resource consumption

We actively take measures to conserve water, paper and other scarce or non-renewable resources by investing in efficient systems and technologies and encouraging more responsible use of resources across IWM.

We have a clear picture of our water consumption due to actual meter reads being applied to bills. We continue to make good progress in cutting back on the consumption of paper and our long-term ambition is for IWM to operate a paperless office/working culture. We have been developing a Smarter Working Strategy which will support this.

Our overall print usage reduced by 1,074 reams of paper on last year. We know that this is largely due to staff working offsite and our museum closures. However, as we return to offices we hope to continue to keep paper wastage low.

Our PaperCut print management system ensure that we avoid wastage through error or unnecessary print requests. Staff activate print jobs with their staff pass. Our policy is to use FSC-certified or recycled paper for our printed publications.

We work with print suppliers who can demonstrate a commitment to sustainability. All timber that we procure for exhibitions programmes and capital/construction projects is procured with sustainable sources, with suppliers required to provide us with certificates to validate this.

<b>Finite resource consumption</b>	2020-21 actual	2019-20 actual	% change year on year	2018-19 actual	2017-18 actual
Finite resources, water (in cubic metres/m <sup>3</sup> )*. <i>Rounded up to nearest 000's</i>	27	92	-70.5%	100	126

Paper consumption - A4 (reams of paper). <i>Actual number reported</i>	305	1,335	-77%	1,983	2,170
Paper consumption - A3 (reams of paper). <i>Actual number reported</i>	6	50	-88%	155	70

\* The water consumption figure above excludes Churchill War Rooms as the data is not available (this service is independently managed by HM Treasury as Churchill War Rooms is situated in the basement of the Treasury).

<b>Finite resource consumption Financial expenditure '000s</b>	2020-21 actual	2019-20 actual	% change year on year	2018-19 actual	2017-18 actual
Expenditure on water supplied	£128	£190	-32.6%	£193	£183
Expenditure on paper A4 & A3 (not in £'000)	£0.7	£3	-76.5%	£5	£5

## 7.4 Procurement

In the preparation of tenders, our questionnaire always asks suppliers to provide their environmental and sustainability policy. In cases where sustainability issues are critical to the performance of a product or service (in the case of energy consumption, the lifetime of the product or lifecycle of the consumables), we always request specific information to be provided, so as to form part of the criteria for assessment.

## 7.5 Future plans

We know that we are susceptible to energy price rises in the future and our spending in this area may rise, despite a fall in overall energy consumption.

We have engaged a consultant to look at sustainability at IWM and a strategy and plan has been taken forward from this. The focus of the work is underpinned by the UN Sustainable Development Goals of which a key part was the protection and preservation of heritage. A number of strategic themes have been agreed:

- Decarbonisation of the estate
- Responsible consumption
- Local impact
- Building the conversation
- Protections of heritage against changing climate
- Information intelligence

Some tangible projects include the installation of solar panels on the roof of Duxford buildings and taking some buildings off grid. There are plans for electric vehicle charging points at IWM Duxford. Groundwork technology is also a key part of decarbonisation at Duxford.

Sustainability is now being led through our Estates Infrastructure Board, and largely managed with our Estates team. There is more to sustainability than our estate and we are doing this throughout the organisation, but we believe we can have the most impact

through our vast estate and the potential to make it more sustainable.



Matthew Westerman  
Chair of the Trustees

Date 6 July 2021



Diane Lees CBE FMA FRSA  
Director-General and Accounting  
Officer

Date 6 July 2021

## **8. Reference and Administrative Details of the Charity, the Trustees and Advisers**

### **8.1 Addresses**

#### **IWM London**

Lambeth Road  
London SE1 6HZ

#### **IWM North**

The Quays  
Trafford Wharf Road  
Manchester M17 1TZ

#### **IWM Duxford**

Cambridgeshire CB22 4QR

#### **Churchill War Rooms**

Clive Steps  
King Charles Street  
London SW1A 2AQ

#### **HMS Belfast**

The Queen's Walk  
London SE1 2JH

#### **Website**

[iwm.org.uk](http://iwm.org.uk)

### **8.2 Principal advisers**

#### **Solicitors**

IWM employs the Treasury Solicitor and commercial solicitors on an ad hoc basis.

#### **Principal bankers**

Barclays Bank  
Level 12  
1 Churchill Place  
London E14 5HP

National Westminster Bank Plc  
91 Westminster Bridge Road  
London SE1 7HW

### **8.3 Audit**

Under statute, the Comptroller and Auditor General is the principal auditor of IWM's consolidated accounts for the year ended 2020-21. The audit fee in respect of this work was £47,500.

#### **Auditors**

##### **Consolidated accounts**

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

So far as the Accounting Officer and the Board is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing his report, of which the auditor is unaware. Having made enquiries of the Board of Trustees, the Accounting Officer has taken all the steps that she is obliged to take as Accounting Officer in order to make herself aware of any relevant audit information.

##### **Imperial War Museum Trading Company Limited**

Moore Kingston Smith  
Devonshire House  
60 Goswell Road  
London EC1M 7AD

##### **Imperial War Museum Film Production Limited**

Moore Kingston Smith  
Devonshire House  
60 Goswell Road  
London EC1M 7AD

##### **Internal audit**

MHA Macintyre Hudson  
2 London Wall Place  
London EC2Y 5AU

### **8.4 The Imperial War Museum Trading Company**

The Imperial War Museum Trading Company Limited (registration number 3719634) was incorporated on 25 February 1999 and commenced trading on 1 April 1999. All the issued share capital of the company is held by the Trustees of the Museum as a body corporate.

The principal activity of the Trading Company is the operation of the commercial and learning activities of IWM, including retailing, corporate hospitality and the IWM Duxford air shows. The registered office of the Trading Company is the Imperial War Museum London.

#### **The Directors of the Imperial War Museum Trading Company**

Sir Guy Weston (Chair wef March 2020)  
Keith Cameron  
Jon Card ACA  
Elizabeth Cleaver (to 27 November 2020)  
Diane Lees CBE  
Catharine Pusey (until March 2021)  
Tamsin Todd (Chair to March 2020)

## **8.5 The Imperial War Museum Film Production Limited**

The Imperial War Museum Film Production Limited (registration number 9612995) was incorporated on 28 May 2015. The principal activity of the Company is to engage in the production and distribution of commercial film, including 14-18 NOW: First World War Centenary Art Commissions and IWM co-commissioned film projects. This company continues to be dormant.

## **8.6 Director-General and Accounting Officer**

The Director-General and Accounting Officer for IWM is Diane Lees CBE FMA FRSA

## **Members of the Board of Trustees of the Imperial War Museum**

### **President**

His Royal Highness The Duke of Kent KG GCMG GCVO

### **Vice President and Chairman**

Matthew Westerman

### **Deputy Chairman**

Tim Marlow OBE

### **Board Members**

Desmond Bowen CB CMG

Hugh Bullock

Elizabeth Cleaver (to 27 November 2020)

Lt General Andrew Figgures CB CBE

Angus Lapsley

Professor Margaret MacMillan CC CH DPhil

Suzanne Raine

Air Marshal Edward Stringer CB CBE (wef 1 November 2020)

Tamsin Todd

Mark Urban

Rear Admiral Mike Utley CB OBE (wef 1 November 2020)

Sir Guy Weston

His Excellency The Hon George Brandis QC (High Commissioner for Australia)

Her Excellency Mrs Janice Charette (High Commissioner for Canada)

Her Excellency Gaitri Issar Kumar (High Commissioner for India)



His Excellency Bede Corey (High Commissioner for New Zealand)  
His Excellency Moazzam Ahmad Khan (High Commissioner for Pakistan)  
Her Excellency Ms Nomatamba Tambo (High Commissioner for South Africa)  
Her Excellency Saroja Sirisena (High Commissioner for Sri Lanka)

## **8.8 Board of Trustees Committee Members**

### **Audit Committee**

Lt General Andrew Figgures CB CBE (Chair wef 1 March 2020)  
Suzanne Raine  
Air Marshal Edward Stringer CB CBE (wef 8 December 2020)  
Brigid Sutcliffe ACA

### **Estates Advisory Committee**

Hugh Bullock  
Desmond Bowen CB CMG  
David Godden  
Mike Griffiths  
Rear Admiral Mike Utley CB OBE (wef 8 December 2020)  
Beth West

### **Art Commissions Committee**

Tim Marlow OBE  
Fiona Bradley  
Paul Seawright  
Vikki Heywood (wef 17 March 2020)  
Jennifer Higgie  
Jenny Waldman CBE

### **Nominations Committee**

Matthew Westerman  
(Committee re-constituted in April 2020)

### **Remuneration Committee**

Matthew Westerman  
Tim Marlow OBE  
Lt General Andrew Figgures CB CBE (wef 1 March 2020)  
(Committee reconstituted in March 2020)



Matthew Westerman  
Chair of the Trustees

Date 6 July 2021



Diane Lees CBE FMA FRSA  
Director-General and Accounting  
Officer

Date 6 July 2021

## 9. Remuneration Report

### Remuneration Committee and policy

The Board's Remuneration Committee meets annually to consider pay awards for the Director-General. The Committee comprises the Chairman and Deputy Chairman of the Board of Trustees and the Chair of the Audit Committee. The Director-General is eligible for a discretionary bonus of up to 15 per cent of which up to 2 per cent may be consolidated into pay as the annual rise. In addition the Committee receives details of the Executive Directors' pay. The Executive Directors are set objectives based on IWM's business plans. The Director-General reviews their performance against these.

During the year, in response to the COVID-19 crisis, the Director General and the three Executive Directors agreed to a pay reduction of 20% for May to July of 2020, at the beginning of the Pandemic. No bonus was paid to the Director-General. The Director-General received a bonus in 2019-20. No other bonuses were paid to the three members of the Executive Leadership Team listed below during 2020-21 or 2019-20. There were no pay rises in 2020/21, and pay rises were capped at 2 per cent for all Directors in 2019-20. The pay of the Director-General and of the Executive Directors is subject to benchmarking on a periodic basis.

### 9.2 Remuneration (including salary) and pension entitlements

The audited salary and pension entitlements of senior staff with corporate responsibilities as of 31 March 2021 were as follows:

Single total figure of remuneration										
	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (£1,000)		Total (£1,000)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>D Lees</b> Director General	145 – 150 (155 – 160)	155 – 160	nil	19	nil	nil	66	163	215 – 220 (220 – 225)	210 – 215
<b>J Card</b> Executive Director of Collections and Governance	110 – 115 (115 – 120)	115 – 120	nil	Nil	nil	nil	21	26	130 – 135 (135 – 140)	130 – 135
<b>G Webber</b> Executive Director of Content and Programmes	95 – 100 (100 – 105)	100 – 105	nil	Nil	nil	nil	38	40	135 – 140 (140 – 145)	135 – 140
<b>J Brown</b> Executive Director Commercial Services and Operations	95 – 100 (100 – 105)	100 – 105	nil	Nil	nil	nil	38	40	135 – 140 (140 – 145)	135 – 140

*The figures for 2020-21 above show the bands for the actual remuneration paid to each member of ELT, which includes the 20% pay reduction that the team took in the three*

*months of May June and July 2020. The full salary equivalent of the range in which their remuneration would have fallen if they had received full salary, is shown in brackets, underneath each team member.*

For 2020-21 Ms Lees was provided with an accommodation allowance of £14,560 (2019-20, £14,560), the amount of which is included in the salary figures above. No other benefits in kind were made available to the Director-General or Executive Directors in the year.

The Director-General and Executive Directors have permanent contracts of employment with notice periods of three months. Other than those stated in the table above, no other benefits in kind were made attributable to them for the year.

No compensation payments were made to any senior staff (2019-20, nil). In the event of early termination of employment the provisions of the Civil Service Pension Scheme are to be followed.

The Chairman and Board of Trustees received no remuneration for their services during 2020–21 or 2019-20. Travel and subsistence expenses paid to three Trustees amounted to £nil (this was £764 in 2019–20).

### 9.3 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.

	<b>2020-21</b>	<b>2019-20</b>
	£'000	£'000
Band of highest paid director’s total remuneration	155-160	175-180
Median total remuneration	£29,646	£29,507
Ratio	5.31	6.02

The banded remuneration of the highest-paid director in IWM in the financial year was £155,000– £160,000 (2019-20, £175,000 – £180,000). This was 5.31 times (2019–20, 6.02) the median remuneration of the workforce, which was £29,646 (2019–20, £29,507). The reason for the reduction of ratio in 2020-21 was because the highest paid director was not paid a bonus in the year and the Director General and the three Executive Directors agreed to a pay reduction of 20% for May to July of 2020 due to the ongoing COVID-19 Pandemic.

In 2020-21, no employees (2019-20, nil) received remuneration in excess of the highest-paid director. Remuneration ranged from £17,500 to £160,000 (2019-20, £16,500 to £180,000).

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

## 9.4 Pension Benefits

	Accrued pension at pension age as at 31/3/21 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/21	CETV at 31/3/20	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
<b>D Lees</b> Director General	60 – 65 plus lump sum of 45 – 50	2.5-5 plus a lump sum of 0-2.5	1,256	1,164*	47	Nil
<b>J Card</b> Executive Director of Collections and Governance	35 – 40 plus lump sum of 110-115	0 – 2.5 plus lump sum of 2.5 – 5	841	828	20	Nil
<b>G Webber</b> Executive Director Contents and Programmes	10 – 15 plus lump sum of nil	0 – 2.5 plus lump sum of nil	171	136	24	Nil
<b>J Brown</b> Executive Director of Commercial Services and Operations	10 – 5 plus lump sum of nil	0 – 2.5 plus a lump sum of nil	147	110	26	Nil

\*The opening balance of the CETV for D Lees as at 31 March 20 has been updated to reflect a retrospective update made to salary data.

## 9.5 Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants, and the majority of those already in service, joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60, and one providing benefits on a whole career basis (nuvos), with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were in 10 years of their normal pension age on 1 April 2012, remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years 5 months from their normal pension age on 1 April 2012 will switch to alpha sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different

benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report ). All members who switch to alpha will have their PCSPS benefits “banked”, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years’ initial 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. Classic plus is essentially a hybrid with benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during the period of scheme membership. At the end of the scheme year (31 March) the member’s earned pension account is credited with 2.3 percent of their pensionable earnings in that scheme year and the accrued pension is uprated in line with the Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

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

From January 2019, all new employees of the Imperial War Museum Trading Company are enrolled into the IWM Group Pension Plan. The minimum employee contribution made is 2% of pensionable salary, for which the IWM Trading Company will contribute 6% of pensionable salary. If an employee chooses to increase their contributions to 3% of pensionable salary, the IWM Trading Company will contribute 7% of pensionable salary. Employee contributions of 4% pensionable or more, and the IWM Trading Company will contribute 8% of pensionable salary.

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 already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

## 9.6 Cash Equivalent Transfer Value (CETV)

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 pension benefits they have 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 the disclosure applies.

The figures include the value of any pension benefit in another scheme which the member has transferred to the Civil Service pension arrangements. They include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETV's are worked out in accordance with The Occupational Pension Schemes (transfer Values) (Amendment) Regulations 2008 and do not take into account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

## 9.7 Real increase in CETV

This reflects the increase in CETV that is 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 figures for the start and end of the period.

## 9.8 Reporting of civil service and other compensation schemes – exit packages

*(Comparative data is shown in brackets for previous years)*

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	nil (nil)	14 (4)	14 (4)
£10,000–£25,000	nil (nil)	12 (1)	12 (1)
£25,000–£50,000	nil (nil)	4 (nil)	4 (nil)
£50,000–£100,000	nil (nil)	4 (1)	4 (1)
Total number of exit packages	nil (nil)	34 (6)	34 (6)
Total resource cost / £	£nil (£nil)	£674,024 (£109,316)	£674,024 (£109,316)

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of the early departures being agreed. Where the IWM has agreed early retirements, the additional costs are met by the IWM and not by the Civil Service pension scheme. Ill-health retirement

costs are met by pension scheme and are not included in the table. Included in the exit costs above are redundancy compensation, top-up compensation to buy out the actuarial reduction on pension, PILON (Payment In Lieu Of Notice, salary part) and CILON (Compensation In Lieu Of Notice, pension part).

## The Trade Union (Facility Time Publication Requirements) Regulations 2017

### 1 Relevant union officials

The total number of the employees of Imperial War Museum who were union officials during 2020-21. Comparative data for 2019-20 is shown in brackets.

Number of employees who were relevant union officials during 2020-21	Full-time equivalent employee number
11 (4)	11 (4)

### 2 Percentage of time spent on facility time

The number of employees of Imperial War Museum who were relevant union officials employed during 2020-21, and the percentage of their time spent on facility time. Comparative data for 2019-20 is shown in brackets.

Percentage of time	Number of employees
0%	nil (nil)
1%-50%	11 (4)
51%-99%	nil (nil)
100%	nil (nil)

### 3 Percentage of pay bill spent on facility time

The percentage of the total pay bill of Imperial War Museum spent on paying employees who were relevant union officials for facility time for 2020-21. Comparative data for 2019-20 is shown in brackets.

First Column	Figures
Total cost of facility time	£10,957 (£11,069)
Total cost of Imperial War Museum pay bill	£20,627,207 (£20,455,265)
The percentage of Imperial War Museum's pay bill spent on facility time	0.05% (0.05%)

### 4 Paid trade union activities

How many hours spent by employees, who were relevant union officials during 2020-21, on paid trade union activities. Comparative data for 2019-20 is shown in brackets.

Time spent on paid trade union activities as a percentage of total paid facility time hours	4% (3.97%)
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## 10. Statement of Trustees' and Director-General's Responsibilities

Under Section 9 (4) and 9 (5) of the Museums and Galleries Act 1992, the Board of Trustees is required to prepare a statement of accounts on an accruals basis for each financial year in the form and on the basis determined by the Secretary of State for the Department for Digital, Culture, Media and Sport with the consent of the Treasury. The accounts are prepared to show a true and fair view of IWM's financial activities during the year and of its financial position at the end of the year.

In preparing IWM's accounts the Board of Trustees is required to:

1. Observe the accounts direction issued by the Secretary of State and the Government Financial Reporting Manual, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
2. Make judgements and estimates on a reasonable basis
3. State whether applicable accounting standards as set out in the Government Financial Reporting Manual and the Statements of Recommended Practice have been followed, and disclose and explain any material departures in the financial statements
4. Prepare the financial statements on the going concern basis, unless it is inappropriate to assume that IWM will continue in operation

The Accounting Officer for the Department for Digital, Culture, Media and Sport has designated the Director-General, Diane Lees CBE, as the Accounting Officer for IWM. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the public finances for which she is answerable and for the keeping of proper records and the safeguarding of IWM assets, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, issued by the Treasury and published in Managing Public Money. As far as the Accounting Officer is aware, there is no relevant audit information of which the entity's auditors are unaware, and she has made herself aware of any relevant audit information and established that the entity's auditors are aware of that information. The Accounting Officer confirms that the annual report and accounts is fair, balanced and understandable and takes responsibility for the Annual Report and Accounts.



Matthew Westerman  
Chair of the Trustees

Date 6 July 2021



Diane Lees CBE FMA FRSA  
Director-General and Accounting  
Officer

Date 6 July 2021

## **11. Governance Statement**

### **11.1 Introduction**

IWM was founded on 5 March 1917 when the War Cabinet approved a proposal by Sir Alfred Mond MP for the creation of a national war museum to record the events still taking place during the First World War. The intention was to collect and display material as a record of everyone's experiences during that war – civilian and military – and to commemorate the sacrifices of all sections of society.

The interest taken by the Dominion governments led to the renaming of the National War Museum to Imperial War Museum later in 1917. It was formally established by Act of Parliament in 1920 and a governing Board of Trustees appointed.

IWM is now governed by a Board of Trustees acting on the authority of the Imperial War Museum Acts 1920 and 1955, the Museums and Galleries Act 1992 and other relevant legislation. We are a non-departmental public body (NDPB) with the Department for Digital, Culture, Media and Sport (DCMS) as our sponsoring body.

### **11.2 Corporate governance framework**

#### **11.2.1 Scope of responsibility**

The Trustees and Director-General, as Accounting Officer, have responsibility for maintaining a sound system of internal control to support the achievement of our aims and objectives. IWM's governance system ensures that public funds and our assets are safeguarded in accordance with HM Treasury's 'Managing Public Money' and, specifically, the Management Statement and Financial Memorandum between IWM and DCMS. Internal audit for the period of this report was provided by MHA MacIntyre Hudson, an independent company which operates within the government Internal Audit Standards. External independent sources of assurance are provided by Grant Thornton, on behalf of the National Audit Office, and Kingston Smith, who audit our Trading Company.

#### **11.2.2 Board of Trustees**

As a non-executive board, IWM's Trustees are collectively responsible for the management and control of IWM.

#### **Membership**

The Board of Trustees has 22 members, including the President, who is appointed by the Sovereign. The remaining members of the Board are appointed variously by:

- The Prime Minister
- The Secretary of State for Foreign and Commonwealth Affairs
- The Secretary of State for Digital, Culture, Media and Sport
- The Secretary of State for Defence

- The seven Commonwealth Governments of Australia, Canada, India, New Zealand, Pakistan, South Africa and Sri Lanka who are represented by their High Commissioners in an *ex officio* capacity.

Apart from the President, the High Commissioners and an *ex officio* Ministry of Defence appointee, appointments to the Board are made on merit, following a fair and transparent process, which is regulated by the Office of the Commissioner for Public Appointments. Trustees are appointed in the first instance for a term of up to four years. The Vice-President and Chairman of the Board is elected – in accordance with the provisions of the Imperial War Museum Act 1920 – by the Trustees from among their number to lead Board meetings and to represent the Board and interests of IWM.

Elizabeth Cleaver retired from the Board in November 2020 and we are in the process of seeking approval from DCMS to progress with recruitment to fill the vacancy. Air Marshal Edward Stringer was appointed as the Royal Air Force Trustee in November and Rear Admiral Mike Utley was appointed as the Royal Navy Trustee in the same month. Following a temporary extension of his first term, Tim Marlow's second term of office has been confirmed for a further four years from 1 November 2020.

Matthew Westerman remains as Chair of Trustees, Tim Marlow remains as Deputy Chair.

## **Role**

The Board of Trustees has legal responsibility for the management of IWM's collections, buildings and financial assets. It approves IWM's Corporate Plan objectives and targets that are agreed with DCMS through our Funding Agreement. Along with approving strategic direction, the Board of Trustees monitors our performance and the progress of projects and programmes set out in our Corporate Plan. It is supported in carrying out these duties by a number of committees, including the Audit Committee (who have delegated responsibility for monitoring the process of risk management), Estates Advisory Committee, Art Commissions Committee, Remuneration Committee and Nominations Committee.

### **11.2.3 Committees**

- The Audit Committee advises the Director-General and the Board of Trustees on the adequacy of audit arrangements, risk management and internal control. It regularly reviews risk management. The Board of Trustees in turn reviews the effectiveness of our risk management process on an annual basis. The Committee recommends the Annual Report and Accounts for approval to the main Board and is responsible for policy review. It reviews internal and external audit reports and agrees an Internal Audit Strategy that is responsive to our strategic and key operational risks. Annually the Committee receives a report from IWM Duxford's Flight Safety Committee and IWM's Health and Safety Report.
- The Estates Advisory Committee provides assurance to the Board that adequate processes of estate strategic planning and asset management are in place and working effectively. The Committee reviews and advises on the range and sequence of projects to be brought forward to deliver the strategy. It monitors the development and implementation of specific masterplans and makes recommendations to the

Board and the Executive Leadership Team as appropriate. Key property related risks are monitored and reported to the Board and the Trustees' Audit Committee.

- The Art Commissions Committee (ACC) is empowered by the Trustees to select and agree terms with artists for the commission of works relating to all aspects of British and Commonwealth Forces' activities, including their role as part of UN military, humanitarian or civilian operations. It agrees interpretative or retrospective commissions which relate specifically to IWM's remit. The ACC holds responsibility for the IWM 14-18 NOW Legacy Fund, through which IWM will be making £2 million available for over 20 new fully funded art commissions. Revised terms of reference and membership of the ACC were agreed in March 2020 to reflect this legacy fund which will enable IWM to expand and extend the way it supports the creation of new artwork relating to heritage.
- The Remuneration Committee oversees the review of the Director-General's pay and performance.
- The Nominations Committee takes the lead in Trustee appointments.

#### **11.2.4 Executive teams**

##### **11.2.4.1 Executive Leadership Team**

Our Executive Leadership Team (ELT) is an executive, decision-making body that is responsible for the strategic leadership of IWM. The team supports the Accounting Officer in the delivery of our strategic aims and objectives as agreed with the Board of Trustees.

#### **Membership**

- Director-General (Chair)
- The Executive Director of Collections and Governance
- The Executive Director of Content and Programmes
- The Executive Director of Commercial Services and Operations
- Assistant Director Strategy and Governance (Minutes)

#### **Role**

ELT is tasked with setting IWM's strategic direction in agreement with our Board of Trustees. They monitor the use of public funds, ensure that best value for money is delivered and approve major projects, investment and resource allocation. The team maintains an overview of the compliance and regulatory systems of IWM. They are responsible for ensuring that the safeguards and controls we have in place effectively manage our risks, assets and funds. ELT ratifies new strategy and key areas of policy and process, prior to presentation to the Board of Trustees for final approval. The team leads on the process of change, including cultural change, as the organisation continues to develop our ongoing change programme.

They are supported in the implementation of our strategic and regulatory function by our Senior Management Team.

#### **11.2.4.2 Senior Management Team**

Our Senior Management Team (SMT) supports the Director-General and ELT in the general management of IWM. Following direction from ELT, the team takes forward IWM's agreed strategic aims and objectives.

##### **Membership**

- Assistant Director Strategy and Governance (Chair)
- Assistant Director Collections Management
- Assistant Director Commercial Services
- Assistant Director Major Projects
- Assistant Director Narrative and Content
- Assistant Director Operations
- Chief Information Officer
- Assistant Director Communications and Marketing
- Assistant Director Exhibitions and Interpretation
- Assistant Director Public Engagement and Learning
- Assistant Director Digital Transformation
- Assistant Director Resources
- Director of Development
- Head of Governance (Minutes)

##### **Role**

SMT actively manages the system of controls determined by ELT. This includes stewardship of funds and assets and the management of risk. They prepare strategy documents and recommend policy changes to ELT. SMT coordinates our key business processes and information including the preparation of the Corporate Plan, progress and evaluation reports and the implementation of internal audit recommendations. The team is responsible for coordinating budget and staff resource to ensure that we deliver our Corporate Plan activities and our highest strategic priorities.

SMT is active in helping to embed new ways of working, monitoring performance across all areas of business and actively supporting organisational change.

#### **11.2.4.3 Governance Boards**

Our Governance Boards support SMT in the delivery of our strategic priorities. In 2018 a governance review was undertaken and a new Governance Board structure implemented. In 2020 the Methods of Working Board was disbanded and replaced with a Smarter Working Governance Board to reflect this new initiative.

##### **Strategic Boards**

- Access and Inclusion
- Income Generation
- Reputation and Brand
- Smarter Working
- Valuing our Staff and Volunteers

- Visitor Experience

#### Stewardship Boards

- Collections Management
- Estates and Infrastructure
- Health and Safety
- Information Governance

#### Programme Boards

- Digital Transformation
- IWM Institute
- Masterplanning
- Public Programmes

IWM's Governance boards work to specific remits as identified within their terms of reference, with priorities agreed as part of corporate planning. The boards all report into SMT via the Chair or by a nominated Assistant Director. The structure facilitates close cross-departmental working and collaboration and in doing so ensures that we are directing resource to our highest strategic objectives.

### **11.3 Annual review**

#### **11.3.1 Board of Trustees**

The Board of Trustees signed off the Annual Report and Accounts for 2019-20 and IWM's Corporate Plan 2021-25. It has approved disposals from the collections in compliance with our statutory and governance requirements. Financial performance and progress against Corporate Plan 2020-25 targets and objectives has been monitored. The Board has carried out annual reviews of risk management and strategic development and received annual reports from the Audit Committee and Directors of the Trading Company.

Key areas of business considered and approved include:

- Progress of IWM's major projects including Transforming IWM London Phase 2 (the redevelopment of our Holocaust and Second World War Galleries), the IWM Duxford and HMS Belfast masterplans, our Collections Storage programme
- Our Collections Development and Digital Transformation Programmes
- IWM's public programme and the IWM Institute
- Approval of IWM strategies relating to Donor and Sponsor Relations, Development and Corporate Governance
- Ongoing review and consideration of IWM response to Covid-19 and revised Corporate Plan

Due to Covid-19 restrictions the annual Board Away Day could not take place in 2020. The Away Day for 2021 took place in May. Trustees heard from the Director-General about plans and priorities going forward and discussed particular areas of strategic focus.

#### **11.3.2 Board effectiveness review**

The Board of Trustees reviews its effectiveness annually through a questionnaire which assesses performance in the following areas:

- Governance and compliance
- Constitution and skills sets
- Strategic direction
- Meetings and succession planning
- Effectiveness of the Chair

Due to Covid-19 restrictions, the review, which usually takes place at the annual Away Day in May, instead took place in December 2020 and found that the overall response was indicative of a positive governance process, and effective meetings and committees, specifically regarding upholding IWM values and the discharge of legal and regulatory duties. Trustees agreed that areas of improvement on previous surveys include a sound risk management process and a common understanding of IWM stakeholders and concluded that greater focus could be given to the Trustee succession plan and how Trustees work together as a team. For the first time the review was extended to Committees and as a result greater focus has been given on how to include and engage external members of the Board Committees most effectively.

### **11.3.3 Quality of data provided to the Board**

In terms of the quality of information presented to the Board, performance and financial data provided are reviewed at every meeting. At the last review of Board effectiveness, the Trustees agreed that they receive information of a high standard and appropriate level of detail.

The Executive Directors report on the progress of their Corporate Plan objectives via their quarterly reports, with the key developments and emerging risks summarised in reports issued to the Board of Trustees on a quarterly basis.

### **11.3.4 Audit Committee**

Over the course of the year, the Audit Committee has carried out its regular review of the organisational strategic risk register and paid particular attention to risk throughout the course of the pandemic, specifically in the areas of financial sustainability, business continuity, operations and safety and cyber security. As per IWM's Internal Audit Strategy for 2019-20, the Audit Committee monitored the progress of internal audits for the current year, ensuring that outstanding recommendations from prior audits have been actioned, and approved the Plan for 2021-22. Annual assurances from IWM Duxford's Flight Safety Committee and the Health and Safety Annual Report were received and the IWM's Annual Report and Accounts were recommended for approval. The Committee's Terms of Reference are reviewed annually.

### **11.3.5 Estates Advisory Committee**

The Committee has continued to monitor implementation of IWM's Estates Strategy in the context of the uncertainty generated by Covid-19 and routinely monitors progress against development of the Estates and Asset investment plans. It has monitored progress of IWM's major projects: Transforming IWM London Phase 2, the relaunch of

HMS Belfast and IWM Duxford masterplan.

### 11.3.6 Nominations Committee

The Board's Nominations Committee did not meet during 2020 but will be consulted during recruitment for the current vacancy.

### 11.3.7 Board and Committee attendance

The Board of Trustees' record of attendance is considered to be important and the ability to attend meetings is a key criterion in the appointment of Trustees. The Board meets four times a year, but during the early stages of the pandemic two interim meetings were held in order to monitor the financial position and plans for reopening, bringing the total number of Board meetings in 2020 to six. Attendance has been monitored over the past year with Board attendance averaging at 79%. Trustee attendance is covered within their performance assessment when cases for re-appointment are put to Ministers. The Board currently holds one vacancy.

Individual attendances are recorded as follows:

Trustee	Attendance
Desmond Bowen CB CMG	100%
HE The Hon George Brandis QC (or representative)	100%
Hugh Bullock	100%
HE Mrs Janice Charette (or representative)	100%
Elizabeth Cleaver	100% (5/5)
HE Bede Corey (or representative)	50%
Lt General Andrew Figgures CB CBE	100%
HE Moazzam Ahmad Khan (or representative)	17%
HE Gaitri Issar Kumar (or representative)	50%
Angus Lapsley	100%
Professor Margaret MacMillan CC CH DPhil	100%
Tim Marlow OBE	67%
Suzanne Raine	100%
HE Saroja Sirisena (or representative)	0%
Air Marshal Edward Stringer CB CBE	100% (2/2)



HE Ms Nomatamba Tambo (or representative)	0%
Tamsin Todd	100%
Mark Urban	83%
Rear Admiral Mike Utley CB OBE	100% (2/2)
Matthew Westerman (Chair)	100%
Sir Guy Weston	100%

The Audit Committee met five times this year and attendance is reported to the Board via an annual report to the Board and in accordance with HM Treasury guidelines for best practice. Attendance over the past year has been 100%.

Committee Member	Attendance
Lt General Andrew Figgures CB CBE (Chair)	100%
Suzanne Raine	100%
Air Marshal Edward Stringer CB OBE	100% (2/2)
Brigid Sutcliffe ACA	100%

The Estates Advisory Committee met five times during the year. Attendance was 90%.

Committee Member	Attendance
Desmond Bowen CB CMG	75%
Hugh Bullock (Chair)	100%
David Godden	100%
Mike Griffiths	75%
Rear Admiral Mike Utley CB OBE	100% (0/1)
Beth West	75%

The Art Commissions Committee met twice this year. Attendance was 83%.

Committee Member	Attendance
Fiona Bradley	100%
Vikki Heywood	50%

Jennifer Higgle	100%
Tim Marlow OBE (Chair)	100%
Paul Seawright	50%
Jenny Waldman CBE	100%

IWM's Corporate Governance Code was revised and approved by the Board of Trustees during 2020 when Trustees also agreed a revised Conflict of Interest Policy which clearly aligns to our Anti-Bribery policy. Over the past year, there has been no departure from the Corporate Governance Code<sup>7</sup>.

## **11.4 Internal accountability mechanisms**

### **11.4.1 Executive managers**

Assistant Directors, senior managers and their management teams regularly review their Corporate Plan objectives and the risks involved in achieving them. Risks and mitigating actions are reported via quarterly reports and in the Governance Board risk registers. In this way emerging issues and risks at operational level are brought to the attention of SMT and ELT. As part of this review of risk, controls are checked to ensure they are operating effectively. This is to provide assurance to the Director-General, ELT, SMT, the Audit Committee and the Board of Trustees that the controls in place are fit for purpose.

The controls, systems and processes we have in place are further tested by a series of management checks that are carried out by designated staff in their respective areas. The corporate management check framework is under review to ensure checks that are in place are relevant and effective and that there are no gaps in its coverage.

Management accounts are reviewed by budget holders on a monthly basis. It is the Assistant Directors' responsibility to ensure that monthly management reports in their area have been checked and are formally signed. This is one of our key control mechanisms to provide assurance over the financial data reported on each quarter.

ELT and SMT are requested to annually sign a Memorandum of Representation, which is their representation of the operation of governance procedures and internal controls, including controls of the security of personal information in their areas of responsibility. ELT also sign annual conflict of interest statements.

### **11.4.2 Board of Trustees**

A register of Trustees' interests is maintained and is available for public inspection via our website at <https://www.iwm.org.uk/corporate/trustees/register-of-interests>. Trustees are required to review their assurance statements and related party transactions annually and to declare any conflicts of interest at the commencement of each meeting of the Board and its committees.

<sup>7</sup> IWM's Corporate Governance Code brings together the powers and responsibilities recorded in legislation and regulations laid down by Parliament, HM Treasury (HMT), the Department for Digital, Culture, Media and Sport and the Charity Commissioners, together with current applicable elements of recommended good practice from HMT's Corporate Governance Code.

## **11.5 Risk management**

IWM's internal control system is designed to manage risk to a reasonable level, rather than eradicate all risk of failure. It can therefore only provide reasonable and not absolute assurance of effectiveness. Risk management overall is viewed as a dynamic process which actively seeks to incorporate good practice. It is responsive and is managed through regular review of both internal developments and external factors – the political, social, economic, demographic, technological, environmental and legal developments that may influence our exposure to risks or opportunities.

In 2020-21 our Executive Leadership Team and Audit Committee regularly reviewed and refreshed IWM's strategic risk register. The process identified the key threats and challenges to IWM and informed the number and nature of the strategic risks that we monitor and manage going forward.

The strategic risk review identified eight strategic risks covering our highest priority risk areas, management of which is tracked in IWM's strategic risk register. Our strategic risk register and the eight risks that we monitor and control are currently under review to ensure that we are capturing and effectively describing the threats and unique risks to IWM (risks that are unique, even within the sector, include operational and safety risks associated with flying and air show operations at IWM Duxford and the sensitive nature of our subject matter and the collections and stories that we hold). The risks have been updated to reflect the ongoing impact of the Covid-19 pandemic on our operations and sustainability.

In managing risk we identify the opportunities and risks in achieving our strategic objectives, evaluate the likelihood of those risks being realised, the impact should they be realised and the controls in place to manage them efficiently and effectively. Our approach to risk management and the process for implementation are outlined in IWM's Risk Management Strategy, updated in May 2019.

As a Non Departmental Public Body (NDPB) IWM has a low risk appetite in relation to compliance and regulation. In areas where we aim to be relevant and influential, we are prepared to take calculated risks, such as adopting a medium risk appetite for programming and content and in our efforts to develop new income streams. ELT determine whether our overall risk profile is commensurate with our risk appetite and report it for approval to the Audit Committee annually.

### **11.5.1 Risk profile**

At each meeting, IWM's Audit Committee assess an updated version of the strategic risk register, which includes a full evaluation of the management of IWM's eight strategic risks, identification of new risks and direction of travel once controls have been put in place.

Due to the rapidly changing landscape as a result of the pandemic, throughout the year the majority of our risks have been classified as red and in a declining or static position due to the outbreak of Covid-19. While some remain red, others have improved over time. The key changes throughout the year are outlined below.

- The risk rating for financial sustainability has moved to red, due to the challenging financial position caused by the closure of the museum. The closure of all our branches and limited capacities upon reopening due to social distancing reduced our trading net profit for the 2020-21 financial year by nearly 90%. Although there are plans in place for fundraising the environment for this is tough. We have only one financial year of grant-in-aid confirmed and will need to understand the impact the easing of restrictions has on the wider economy as gradual lessening of restrictions continues. Funding from government to help with the impact of Covid in the next financial year is very welcome and will help restore reserves somewhat. The position will still remain short of the reserve policy that is sought.

In addition the museum is undertaking a number of actions to ensure that it remains a 'going concern' financially during this time of uncertainty. Rebuilding reserves and creating greater financial resilience is a central element of the Corporate Plan approved by Trustees in March 2021. A full review has been carried out to look at how the business model of the organisation needs to change in response to weaknesses exposed by the pandemic. This will provide more financial flexibility in the future. Major contracts have been renegotiated and internal costs reduced, while activities and programming have been curtailed in the short term.

- The operations, safety and security risk rating has changed to amber having previously been rated red due to the ever-changing environment due to Covid-19. We have applied for Cyber Essentials Plus accreditation and remain PCI compliant. We have recruited and trained a team of Mental Health First Aiders to support staff during the difficult period of lockdowns, furlough and working in isolation. We have also introduced a Forward Planning Group to support reopening efforts and ensure staff and visitors remain safe in line with Covid-19 government guidance. Securing capital infrastructure money from DCMS also allowed the risk to transition to amber status. The business continuity risk has also moved to amber having previously been rated red due to the crisis. Covid-19 continues to represent a high risk to IWM staff and the business through illness or a potential increase in cyber or fraud vulnerabilities due to home working, Mitigations include continuous monitoring of potential contractor failure due to the impact of Covid-19 or Brexit is ongoing. We have introduced additional governance around business continuity in the form of agile additional meetings for the agreed Business Continuity Plan (BCP) Group which includes members of ELT and SMT, as well as additional ELT meetings. We have also increased the frequency of SMT meetings to enable rapid response to concerns raised and flexibility in the face of changing risks and revised plans due to the pandemic.

Our strategic risk register and the direction of travel are monitored at regular intervals by SMT, ELT and our Audit Committee to ensure that emerging threats and opportunities are identified and monitored, that actions are being carried out and that the identified controls are effective.

#### **11.5.2 Managing information security risk, cyber security and data protection**

All staff handling IWM information or using our information systems are responsible for ensuring that they comply with IWM's Information Security Policy.

Every IWM information asset has a nominated Information Asset Owner (IAO), responsible for regularly auditing their system. The Information Asset Register has been fully reviewed and updated and is based on a template recommended by the Information Commissioner. The Data Protection Policy is published to all staff annually via the IWM compliance tool NETconsent. All staff are required to complete a data protection training module on appointment.

No data breach or data loss reports have been made to the Information Commissioner over the past year.

IWM was first awarded Cyber Essentials accreditation in January 2018 and we remain compliant despite delays caused by the pandemic due to receiving an extension. We plan to re-submit our re-certification in May 2021. A maturity review was first carried out by consultants NCC who reported to the Audit Committee in June 2018 and now do so annually. The overall maturity score for IWM is improving. A road map and action plan is in place to address areas of concern to bring the score to the average expected by next year and we are on track to achieve this.

### **11.5.3 Response to challenges**

IWM has been widely affected by the global pandemic. It has disrupted the way in which we traditionally engage with our audiences, generate income and manage our collections and estate.

We've outlined our response to Covid-19 in section 3.1.1, above. During the development of the crisis, and our response to it, a number of specific risks increased in profile significantly, principally those relating to our financial sustainability and business continuity. A number of key actions had to be taken to reduce costs and implement plans for adapting to staff working from home. Specific risks around this were considered in detail. In responding to the crisis it has provided opportunity as well for us to look at our business model and consider what the crisis has exposed. We have looked at how we can reduce further our fixed cost base and have more flexibility in our resourcing in the future. This will give us the ability to adapt more responsively to changing circumstances. We are seeking as well to diversify our income generation further to provide a lesser dependency on the physical visit.

In addition to the impact of Covid-19, our most pressing challenges continue to be our increasing cyber-reliance and threats to IT security. Continued implementation of our IT Security Strategy along with funding of IT security and lifecycle priorities, protects us from the constantly evolving threat of cyber-attacks and the reputational and business interruption risk presented by this threat materialising. We are aiming to achieve Cyber Essentials Plus accreditation which will provide a greater level of assurance. Conversely, while cyber-reliance exposes us to operational risk, emerging technologies and digitisation presents us with enormous opportunities to widen access, facilitate commercial growth and work more efficiently and collegiately. These opportunities are being maximised with the phased implementation of our Digital Transformation Strategy.

Internal threats involve the management of our considerable estate and replacement of IT legacy systems, specifically the significant funds required to manage and upgrade to

bring fixed costs down to an acceptable level. Long-term masterplanning and delivery of a new Estates Strategy ensure that, in the longer term, this risk will reduce.

Our staff are key to the successful delivery of IWM's strategic objectives. We continue to invest in the business systems and professional development that enable all IWM staff and volunteers to possess the requisite knowledge, skills and tools and the empowerment that this brings. Continued change and improvement has now become the norm and we will continue to progress culture change and respond meaningfully to lessons from the pandemic to bring positive changes to our working culture and reduce adverse risks to staff motivation and productivity.

### **11.6 Whistleblowing policy**

IWM is committed to the highest possible standards of openness, probity and accountability in the delivery of our services. Our whistleblowing policy is in accordance with the Public Interest Disclosure Act 1998, which reflects article 10 of the European Convention of Human Rights in providing the right to freedom of expression. Our staff have a right and duty to raise concerns about malpractice, abuse or wrongdoing at an early stage and in the right way, without fear of victimisation, subsequent discrimination or disadvantage. IWM's whistleblowing policy encourages staff with serious concerns to come forward and voice those concerns, while procedures are in place to enable them to do so. The Audit Committee agreed the latest version of the policy in April 2021, available to staff via our policy management system.

### **11.7 Internal audit assessment**

At the start of the financial year IWM's Audit Committee approved the 2020-21 internal audit plan. This plan was reviewed and adapted throughout the year in response to restrictions presented by the pandemic. Newly appointed internal auditors, MHA MacIntyre Hudson, has carried out audits of the following:

- Outsourced Contract Management
- Fraud and Whistleblowing
- Hazardous Collections Management
- Key Financial Controls

Interim reports and an annual report on progress against the internal audit plan for 2020-21 were issued over the course of the year. The reports include the internal auditors' independent opinion of whether there is an adequate level of assurance presented by the controls in place within the relevant business area audited. Recommendations for improvement are agreed with ELT and management, who work to an agreed timetable wherein they are actioned. Progress on implementing audit recommendations is monitored by ELT and the Audit Committee.

Overall, the opinion provided by our internal auditors on IWM's governance is that adequate and effective management, control and governance processes are in place which enable us to manage the achievement of our objectives. Some enhancements have been identified which will enable more effective risk management and governance

and recommendations made are being addressed by IWM management as a matter of priority.

### **11.8 Assurance statement by the Audit Committee**

The Audit Committee are reasonably confident that the reliability, integrity, quality and comprehensiveness of the assurances provided by the IWM's internal and external auditors, and by management, are presently sufficient to support the Board and Accounting Officer in their decision making and in the fulfilment of their accountability obligations. The Audit Committee will continue to draw to the Board's and Accounting Officer's attention any matters of serious concern. No significant internal control issues have arisen over the course of the past year.



Matthew Westerman  
Chair of the Trustees

Date 6 July 2021



Diane Lees CBE FMA FRSA  
Director-General and Accounting  
Officer

Date 6 July 2021

## **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT**

### **Opinion on financial statements**

I certify that I have audited the financial statements of Imperial War Museum for the year ended 31 March 2021 under the Museums and Galleries Act 1992. The financial statements comprise: the Statements of Financial Activities, the Group and Parent Balance Sheets, the Cash Flow Statements and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the group's and of Imperial War Museum's affairs as at 31 March 2021 and of its net expenditures for the year then ended; and
- the financial statements have been properly prepared in accordance with the Museums and Galleries Act 1992 and Secretary of State directions issued thereunder.

### **Opinion on regularity**

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

### **Basis for opinions**

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

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Imperial War Museum in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

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



## **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the Imperial War Museum's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

My responsibilities and the responsibilities of the Trustees and Director-General with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Imperial War Museum is adopted in consideration of the requirements set out in the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## **Other Information**

The other information comprises information included in the Trustees' report, but does not include the financial statements and my auditor's certificate thereon, the financial statements and my auditor's certificate thereon. The Trustees and Director-General are responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, 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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## **Opinion on other matters**

In my opinion:

- the parts of the Remuneration Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Museums and Galleries Act 1992;
- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Matters on which I report by exception**

In the light of the knowledge and understanding of the Imperial War Museum and its environment obtained in the course of the audit, I have not identified material

misstatements in the Trustees' report,

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

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

### **Responsibilities of the Trustees and Director-General**

As explained more fully in the Statement of Trustees and Director-General's Responsibilities, the Trustees and the Director-General are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as Trustees and the Director-General determine is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error.
- assessing the group and Imperial War Museum's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit, certify and report on the financial statements in accordance with the Museums and Galleries Act 1992.

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

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

My procedures included the following:

- Inquiring of management, the Imperial War Museum's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Imperial War Museum's policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Group's controls relating to legislation requirements, which include the following key laws and regulations: the Museums and Galleries Act 1992, the Charities Act 2011, and Managing Public Money.
- discussing among the engagement team including significant component audit teams and involving relevant internal and or external specialists, including value added tax, income tax and valuation specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals and management judgements and estimates and the application of the Coronavirus Job Retention Scheme (CJRS);
  - obtaining an understanding of Imperial War Museum's framework of authority as well as other legal and regulatory frameworks that the Imperial War Museum and Group operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Imperial War Museum and Group. The key laws and regulations I considered in this context included the Museums and Galleries Act 1992, the Charities Act 2011, Managing Public Money, Employment Law and Tax Legislation, Pensions Legislation and the Coronavirus Act 2020.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of revenue recognition due to fraud, assessing the recognition of grants and donations in line with the accounting framework and undertaking procedures to test the completeness of grants, donations and legacies; and
- in addressing the risk of fraud in the Coronavirus Job Retention Scheme undertaking procedures to test that claims to HM Revenue and Customs were in line with the scheme rules and procedures to test whether employees were working whilst claiming under the scheme

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

## **Report**

I have no observations to make on these financial statements.

**Gareth Davies**

**Date 12 July 2021**

**Comptroller and Auditor General**

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

IMPERIAL WAR MUSEUM ACCOUNT 2020-21

Consolidated Statement of Financial Activities for the year ended 31 March 2021

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Restated Unrestricted funds £'000	Restated Restricted funds £'000	Restated Total 2020 £'000
<b>Income and endowments from:</b>							
<b>Donations and legacies</b>							
Grant-in-Aid	2a	24,919	8,359	33,278	18,466	4,356	22,822
External funds	2b	505	4,515	5,020	1,123	6,154	7,277
Lottery funding		-	1,130	1,130	-	955	955
Donated objects and services		-	397	397	-	1,220	1,220
		<b>25,424</b>	<b>14,401</b>	<b>39,825</b>	<b>19,589</b>	<b>12,685</b>	<b>32,274</b>
<b>Other trading activities</b>							
Income from commercial activities	15	1,317	-	1,317	10,224	-	10,224
Fees	3	1,978	630	2,608	5,358	2,192	7,550
Royalties	15	241	-	241	288	-	288
Disposals of assets		1	-	1	-	-	-
		<b>3,537</b>	<b>630</b>	<b>4,167</b>	<b>15,870</b>	<b>2,192</b>	<b>18,062</b>
<b>Investments</b>	<b>4</b>	<b>201</b>	<b>-</b>	<b>201</b>	<b>89</b>	<b>-</b>	<b>89</b>
<b>Charitable activities</b>							
Admissions		1,338	-	1,338	12,684	-	12,684
Government grants	20	-	2,908	2,908	-	-	-
		<b>1,338</b>	<b>2,908</b>	<b>4,246</b>	<b>12,684</b>	<b>-</b>	<b>12,684</b>
<b>Total income and endowments</b>		<b>30,500</b>	<b>17,939</b>	<b>48,439</b>	<b>48,232</b>	<b>14,877</b>	<b>63,109</b>
<b>Expenditure on:</b>							
<b>Raising funds</b>							
Fundraising and publicity		2,181	136	2,317	2,802	303	3,105
Commercial costs	15	3,193	684	3,877	7,426	-	7,426
		<b>5,374</b>	<b>820</b>	<b>6,194</b>	<b>10,228</b>	<b>303</b>	<b>10,531</b>
<b>Charitable activities</b>							
Education, exhibitions and visitor services		14,969	3,652	18,621	19,286	2,696	21,982
Building care and preservation		7,276	6,124	13,400	11,170	5,416	16,586
Collections management and conservation		7,123	490	7,613	7,715	480	8,195
Grants	16	29	281	310	-	468	468
Purchases for the collection		18	-	18	29	-	29
		<b>29,415</b>	<b>10,547</b>	<b>39,962</b>	<b>38,200</b>	<b>9,060</b>	<b>47,260</b>
<b>Total expenditure</b>	<b>6</b>	<b>34,789</b>	<b>11,367</b>	<b>46,156</b>	<b>48,428</b>	<b>9,363</b>	<b>57,791</b>
<b>Net income/(expenditure)</b>	<b>5</b>	<b>(4,289)</b>	<b>6,572</b>	<b>2,283</b>	<b>(196)</b>	<b>5,514</b>	<b>5,318</b>
<b>Transfers between funds</b>		<b>317</b>	<b>(317)</b>	<b>-</b>	<b>540</b>	<b>(540)</b>	<b>-</b>
<b>Other recognised gains</b>							
(Loss)/gains on revaluation of fixed assets		(1,095)	(3,161)	(4,256)	1,110	4,338	5,448
<b>Net movement in funds</b>		<b>(5,067)</b>	<b>3,094</b>	<b>(1,973)</b>	<b>1,454</b>	<b>9,312</b>	<b>10,766</b>
<b>Reconciliation of funds:</b>							
Total fund balances brought forward at 1 April 2020		44,469	228,614	273,083	43,015	219,302	262,317
<b>Total fund balances carried forward at 31 March 2021</b>	<b>20</b>	<b>39,402</b>	<b>231,708</b>	<b>271,110</b>	<b>44,469</b>	<b>228,614</b>	<b>273,083</b>

All income and expenditure is due to continuing activities.

The notes on pages 80 to 101 form part of these accounts.

IMPERIAL WAR MUSEUM ACCOUNT 2020-21

Museum Statement of Financial Activities for the year ended 31 March 2021

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Restated Unrestricted funds £'000	Restated Restricted funds £'000	Restated Total 2020 £'000
<b>Income and endowments from:</b>							
<b>Donations and legacies</b>							
Grant-in-Aid	2a	24,919	8,359	33,278	18,466	4,356	22,822
External funds	2b	491	4,413	4,904	5,735	6,153	11,888
Lottery funding		-	1,131	1,131	-	955	955
Donated objects and services		-	397	397	-	1,220	1,220
		<u>25,410</u>	<u>14,300</u>	<u>39,710</u>	<u>24,201</u>	<u>12,684</u>	<u>36,885</u>
<b>Other trading activities</b>							
Income from commercial activities		27	-	27	11	-	11
Fees	3	788	630	1,418	3,677	2,192	5,869
Disposals of assets		1	-	1	8	-	8
		<u>816</u>	<u>630</u>	<u>1,446</u>	<u>3,696</u>	<u>2,192</u>	<u>5,888</u>
<b>Investments</b>							
	4	200	-	200	74	-	74
<b>Charitable activities</b>							
Admissions		1,338	-	1,338	12,684	-	12,684
Government grants	20	-	2,224	2,224	-	-	-
		<u>1,338</u>	<u>2,224</u>	<u>3,562</u>	<u>12,684</u>	<u>-</u>	<u>12,684</u>
<b>Total income and endowments</b>		<u>27,764</u>	<u>17,154</u>	<u>44,918</u>	<u>40,655</u>	<u>14,876</u>	<u>55,531</u>
<b>Expenditure on:</b>							
<b>Raising funds</b>							
Fundraising and publicity		2,181	136	2,317	2,803	303	3,106
Commercial costs		8	-	8	8	-	8
		<u>2,189</u>	<u>136</u>	<u>2,325</u>	<u>2,811</u>	<u>303</u>	<u>3,114</u>
<b>Charitable activities</b>							
Education, exhibitions and visitor services		14,107	3,746	17,853	18,056	2,550	20,606
Building care and preservation		7,276	6,124	13,400	11,161	5,449	16,610
Collections management and conservation		7,123	490	7,613	7,715	480	8,195
Grants		829	281	1,110	1,190	468	1,658
Purchases for the collection		18	-	18	30	-	30
		<u>29,353</u>	<u>10,641</u>	<u>39,994</u>	<u>38,152</u>	<u>8,947</u>	<u>47,099</u>
<b>Total expenditure</b>		<u>31,542</u>	<u>10,777</u>	<u>42,319</u>	<u>40,963</u>	<u>9,250</u>	<u>50,213</u>
<b>Net income/(expenditure)</b>		<u>(3,778)</u>	<u>6,377</u>	<u>2,599</u>	<u>(308)</u>	<u>5,626</u>	<u>5,318</u>
<b>Transfers between funds</b>		<u>145</u>	<u>(145)</u>	<u>-</u>	<u>489</u>	<u>(489)</u>	<u>-</u>
<b>Other recognised gains</b>		<u>(1,095)</u>	<u>(3,161)</u>	<u>(4,256)</u>	<u>1,110</u>	<u>4,338</u>	<u>5,448</u>
(Loss)/gains on revaluation of fixed assets							
<b>Net movement in funds</b>		<u>(4,728)</u>	<u>3,071</u>	<u>(1,657)</u>	<u>1,291</u>	<u>9,475</u>	<u>10,766</u>
<b>Reconciliation of funds:</b>							
Total fund balances brought forward at 1 April 2020		44,752	228,321	273,073	43,461	218,846	262,307
<b>Total fund balances carried forward at 31 March 2021</b>		<u>40,024</u>	<u>231,392</u>	<u>271,416</u>	<u>44,752</u>	<u>228,321</u>	<u>273,073</u>

All income and expenditure is due to continuing activities.

The notes on pages 80 to 101 form part of these accounts.

# IMPERIAL WAR MUSEUM ACCOUNT 2020-21

## Consolidated and IWM Balance Sheets as at 31 March 2021

	Notes	<b>Consolidated</b> 2021 £'000	Restated 2020 £'000	<b>IWM</b> 2021 £'000	Restated 2020 £'000
<b>Non-current assets</b>					
<b>Fixed assets</b>					
Intangible assets	8a	1,951	1,258	1,951	1,258
Tangible assets	8b	253,445	248,768	253,445	248,768
Heritage assets	9a	8,975	8,599	8,975	8,599
Lease receivables	10	834	-	834	-
Investments	15	-	-	600	600
		<u>265,205</u>	<u>258,625</u>	<u>265,805</u>	<u>259,225</u>
<b>Current assets</b>					
Stock	11	534	463	-	-
Debtors	12	7,028	11,365	7,095	10,946
Cash at bank and in hand	13	12,868	15,601	12,649	14,804
		<u>20,430</u>	<u>27,429</u>	<u>19,744</u>	<u>25,750</u>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14a	(4,670)	(6,070)	(4,278)	(5,001)
Short-term loan	14f	(1,000)	-	(1,000)	-
		<u>(5,670)</u>	<u>(6,070)</u>	<u>(5,278)</u>	<u>(5,001)</u>
<b>Net current assets</b>		14,760	21,359	14,466	20,749
<b>Total assets less current liabilities</b>					
		279,965	279,984	280,271	279,974
<b>Current liabilities</b>					
Creditors: amounts falling due after more than one year	14b	(4,855)	(4,901)	(4,855)	(4,901)
Long-term loan	14f	(4,000)	(2,000)	(4,000)	(2,000)
		<u>(8,855)</u>	<u>(6,901)</u>	<u>(8,855)</u>	<u>(6,901)</u>
<b>Net assets</b>		<u>271,110</u>	<u>273,083</u>	<u>271,416</u>	<u>273,073</u>
<b>Represented by:</b>					
<b>Restricted funds</b>					
Restricted funds	20	163,206	153,729	162,890	153,436
Restricted funds buildings revaluation		68,502	74,885	68,502	74,885
		<u>231,708</u>	<u>228,614</u>	<u>231,392</u>	<u>228,321</u>
<b>Unrestricted funds:</b>					
Designated funds	20	20,711	22,849	20,745	22,883
Designated funds buildings revaluation		19,842	21,191	19,842	21,191
		<u>40,553</u>	<u>44,040</u>	<u>40,587</u>	<u>44,074</u>
General funds	20	4,377	5,698	4,965	5,947
Finance lease reserve		(5,528)	(5,269)	(5,528)	(5,269)
		<u>(1,151)</u>	<u>429</u>	<u>(563)</u>	<u>678</u>
<b>Total funds</b>		<u>271,110</u>	<u>273,083</u>	<u>271,416</u>	<u>273,073</u>



Matthew Westerman  
Chair of the Trustees



Diane Lees CBE FMA FRSA  
Director-General and Accounting Officer

Date 6 July 2021

The notes on pages 80 to 101 form part of these accounts.

## IMPERIAL WAR MUSEUM ACCOUNT 2020-21

### Consolidated statement of cash flows for the year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by operating activities</b>	22a	19,495	12,099
<b>Cash flows from investing activities:</b>			
Interest received	4	201	89
Purchase of fixed assets		(24,954)	(12,407)
<b>Net cash (used in) investing activities</b>		(24,753)	(12,318)
<b>Cash flows from financing activities:</b>			
Interest element of loan payments		(7)	-
Interest element of finance lease rental payments		(273)	(297)
Repayment of capital element of finance lease rental		(195)	(246)
Cash inflows from Loans		3,000	2,000
<b>Net cash provided by financing activities</b>		2,525	1,457
<b>Change in cash and cash equivalents in the reporting period</b>			
	22b	(2,733)	1,238
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
	22c	15,601	14,363
<b>Cash and cash equivalents at the end of the reporting period</b>			
	13	12,868	15,601

The notes on pages 80 to 101 form part of these accounts.



**Notes to the Financial Statements****1 Accounting Policies****(a) Basis of accounting**

The financial statements are prepared in accordance with the Museums and Galleries Act 1992 Accounts Direction given by the Secretary of State for Digital, Culture, Media and Sport, with the approval of HM Treasury. The accounts comply with the requirements of the Financial Reporting Standard 102, Statement of Recommended Practice "Accounting and Reporting by Charities", the Treasury's Financial Reporting Manual (FRoM), the Charities Act and applicable accounting standards. The particular accounting policies adopted by the Trustees are described below.

IWM is exempt from corporation tax on charitable activities under section 505 of the Income and Corporation Taxes Act 1988. Income arising from the activities of the trading subsidiary is gift aided to IWM.

The financial statements have been prepared under the historical cost convention as modified for the inclusion of fixed assets at their value to the business by reference to current costs and of investments at market value on a going concern basis.

The statutory accounts are consolidated and represent the combined accounts of IWM, the Imperial War Museum Trading Company Limited, and the Imperial War Museum Film Production Limited and have been consolidated on a line-by-line basis.

The financial statements are prepared in sterling, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest thousand.

IWM is a public benefit entity as defined by FRS 102.

**(b) Going concern status**

The accounts have been prepared on the going concern basis. Under Section 2 of the Imperial War Museum Acts, 1920 and 1955, the Museum has a statutory responsibility for keeping its collections and making them available for inspection by the public, and the Trustees and Accounting Officer have assumed in making the going concern assessment that sufficient Government funding support will continue to be made available to fulfil this responsibility.

Alongside this, Trustees have reviewed the revised Corporate plan which was set out over four years. This consideration concluded that IWM's income will begin to recover in 2021/22 but will not reach pre-COVID-19 levels before 2023/24. In response, IWM has devised a more agile operating model, capable of withstanding delayed recovery in its income while protecting the collection. COVID-19 has caused significant upheaval in our traditional income streams, with mandatory shop and office closures, cancellation and postponement of events, and financial uncertainty for many of our donors. We have reviewed our expenditure and developed a progressing model enabling our income generating activities to be flexed accordingly hence enabling us to sustain breakeven outcomes. Taking into account the Government funding support, the new business model and its principal risks, IWM's Trustees have a reasonable expectation that IWM will continue in operation and meet its liabilities as they fall due over the next four-year period of this assessment.

**(c) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of IWM. Some unrestricted funds are designated by the Trustees to the funding of long-term objectives of IWM, including initiatives for collections management and conservation, exhibitions replacement and management of the estate.

Restricted funds are funds subject to specific restrictions imposed by donors. Restricted funds and the purpose for which their income may be applied are detailed in note 20.

**(d) Income and endowments**

All income is recognised in the statement of financial activities when the museum becomes entitled to the funds, any restriction attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be reliably measured.

The following accounting policies are applied to Income:

***Grant in Aid from the Department for Digital, Culture, Media and Sport***

This is shown in the statement of financial activities in the year it is received.

***External funds***

These comprise grants, sponsorship and donations and are reported gross when receivable. They are recognised as incoming resources when the Museum becomes entitled to the income, receipt is probable and the amount is quantifiable. Tax recoverable is accounted for when receivable.

***National Lottery income***

This is recognised as income when the conditions for its receipt have been met.

***Donated objects and services***

Items of a value above £10,000, given to IWM free of charge are recognised as incoming resources at their estimated market value when receivable. If the items are not capitalised they are expensed. Services are recognised as incoming resources at the value IWM would be prepared to pay for an equivalent service if it was procured on the open market with an equivalent amount recognised as an expense.

***Other Trading income***

This mainly relates to income generated from the Imperial War Museum Trading Company Ltd and paid to the Museum under Deed of Covenant (see note 15). The accounts of the Company set out the income recognition policies applied.

**(d) Income and endowments (continued)**

*Fees*

Fees are recognised on a receivable basis.

*Investment Income*

Investment income is recognised on a receivable basis.

*Incoming resources from charitable activities*

Admissions are recognised on a receivable basis.

*Government Grants - Coronavirus Job Retention Scheme (CJRS)*

Government Grants are recognised on a receivable basis.

**(e) Expenditure**

All expenditure is accounted for on an accruals basis and is classified on the following basis:

*Allocation of costs*

Expenditure is classified under the principal categories of costs of charitable activities and costs of raising funds.

Where possible, expenditure has been directly attributed to the activities to which it relates.

Support service costs, which comprise Directorate and Office services, Human resources, Finance, Governance and Planning, IT and Communications and Facilities Management are allocated between the activities on the basis of staff numbers.

*Charitable activities*

Costs of Charitable activities comprise the costs associated with the performance of museum activities (all those costs associated with the public programmes and of the media programmes and website, including exhibitions, education and communications and marketing expenditure); museum operations (visitor services and operations costs); and the costs of maintaining the Collection (including conservation and acquisitions-related expenditure).

*Costs of raising funds*

Costs of raising funds comprise fund-raising and publicity costs, being those costs incurred in seeking voluntary contributions for the IWM and in publicising it. Commercial costs and trading expenditure are those direct costs incurred in raising the income from commercial activities and trading.

**(f) Heritage assets**

*Purchased heritage assets*

All heritage assets purchased by IWM since 2001, with a cost above £2,000, are capitalised in the balance sheet. Heritage assets purchased by IWM with a cost of under £2,000 are expensed on the Statement of Financial Activities ("SOFA").

*Donated heritage assets*

Donated heritage assets are valued by IWM and, when regarded as having a market value of £10,000 or above are capitalised, and recognised on the balance sheet at the valued amount.

*Depreciation and revaluation of heritage assets*

Both purchased and donated heritage assets are not depreciated as they have indefinite lives.

Heritage assets are revalued when there is evidence of impairment.

*Heritage assets not on the balance sheet*

Heritage assets that were acquired by IWM before 2001 have not been capitalised on the balance sheet as no valuations are available for these items. IWM considers that the cost of obtaining valuation for the collection of assets held, which is the majority of IWM's works of Art, objects and records, is significant, and is not commensurate with the benefit obtained by including additional capitalised value in the financial statements.

**(g) Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated amortisation. Amortisation is charged yearly on a straight-line basis, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life.

The useful economic lives, over which the assets are being depreciated are as follows:

Customer Relationship Management system - 4 years.

**(h) Tangible fixed assets**

Tangible fixed assets comprise expenditure on any item in excess of £2,000 provided it meets the following criteria: it has a useful life of at least 1 year; it is used in running IWM; it is not bought for resale; and, it provides additional future benefits.

Depreciation is provided on all tangible fixed assets, other than freehold land, assets under construction and collection acquisitions, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life.

In accordance with Financial Reporting Standard 102 - Section 17, *Property, Plant and Equipment*, where a fixed asset comprises two or more major components with substantially different economic lives, each component is accounted for separately for depreciation purposes and depreciated over its useful economic life. The buildings have three separable material components: structure; plant and machinery; and fit-out, which have different remaining asset lives.

The useful economic lives, over which the assets are being depreciated are as follows:

Buildings and runway - structure	- between 6 and 90 years
Buildings - plant and machinery	- between 3 and 35 years
Buildings - fit-out	- between 2 and 50 years
Equipment	- 4 years
Permanent exhibitions	- over the life of the exhibition

A full year of depreciation is provided for in the year of acquisition of an asset, whilst there is none provided in the year of disposal. Including assets at their value to the business by reference to current costs is achieved as follows:

Land and buildings (structure, plant and machinery and fit-out)	- by external professional valuation at least every five years and using appropriate indexation in the intervening years.
Equipment	- equipment comprises IT/electronic items. As IT assets are low in value and have short lives, depreciated cost is deemed to be suitable proxy for current value and are therefore not subject to indexation.
Permanent exhibitions	- historic depreciated cost. Permanent Exhibitions have not been revalued as their current cost is equal to their actual cost, but the life of these assets are reviewed annually to reflect their true value.

Impairment reviews are carried out annually. If there is evidence of impairment of the asset, either in the market value, physical damage, or if the asset has become obsolete, the value will be written down.

**(i) Lease receivables**

IWM recognises lease receivables at the lease commencement date. The lease receivable is initially measured at the present value of the lease payments that are paid from the commencement date, discounted using an agreed relevant discount rate. The Lease payments are split between capital and interest income. The capital income is recognised against the lease receivable on the balance sheet and the interest income is recognised on the SOFA as an investment income.

**(j) Stocks**

Stocks are stated at cost price or net realisable value, whichever is the lower.

**(k) Leases**

Assets held under finance leases, which are those where substantially all the risks and rewards of ownership of the asset have passed to IWM, are capitalised in the Balance Sheet and depreciated over the life of the lease. The interest element of the rental obligations is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. IWM holds material finance leases with EP3 Ltd.

Rental costs in respect of operating leases are charged to the statement of financial activities on a straight line basis over the life of the lease.

**(l) Permanent exhibitions**

Capital expenditure on permanent exhibitions includes the cost of materials and externally contracted services. Allocations are made of additional related internal labour costs.

**(m) Imperial War Museum Trading Company Limited**

IWM Trading Company Limited is a wholly owned subsidiary of the Trustees of the Imperial War Museum. It commenced trading on 1 April 1999. The authorised share capital of the company is 600,000 shares of £1 each. Under the gift aid agreement, all taxable profits from IWM Trading Company Limited are paid to IWM. A summary of the income and expenditure account is provided in note 15.

**(n) Foreign currencies**

Assets and liabilities denominated in foreign currencies are recorded at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate prevailing at the time of the transaction. All exchange differences are taken to the statement of financial activities.

**(o) Pension schemes**

In 2019, for employees of the IWM Trading Company on permanent contracts, or employees who opt out of the Civil Service Pension schemes, IWM introduced the Imperial War Museum Group Pension Plan, a defined contribution pension scheme, the assets of which are held separately from those of IWM in an independently administered fund with Aviva. Some past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS). The defined benefit elements of the schemes are unfunded and are contributory. IWM recognises the expected costs of these elements on a systematic and rational basis over the period during which it benefits from the employees' services by the payment to the PCSPS of amounts calculated on an accruing basis. Liability for the payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, IWM recognises the contributions payable for the year.

**(p) Financial instruments**

Financial assets and financial liabilities, in respect of financial instruments, are recognised on IWM's balance sheet when IWM becomes a party to the contractual provisions of the instruments.

Financial assets consist of debtors and are recorded at their carrying values less any provision for bad or doubtful debts.

Financial liabilities consist of creditors. Creditors that fall due within one year are recorded at their carrying values. Creditors that fall due after one year are also recorded at their carrying values which is deemed to be fair value.

**(q) Cash and liquid resources**

Funds placed on money market deposit for more than one day are defined as liquid resources. Funds held in cash or in current or call accounts are defined as cash.

**(r) Imperial War Museum Film Production Company Limited**

IWM Film Production Company Limited is a wholly owned subsidiary of the Trustees of the Imperial War Museum. The company was incorporated on 28 May 2015. The authorised share capital of the company is 1 share of £1 each. The IWM Film Production Company has been dormant during 2020-21.

**(s) Key judgements and estimates**

The preparation of the financial statements requires IWM to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgments (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

*Revenue recognition - grant income*

Revenue is recognised on grant agreements when the IWM is entitled to the funding. In certain agreements, including those with the National Lottery Heritage Fund (NLHF), performance conditions exist that prevent recognition of income until specified activities have been completed and outputs delivered. This income is expected to be recognised in future periods, as the projects are delivered.

*Valuation of property, plant and equipment*

Property, plant and equipment represents a significant proportion of the Museums balance sheet and therefore the estimates and assumptions made to determine their carrying value and related depreciation (Note 8b) are important to the Museums reported financial position and total expenditure.

*Finance Leases*

When IWM acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, IWM makes an overall assessment of whether the lease transfer substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. In assessing the EPR lease, IWM concluded it retains substantially all the risk and rewards, so a further assessment, considering other indicators was carried out. IWM concluded that the lease term was covering more than the economic life of the asset and the lease present value of the minimum lease payments at inception were substantially higher than the fair value of the lease assets. On that basis IWM classified the EPR lease as a finance lease. IWM also makes an assessment as to the discount rate to apply. At present IWM holds a major finance lease with EPR and used as a discount rate of 7% being the close average of the Treasury discount rate of 1.27% and the weighted average capital market cost of 12%.

*Provisions*

For IWM, provisions are made when an obligation exists for a future liability in respect of a past event, where the amount of the obligation can be reliably estimated, and where the outflow of resources is probable. Provisions are also made against debts where debtors enter into insolvency proceedings or where debts are older than one year and all efforts to recover them have been exhausted.

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**2a Grant in Aid**

£33,278K of Grant-in-Aid (from the Department for Digital, Culture, Media and Sport) has been received during the year (2019-20 £22,822K). This represents 73% of the annual expenditure in running the organisation. The balance of funding needs, including most capital improvements, is delivered from resources that are self-generated. £8,359K of the Grant-in-Aid was restricted for critical maintenance work, refurbishment and renewals of buildings, plant and equipment and the digitisation programme. £6,120k was a Covid support package.

	2021 £'000	2020 £'000
<b>2b Donations and legacies</b>		
Grants and donations	4,821	6,656
Sponsorship	175	-
Legacies	24	621
	<u>5,020</u>	<u>7,277</u>

The total of £5,020K is split between the IWM (£4,904K) and the Imperial War Museum Trading Company (£116K).

	2021 £'000	Restated 2020 £'000
<b>3 Fees</b>		
Fees	2,608	5,485
Additional fee income	-	2,065
Restated at 31 March 2020	<u>2,608</u>	<u>7,550</u>

The total of £2,608K is split between the IWM (£1,246K) and the Imperial War Museum Trading Company (£1,362K), after intercompany transactions of £172k

The 2019-20 Fees income has been restated by £2,065K to reflect a payment from Warner Bros Entertainment Inc for "They Shall Not Grow Old".

	2021 £'000	2020 £'000
<b>4 Investment income</b>		
Interest receivable	9	89
Lease interest	192	-
	<u>201</u>	<u>89</u>

The interest receivable is on cash and short-term deposits.

The interest receivable is split between the IWM (£8K) and the Imperial War Museum Trading Company (£1K). The lease interest relates to IWM.

	2021 £'000	2020 £'000
<b>5 Net income/(expenditure)</b>		
Net income of £2,283K, (2019-20 £5,318K) before transfers, are stated after charging:		
Auditors remuneration		
National Audit Office - IWM consolidated accounts	47	53
National Audit Office - additional fee for prior year	10	-
Moore Kingston Smith LLP - Imperial War Museum Trading Company	18	21
Moore Kingston Smith LLP - additional fee for prior year	6	-
Other Services - Moore Kingston Smith LLP, preparation of corporation tax return in relation to Imperial War Museum Trading Company	1	2
Hire purchase on equipment	73	72
Operating leases - equipment	77	99
Operating leases - land and buildings	315	404
Interest payable on finance lease	273	297
Interest payable on loan	7	-
Depreciation and amortisation of owned assets	7,565	7,823
Depreciation of assets held under finance leases	259	249
Increase in provision for bad debts	-	5

The National Audit Office did not provide any non-audit services.

	Staff costs £'000	Other costs £'000	Depreciation, amortisation & Impairment £'000	2021 Total £'000	2020 £'000
<b>6 Total expenditure</b>					
<b>Raising Funds</b>					
Fundraising and publicity	1,648	615	54	2,317	3,105
Commercial costs	3,525	344	8	3,877	7,426
	<u>5,173</u>	<u>959</u>	<u>62</u>	<u>6,194</u>	<u>10,531</u>
<b>Charitable activities</b>					
Education, exhibitions and visitor services	8,983	8,603	1,035	18,621	21,982
Building care & preservation	665	6,346	6,389	13,400	16,586
Collections management and conservation	5,806	1,469	338	7,613	8,195
Other grants	-	310	-	310	468
Purchases for the collection	-	18	-	18	29
	<u>15,454</u>	<u>16,746</u>	<u>7,762</u>	<u>39,962</u>	<u>47,260</u>
<i>Total resources expended</i>	<u>20,627</u>	<u>17,705</u>	<u>7,824</u>	<u>46,156</u>	<u>57,791</u>

Resources expended are shown after eliminations on consolidation of transactions between IWM and the Imperial War Museum Trading Company of £933K (2019-20 £7,991K).

	Direct costs £'000	Allocated support costs £'000	2021 Total £'000	2020 Total £'000
<b>6a Division of direct and indirect expenditure</b>				
<b>Raising funds</b>				
Fundraising and publicity	1,637	680	2,317	3,105
Commercial costs	3,877	-	3,877	7,426
	<u>5,514</u>	<u>680</u>	<u>6,194</u>	<u>10,531</u>
<b>Charitable activities</b>				
Education, exhibitions and visitor services	8,906	9,715	18,621	21,982
Building care and preservation	13,145	255	13,400	16,586
Collections management and conservation	4,880	2,733	7,613	8,195
Other grants (Note 15)	310	-	310	468
Purchases for the collection	18	-	18	29
	<u>27,259</u>	<u>12,703</u>	<u>39,962</u>	<u>47,260</u>
<i>Total resources expended</i>	<u>32,773</u>	<u>13,383</u>	<u>46,156</u>	<u>57,791</u>

Allocated support costs relate to the IWM's Directorate, Human Resource, Finance and Planning, Information Technology and Communication and Facilities Management functions, which are stated below in note 6b.

	Directorate & office services £'000	Human resources £'000	Finance and planning £'000	IT and communi- cation £'000	Subtotal 2021 £'000
<b>6b Allocation of support</b>					
<b>Raising funds</b>					
Fundraising and publicity	-	16	80	125	221
	-	16	80	125	221
<b>Charitable activities</b>					
Education, exhibitions and visitor services	3	104	1,254	995	2,356
Building care and preservation	-	6	31	48	85
Collections management and conservation	2	67	342	513	924
	<u>5</u>	<u>177</u>	<u>1,627</u>	<u>1,556</u>	<u>3,365</u>
	<u>5</u>	<u>193</u>	<u>1,707</u>	<u>1,681</u>	<u>3,586</u>

6b Allocation of support (continued)

Allocation of support	Facilities	Depreciation	Support	Allocated
	management	& amortisation	salary costs	Support costs
	£'000	£'000	£'000	Total 2021
				£'000
<b>Raising funds</b>				
Fundraising and publicity	-	54	405	680
	-	54	405	680
<b>Charitable activities</b>				
Education, exhibitions and visitor services	4,702	277	2,380	9,715
Building care and preservation	-	20	150	255
Collections management and conservation	-	267	1,542	2,733
	4,702	564	4,072	12,703
	<b>4,702</b>	<b>618</b>	<b>4,477</b>	<b>13,383</b>

Support costs have been allocated to the above activities on the basis of staff numbers.

7 Staff costs	2021	2020
	£'000	£'000
Salaries and wages	15,111	15,270
Temporary / agency staff	259	312
National Insurance	1,478	1,470
Superannuation	3,041	3,245
Early retirement and early exit costs	674	109
Apprenticeship Levy	64	49
	<b>20,627</b>	<b>20,455</b>

In addition £911K (including £120K for Superannuation) of staff costs relating to staff working exclusively on capital projects was capitalised in 2020-21 (2019-20 £826K).

**Pensions**

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) - known as "Alpha" - are an unfunded multi-employer defined benefit scheme. IWM is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary valued the scheme as at 31 March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)).

For 2020-21, employers' contributions of £2,798K were payable to the PCSPS (2019-20 £3,077K) at one of four rates in the range 26.6% to 30.3% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2020-21 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees may opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £44K were paid to one or more of a panel of appointed stakeholder pension providers. Employer contributions are age-related and range from 8% and 14.75%. Employers also match employee contributions up to 3% of pensionable pay. In addition employer contributions of 0.5% of pensionable salary were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £3K. Contributions prepaid at that date were nil.

From January 2019, employees of IWM Trading Company were offered membership of the Imperial War Museum Group Pension Plan (defined contribution) with Aviva. Non Trading Company employees are also eligible to request to join the scheme if opting out of the Civil Service Pensions (CSPS or partnership schemes).

Employer contributions to IWM Group Pension Plan are between 6% and 8%. Employees contribute a minimum of 2% of pensionable salary.

Employer's contributions of £319k were paid in 2020-21 (£193k in 2019-20). Contributions due to Aviva at the balance sheet were £27k (2019-20 £23k)

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants, and the majority of those already in service, joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60, and one providing benefits on a whole career basis (**nuvos**), with a normal pension age of 65.

**7 Staff costs (continued)**

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were in 10 years of their normal pension age on 1 April 2012, remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years 5 months from their normal pension age on 1 April 2012 will switch to **alpha** sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. All members who switch to **alpha** will have their PCSPS benefits “banked”, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a “money purchase” stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings 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. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member’s earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with the Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

**Number of employees**

The following number of employees, including the Accounting Officer, received remuneration within the ranges below:

	2021 No	2020 No
£60,001 - £70,000	6	5
£70,001 - £80,000	2	1
£80,001 - £90,000	3	4
£90,001 - £100,000	4	-
£100,001 - £110,000	-	2
£110,001 - £120,000	1	1
£140,001 - £150,000	1	-
£170,001 - £180,000	-	1

The reduction in range of the Director General, the highest paid member of staff from (2020) £170,001-£180,000 to (2021) £140,001-£150,000 reflects the fact that no bonus was paid in 2020 and the Director General agreed to a reduction in pay for three months at the beginning of the COVID-19 crisis.

The number of staff paid above £60K (2019-20, 2) to whom retirement benefits are accruing under defined contribution schemes is 5 and under defined benefit schemes is 12 (2019-20, 12).

Please see the Remuneration report on page 50 of the Annual Report for more details of senior staff costs.

Total remuneration of Managerial staff was £1,889K (2019-20, £1,623K).

The average number of staff employed by Imperial War Museum across the year, split by function, is as follows:

	2021			2020	
	Permanent staff	Temporary Staff	Managerial staff	Total No of staff	Total No of staff
Education, exhibitions and visitor services	189	4	8	201	215
Building care & preservation	12	-	-	12	11
Collections management and conservation	123	-	4	127	134
Trading / commercial	92	-	1	93	138
Fundraising and publicity	27	-	4	31	32
	443	4	17	464	530

In addition to the above, there was the 9 full time equivalent of members of staff directly employed to work on capital projects and their costs have been capitalised.

The Managerial staff are the members of the Museum’s Executive Leadership Team, which consists of the Director General and three Executive Directors, and the Senior Management Team which consists of the full time equivalent of 13 Assistant Directors.

**Trustees**

The Chairman and Board of Trustees received no remuneration for their services during 2020-21. Travel, subsistence and entertainment expenses paid to Trustees amounted to £Nil (2019-20 £763 paid to two Trustees).

The Trustees are appointed for periods of up to four years and may be reappointed for one further four year term.



**7 Staff costs (continued)**
**Ex-gratia payments**

During the year the IWM made no ex-gratia payments.

	Assets under development £'000	Customer Relationship Management System £'000	Total £'000
<b>8a Consolidated intangible fixed assets</b>			
Cost at 1 April 2020	566	1,384	1,950
Additions	1,039	-	1,039
Value at 31 March 2021	1,605	1,384	2,989
Amortisation at 1 April 2020	-	692	692
Provided in year	-	346	346
Amortisation at 31 March 2021	-	1,038	1,038
Net book value at 31 March 2021	1,605	346	1,951
Net book value at 1 April 2020	566	692	1,258

The IWM is investing in a Digital transformation and Customer Relationship Management (CRM) system to manage and improve relationships with our customers.

	Land freehold and leasehold £'000	Structure £'000	Plant and machinery £'000	Fit-out £'000	Assets under construction £'000
<b>8b Consolidated tangible fixed assets</b>					
Cost/valuation at 1 April 2020	34,312	131,859	46,468	20,284	16,521
Additions	-	2,512	311	192	15,364
Transfers between categories	-	1,485	1,229	627	(3,485)
Transfer out to lease receivables	(892)	(1,871)	-	-	-
Revaluation	1,547	(4,088)	(1,658)	(630)	-
Disposals	-	-	(537)	(157)	-
Value at 31 March 2021	34,967	129,897	45,813	20,316	28,400
Depreciation at 1 April 2020	-	3,831	3,837	2,004	-
Provided in year	-	2,457	2,337	1,314	-
Transfer out to lease receivables	-	(97)	-	-	-
Depreciation due to revaluation	-	(243)	(221)	(238)	-
Disposals	-	-	(93)	(32)	-
Depreciation at 31 March 2021	-	5,948	5,860	3,048	-
Net book value at 31 March 2021	34,967	123,949	39,953	17,268	28,400
Net book value at 1 April 2020	34,312	128,028	42,631	18,280	16,521

	Exhibitions £'000	Equipment £'000	Assets held under finance lease £'000	Total £'000
<b>Consolidated tangible fixed assets (continued)</b>				
Cost/valuation at 1 April 2020	30,276	6,718	5,586	292,024
Additions	575	692	-	19,646
Transfers between categories	144	-	-	-
Transfer out to lease receivables	-	-	-	(2,763)
Revaluation	-	-	(159)	(4,988)
Disposals	-	(91)	-	(785)
Value at 31 March 2021	30,995	7,319	5,427	303,134
Depreciation at 1 April 2020	25,367	6,251	1,966	43,256
Provided in year	679	432	259	7,478
Transfer out to lease receivables	-	-	-	(97)
Depreciation due to revaluation	-	-	(30)	(732)
Disposals	-	(91)	-	(216)
Depreciation at 31 March 2021	26,046	6,592	2,195	49,689
Net book value at 31 March 2021	4,949	727	3,232	253,445
Net book value at 1 April 2020	4,909	467	3,620	248,768

**8b Consolidated tangible fixed assets (continued)**

On 12 October 2001 IWM entered into a finance lease for the current accommodation of the Churchill War Rooms, for additional space, and for refurbishment of the space. The landlord is EP3 Ltd. Rent is payable until 2030-31. Cost £6,313K.

All Saints and the new Parkside Building were valued on 31 March 2021, IWM Duxford was revalued on 31 March 2019. All other sites were revalued on 31 March 2018. All valuations were by external professional valuers Gerald Eve, in accordance with the Royal Institute of Chartered Surveyors guidance notes. All sites except All Saints and Parkside have been revalued using prices indices. Land, structure and fit-out have been revalued using the U0004802 - Build Cost indexation adjusted by the location factor. Plant and Machinery have been revalued using the Office of National Statistics - EW7J Machining Services.

All tangible fixed assets are used for charitable activities.

In accordance with Financial Reporting Standard 102 - Section 17, *Property, Plant and Equipment*, buildings are split between structure, plant and machinery and fit-out. Each of the major components has substantially different economic lives.

Property	Title	Net book value	Net book value	Basis of valuation
		at 31 March 2021 £'000	at 1 April 2020 £'000	
IWM London, Lambeth Road, London SE1 including Gate Lodge, Lambeth Road, London SE1	Long leasehold Freehold	<b>84,426</b>	89,995	Depreciated replacement cost Depreciated replacement cost
Parkside Building, Austral Street London SE11	Freehold	<b>7,180</b>	-	Fair Value
Duxford Airfield, Cambridgeshire	Freehold	<b>85,291</b>	88,473	Depreciated replacement cost
Ickleton Film Store, Cambridgeshire	Long Leasehold	<b>4,476</b>	4,731	Depreciated replacement cost
IWM North, Manchester	Long Leasehold	<b>28,771</b>	29,694	Depreciated replacement cost
HMS Belfast, London SE1	Long Leasehold	<b>3,847</b>	3,660	Existing use
Churchill War Museum, London SW1	Long Leasehold	<b>5,382</b>	5,966	Depreciated replacement cost

	Acquisition at historic costs £'000	Donated assets at valuation £'000	Total £'000
<b>9a Heritage assets</b>			
Restated cost/valuation at 1 April 2020		4,908	8,599
Additions	4	372	376
Value at 31 March 2021	<u>4,912</u>	<u>4,063</u>	<u>8,975</u>

IWM acquires donated objects by gift, bequest and from the translation of long term loans for the collections into permanent acquisitions. Objects wholly or partially donated to the IWM in 2020-21 were valued at £372k comprising assets and equipment capitalised in the IWM's Balance Sheet (2019-20 £1,200K). Values were assessed by relevant experts and other information, including valuations for tax purposes.

No capitalised collection objects were disposed of during the year.

**9b Five year financial summary of heritage asset transactions**

	2020-21 £'000	2019-20 £'000	2018-19 £'000	2017-18 £'000	2016-17 £'000
<b>Additions</b>					
Purchases	<b>4</b>	76	331	29	4
Donations	<b>372</b>	1,200	85	93	414
Total additions	<u><b>376</b></u>	<u>1,276</u>	<u>416</u>	<u>122</u>	<u>418</u>

**9c The nature and scale of the IWM's heritage assets**

IWM's collections are remarkably broad, including extensive holdings of art and objects. The archival holdings of written, audio and visual records are major specialist resources which support internal and external research with world-wide audiences. The collections as a whole allow the presentation and interpretation of IWM's powerful subject matter in its full historical context. In addition to British and Commonwealth material, there are extensive holdings relating to allied and enemy forces.

IWM is the national museum of conflict involving British and Commonwealth forces from the First World War onwards. It illustrates and records all relevant aspects of modern war, and of the individual's experience of war and wartime life, whether allied or enemy, service or civilian, military or political, social or cultural. Its remit embraces the causes, conduct and consequences of conflict.

9c The nature and scale of the IWM's heritage assets (continued)

We manage our museum collection by recording each individual item, as we have done for many years. For our film collections, we now report the number of titles (i.e. moving image works), instead of elements, as each film title has duplicate reels. This better communicates the number of unique content items for which we are responsible and enables us to report more effectively on the progress of digitisation.

<b>Artworks:</b> IWM holds a large and world-class collection of modern British art. The core is paintings, prints and drawings commissioned or purchased during the First and Second World Wars, added to by the acquisition of historical and contemporary works of art. The collection includes digital and mixed media artworks, sculptures, cartoons and camouflage designs and almost 20,000 international posters.	<b>94,613 items</b>
<b>Objects:</b> IWM holds a diverse range of three dimensional material, covering the full spectrum of objects associated with modern warfare. These include vehicles, aircraft and aero engines, uniforms, medals, models, currency and equipment. IWM is the repository of the National Collection of modern firearms. HMS <i>Belfast</i> is included as a heritage asset and is subject to ongoing conservation assessment and treatment.	<b>151,795 items</b>
<b>Sound Recordings:</b> Our collection of sound recordings includes personal interviews, speeches and sound effects totalling many thousands of hours, and is one of the largest of its kind in the world.	<b>35,120 items</b>
<b>Film:</b> IWM is believed to be the longest established national film archive. IWM is the official repository for relevant film under the terms of the Public Records Act 1958.	<b>49,819 titles</b>
<b>Maps:</b> IWM holds trench maps and other maps relating to conflicts we cover, particularly the First World War	<b>62,859 items</b>
<b>Proclamations:</b> These notices, decrees and posters cover the First World War and later conflicts, from the Home Front and global theatres of war.	<b>31,991 items</b>

For our vast archival collections of photographs and documents, we now report the estimated number of items as this better reflects the scale of these holdings, with the numbers of collections through which these are managed.

<b>Documents:</b> IWM is among the world's leading repositories for the private papers of those involved in warfare since 1914. We hold an extensive series of records from Germany, Japan and Italy during the Second World War, deposited at IWM as captured enemy documents under the Public Records Act 1958.	<b>Estimated 22 million items, managed under 26,817 collections</b>
<b>Photographs:</b> We hold approximately 11 million images from official, press agency and private photographers. IWM is the official repository for relevant photographs under the terms of the Public Records Act 1958.	<b>Estimated 11 million images, managed under 19,701 collections</b>

<b>Reference Library:</b> The reference collection includes over 150,000 books as well as significant reference collections of printed ephemera, pamphlets and periodicals. The collections covers all nations involved in war and conflict from 1914 to the present with a particular focus on social, economic, political, literary, artistic, and military history.	<b>249,679 items</b>
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Changes to the figures since last year:

Category	19-20 figures	20-21 figures	Change	Reason for Change
<b>Artworks</b>	94,044	94,613	+ 569	More detailed cataloguing
<b>Objects</b>	150,561	151,795	+ 1,234	Acquiring new items for the collection and more detailed cataloguing
<b>Sound</b>	34,997	35,120	+ 123	Acquiring new items for the collection and more detailed cataloguing
<b>Film</b>	50,697 titles	49,819	- 878	No disposal from the collection; count adjusted following reconciliation of documentation
<b>Maps</b>	95,397 (total)	62,859	- 547	No disposal from the collection; count adjusted following reconciliation of documentation
<b>Proclamations</b>		31,991		
<b>Documents</b>	26,796	26,817	+ 21	Acquiring new items for the collection and more detailed cataloguing
<b>Photographs</b>	19,651	19,701	+ 50	Acquiring new items for the collection and more detailed cataloguing
<b>Reference Library</b>	249,505	249,679	+ 174	Acquiring new items for the collection and more detailed cataloguing

9d Collections Development Policy

IWM is the world's leading authority on conflict and its impact, focusing on Britain, its former Empire and the Commonwealth, from the First World War to the present. We enrich people's understanding of the causes, course and consequences of war through the acquisition, access and interpretation of art, material culture and artefact collections, archives of documents, film, photographs and sound recordings, and a library with

### 9d Collections Development Policy (continued)

IWM records and interprets all relevant aspects of modern war, and of the individual's experience of war and wartime life, whether allied or enemy, service or civilian, military or political, social or cultural. In order to explain the causes of the First World War onwards, IWM collects from 1900 to the present day.

IWM acquires objects and collections through donation and purchase and is the official repository for relevant film and photographs under the terms of the Public Records Act 1958.

IWM was granted the power to "exchange, sell, or otherwise dispose of any duplicate objects belonging to the Museum, and with the consent of the Treasury exchange, sell, or otherwise dispose of any objects belonging to the Museum which the Board consider unfit to be preserved or not to be required for the purposes thereof" by the Imperial War Museum Act 1920.

IWM's Collections Development Policy meets the requirements of the Arts Council England Accreditation Standard and complies with the Museums Association's ethical guidelines. The Board of Trustees will ensure that the disposal process is carried out openly and with transparency. By definition, IWM has a long-term purpose and holds collections in trust for society in relation to its stated objectives. The Board of Trustees, therefore, accepts the principle that sound curatorial reasons for disposal must be established before considerations given to the disposal of any items in IWM's collections.

IWM will confirm that it is legally free to dispose of an item and agreements on disposal made with donors, depositors and transferors will be taken into account. When disposal of an object is being considered, IWM will establish if it was acquired with the aid of an external funding organisation. In such cases, any conditions attached to the original grant will be followed.

Any decision to dispose of an object will be the responsibility of the IWM Board of Trustees acting on the advice of the Collections Development Committee and not of any collections manager, curator, or librarian acting alone.

### 9e Collections management policies and procedures

We enrich people's understanding of the causes, course and consequences of war through the acquisition and interpretation of, and access to, art, material culture and artefact collections, archives of documents, film, photographs and sound recordings, and a library with reference publications. The collections are defined as the total body of culturally significant items held by IWM.

The Department of Collections Management is actively responsible for strategy, policy, procedure and its implementation through training (ensuring competency in people undertaking collection management tasks) and supporting (by maintaining competency) museum staff and collection users. Our staff deliver services to internal clients across IWM, including object movement, support to exhibitions, documentation, conservation, preservation, digitisation, photography, asset ingest, data import and the management of hazardous and licensed collections.

IWM was accepted for full registration in 2005 within the first phase of the Registration Scheme, now the Accreditation Scheme, administered by Arts Council England (ACE). The Accreditation Scheme sets out nationally agreed standards, which inspire the confidence of the public and funding and governing bodies and all IWM branches are fully accredited.

IWM's archive collections, and Museum Archive, are also fully accredited under the Archive Service Accreditation Scheme, administered in England by the National Archives. This scheme defines good practice and standards for archive services across the UK, and allows IWM to assure The National Archives that IWM maintains the standards required of a Place of Deposit.

#### Documentation

IWM's Collection Management Policy, data standards and collections management documents set out how IWM obtains, documents, maintains and makes available information about our collections.

Collections management systems provide the software and infrastructure required to support effective collections management recording throughout IWM. We develop our systems to maximise efficiency of collection management transactions to support collections access. Our centralised collections management system supports information retrieval. We use sector-leading software, Axiell Collections. IWM has a Digital Asset Management System (DAMS) integrated with Axiell Collections to consolidate and preserve our digital assets in centralised storage.

IWM is committed to the protection of vital records and information about the collections. Paper records are archived in line with the *Code of Practice on Archives for Museums and Galleries in the United Kingdom (3rd ed., 2002)*. Electronic collection records and digital collections are maintained by IWM's IT department. Digital assets and priority collection data are replicated to a back-up server (at Duxford) on a daily basis. Axiell Collections is backed up every two hours.

IWM's policies and procedures relating to the management of collections information comply with the *Spectrum* standard for Collections Management (published by the Collections Trust).

#### Access

We are committed to providing access to our collection content and information to all potential users and customers. Increasingly we are investing in ensuring that internal and external users can identify, select, use and re-use our collections with ease in a primarily digital environment.

IWM's website identifies the point of access (i.e. site), nature (whether supervised or unsupervised) and lead-time for access to our collections and information. We encourage public access to our extensive collections, partly delivered by lending items for public display.

Where access to or use of original collections material cannot be facilitated because of risks to the physical collections (as defined through collections risk assessments), high quality collections surrogates (including access digital copies) are made available where possible.

#### Collections care

We are committed to sustainable conservation and preservation of the collections under our stewardship. Preservation priorities are determined through a risk management approach and in accordance with corporate priorities: balancing programmes for long-term care (determined by surveys and risk analysis) with collections access and use (through exhibitions, loans and the public offer). Preservation and Conservation schedules reflect public access requirements; research and exhibitions needs; funding and staff resources, and the urgency of preservation need.

**9e Collections management policies and procedures (continued)**

IWM's Preservation team assess the overall condition of the collection. This can be sampled-based analysis or a full item-by-item survey. Assessments are framed in terms of risks such as an item's: inherent stability; effect on/from other items; action by people on them and the effects of the environment they are housed in. The results are used with environmental risk assessments to decide how best to prioritise resources. The extent of our modern material archival holdings necessitate careful investment between capturing the content in digital form and the need to retain original, analogue content.

IWM's Conservation staff assess the condition of individual objects. Condition reports and technical assessments are used when: two parties need to agree the condition of an item, usually when items enter as a loan in or in some case as an acquisition; an item leaves IWM management control; and, in management of our extensive hazardous or licenced collections.

IWM minimises collections items' chemical and physical deterioration by preventative risk management before interventive conservation work is considered. Depending on how each item's cultural significance is demonstrated, interventive conservation treatments may either stabilise an item, minimising cleaning or other changes to its existing appearance, or may stabilise then enhance an item's original material to achieve its best possible appearance as informed by an interpretation brief.

IWM manages hazardous and licensed items in our collections within relevant legislation and our Risk Management guidelines. Active hazards inherent in collections items or care processes have been identified, documented and the appropriate risk and hazard management procedures and legislation applied. Materials used for conservation are subject to Control of Substances Hazardous to Health (COSHH) assessments.

We manage collections care within the UK Institute of Conservation's *Professional Guidelines and Code of Ethics* and the International Federation of Film Archives (FIAF) *Code of Ethics*.

Legislative requirements and relevant guidelines

Imperial War Museum Act, 1920  
Imperial War Museum Act, 1955  
Museums and Galleries Act, 1992  
Collections Development Policy (2020)  
Collections Management Policy (2019)  
Due Diligence Policy (2015)  
Public Records Act, 1958, amended 1967  
Data Protection Act, 1998 and 2018  
Freedom of Information Act, 2000  
Equality Act, 2010  
Human Rights Act, 1998  
Racial and Religious Hatred Act, 2006  
Copyright, Designs and Patents Act, 1988  
Copyright and Related Rights Regulations, 2003  
Control of Substances Hazardous to Health Regulations, 2002  
Health and Safety at Work Act, 1974  
Management of Health and Safety at Work Regulations, 1999  
Reporting of Injuries, Diseases and Dangerous Occurrences Regulations, 1995 and 2013  
Ionising Radiation Regulations, 2017  
Human Tissue Act, 2004  
Firearms Act, 1968, and amended 1988 and 1997, and Firearms Security Handbook 2020  
The Control of Asbestos Regulations, 2012  
Misuse of Drugs Regulations, 2001 and later revisions  
Explosives Regulations, 2014  
Joint Service Publication (JSP) 482 - Ministry of Defence Explosives Regulations  
European Agreement concerning the International Carriage of Dangerous Goods by Road, (*ADR - Accord européen relatif au transport international des marchandises Dangereuses par Route*), 2013 and later revisions  
UK Registration, Evaluation, Authorisation & restriction of Chemicals (REACH), 2007 and as amended under the European Union (Withdrawal) Act  
Lifting Operations and Lifting Equipment Regulations, 1998  
Provision and Use of Work Equipment Regulations, 1998  
The Work at Height Regulations, 2005

International conventions

Convention for the Protection of Cultural Property in the Event of Armed Conflict, First Protocol 1954 and Second Protocol 1999  
UNESCO Convention for the Safeguarding of the Intangible Cultural Heritage, 2003  
UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property, 1970  
UNESCO Convention on the Protection of the Underwater Cultural Heritage, 2001  
IUCN (The World Conservation Union) Convention on International Trade in Endangered Species of Wild Fauna and Flora, 1973  
UNIDROIT Convention on Stolen and Illegally Exported Cultural Objects, 1995

**9e Collections management policies and procedures (continued)**
National standards and guidelines

Accreditation Scheme for Museums and Galleries in the United Kingdom: Accreditation Standard, Arts Council England, 2018.  
 Government Indemnity Scheme Guidelines for national institutions, Arts Council England, 2016  
 SPECTRUM: The UK Museum Documentation Standard, Collections Trust, version 5, 2017  
 Benchmarks in Collections Care for Museums, Archive and Libraries 2.1, Collections Trust, 2018  
 PAS 197: Code of practice for cultural collections management, 2009

PAS 198: Specification for managing environmental conditions for cultural collections, 2012 (now replaced by BS EN 16893: Conservation of Cultural Heritage. Specifications for location, construction and modification of buildings or rooms intended for the storage or use of heritage collections, 2018  
 BS 4971: Conservation and care of archive and library collections, 2017  
 Disposal Toolkit, Museums Association, 2014  
 Code of Ethics for Museums, Museums Association, 2016  
 ICOM Code of Ethics for Museums, International Council of Museums, 2017  
 Code of Practice on Archives for Museums and Galleries in the United Kingdom, 2002  
 UK Institute of Conservation's Code of Conduct, 2014

**9f Obstacles to a meaningful valuation of the Collection**
IWM's policies and procedures relating to acquisition, preservation, management and disposal

Procedures and guidelines for developing our collections (Entry, Acquisition and accession, Exit, Deaccession and disposal); managing our collections (Inventory, Labelling and marking, Location and movement, Cataloguing, Condition checking, Condition reporting, Conservation, Risk management, Valuation, Audit, Rights management, Use of collections), responding when things go wrong (Loss, Reporting Damage) and lending and borrowing (Loans in, Loans Out, Insurance and indemnity).

In 2011 IWM calculated the cost of valuing the collections in their entirety at well over £5 million. This was recalculated for 2019- 2020 figures as 285 person years of work and a cost of over £6.2 million.

IWM has therefore determined that full valuations of our historic collections acquired in the twentieth century cannot be obtained for a reasonable cost, would result in no public benefit and would severely limit our ability to deliver our objectives. IWM has determined that public money is best spent and the needs of its visitors, commercial users, stakeholders and staff are best served by directing staff time towards developing accountable, accessible and sustainable collections.

For these reasons the provision of internal valuations is neither a simple nor a cost-effective solution.

Expertise	IWM employs specialist curators, archivists and librarians but they are not professionally trained nor widely experienced in providing valuations. Expertise is not available equally for all elements of the collections.
Logistics	Our vast, diverse and complex collections are displayed and stored across IWM's five branches, loan venues and external storage locations.
Market value	IWM's collections contain much that is unique and for which no market price could be ascertained. Market values, where ascertainable, are subject to severe fluctuations around significant anniversaries.
Ownership	Significant parts of the film, photograph and documents collections are deposited under the Public Records Act and therefore not legally owned by IWM. The practicalities of valuing this material would need to be established.
Digital	The collections include a growing proportion of digital material (primarily film and photographs). The extent to which these would be classed as heritage assets must be determined.

**10 Lease receivables**

The following table sets out the maturity analysis of lease receivables, showing the undiscounted lease payments to be received after 31 March 2021.

	<b>2021</b>	2020
	<b>Land and other buildings</b>	Land and other buildings
	<b>£'000</b>	£'000
Finance leases which expire:		
Within one year	<b>60</b>	-
In the second to fifth years inclusive	<b>240</b>	-
Over five years	<b>6,876</b>	-
	<b>7,176</b>	-
Unearned finance income	<b>(6,342)</b>	-
Net investment in the lease	<b>834</b>	-
Within one year	-	-
In the second to fifth years inclusive	-	-
Over five years	<b>834</b>	-
	<b>834</b>	-

In November 2020 the IWM leased the All Saints building on Austral Street for occupation by EPR. Rent is payable until 2140-41, Lease receivable of £2,666K is the fair value of the property which is deemed by management to be equal to the cost of the property. The IWM has classified the lease as a finance lease.

**IMPERIAL WAR MUSEUM ACCOUNT 2020-21**
**11 Stock**

Stock consists of retail goods and IWM Publications.

	Group	Group Restated	IWM	IWM Restated
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
<b>12a Debtors</b>				
<b>Amounts falling due within one year</b>				
Trade debtors	173	912	-	148
Other debtors	10	69	10	69
Amount owed by Imperial War Museum Trading Company Ltd	-	-	213	-
VAT debtor	1,213	1,252	1,441	1,645
Prepayments	318	368	257	359
Accrued income	4,905	8,085	4,755	8,036
Provision for bad debts	(11)	(11)	(1)	(1)
Total debtors falling due within one year	<u>6,608</u>	<u>10,675</u>	<u>6,675</u>	<u>10,256</u>
<b>Amounts falling due after more than one year</b>				
Accrued Income	420	690	420	690
Total Debtors	<u>7,028</u>	<u>11,365</u>	<u>7,095</u>	<u>10,946</u>

Group - Accrued income includes £1,620K from DCMS; £500K from the Bamford Charitable Foundation; £600K from the Clore Duffield Foundation and £900K from Warner Brothers.

The 2019-20 accrued income amounts falling due within one year has been restated by £2,065K to reflect a fee payment from Warner Bros Entertainment Inc for "They Shall Not Grow Old".

	Group 2020	IWM 2020
	£'000	£'000
<b>Debtors</b>		
<b>Amounts falling due within one year</b>		
Accrued income	6,020	5,971
Additional fee income	2,065	2,065
Restated at 31 March 2020	<u>8,085</u>	<u>8,036</u>

	Group	Group Restated	IWM	IWM Restated
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
<b>12b Intra-Government debtor balances</b>				
Balances with other central government bodies	3,723	1,399	3,865	2,157
Balances with bodies external to government	3,305	9,966	3,230	8,789
Total debtors	<u>7,028</u>	<u>11,365</u>	<u>7,095</u>	<u>10,946</u>

**13 Cash at bank and in hand**

	2021 Total £'000	2020 Total £'000
Imperial War Museum	12,649	14,804
Imperial War Museum Trading Company Limited	219	797
	<u>12,868</u>	<u>15,601</u>

	Group	Group	IWM	IWM
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
<b>14a Creditors</b>				
<b>Amounts falling due within one year</b>				
Trade creditors	1,004	1,114	1,000	1,071
Other creditors	556	1,196	556	747
Amounts owing to the Imperial War Museum Trading Company	-	-	-	321
Obligations under finance lease	79	262	79	262
Accruals	2,716	2,662	2,578	2,531
Deferred income	315	836	65	69
Total creditors falling due within one year	<u>4,670</u>	<u>6,070</u>	<u>4,278</u>	<u>5,001</u>
<b>14b Amounts falling due after more than one year</b>				
Obligations under finance lease	4,245	4,257	4,245	4,257
Deferred income	610	644	610	644
Total creditors falling due after more than one year	<u>4,855</u>	<u>4,901</u>	<u>4,855</u>	<u>4,901</u>
Total creditors	<u>9,525</u>	<u>10,971</u>	<u>9,133</u>	<u>9,902</u>

**14b Creditors amounts falling due after more than one year (continued)**

Included in deferred income is £610K which represents funds given to the Museum by the Airborne Forces in relation to its occupation of certain office and gallery spaces in the Museum. An amount representing an annual rental payment is released each year.

	<b>Group</b> <b>2021</b> <b>Total</b> <b>£'000</b>	Group 2020 Total £'000	<b>IWM</b> <b>2021</b> <b>Total</b> <b>£'000</b>	IWM 2020 Total £'000
<b>14c Intra-Government creditor balances</b>				
Balances with other central government bodies	661	266	532	570
Balances with bodies external to government	8,864	10,705	8,601	9,332
Total creditors	<u>9,525</u>	<u>10,971</u>	<u>9,133</u>	<u>9,902</u>

	<b>Group</b> <b>2021</b> <b>£'000</b>	Group 2020 £'000	<b>IWM</b> <b>2021</b> <b>£'000</b>	IWM 2020 £'000
<b>14d Deferred income</b>				
Deferred income brought forward	1,480	2,140	713	923
Released in year	(835)	(1,504)	(68)	(245)
Deferred in year	280	844	30	35
Deferred income carried forward	<u>925</u>	<u>1,480</u>	<u>675</u>	<u>713</u>

**14e Obligations under finance leases**

At 31 March 2021 IWM had commitments under finance leases as set out below:

	<b>2021</b> <b>Exhibitions</b> <b>£'000</b>	<b>2021</b> <b>Total</b> <b>£'000</b>	2020 Total £'000
Finance lease obligations: payments due			
Within one year	79	79	262
in the second to fifth year	1,586	1,586	1,330
in more than five years	2,659	2,659	2,928
	<u>4,324</u>	<u>4,324</u>	<u>4,520</u>

	<b>Group</b> <b>2021</b> <b>£'000</b>	Group 2020 £'000	<b>IWM</b> <b>2021</b> <b>£'000</b>	IWM 2020 £'000
<b>14f Loans</b>				
<b>Amounts falling due within one year</b>				
Short term loan	1,000	-	1,000	-
<b>Amounts falling due after more than one year</b>				
Long term loan	4,000	2,000	4,000	2,000
	<u>5,000</u>	<u>2,000</u>	<u>5,000</u>	<u>2,000</u>

The Museum received a loan from Department for Digital, Culture, Media and Sport of £2,000,000 in 2019-20 and £3,000,000 in 2020-21 for the Parkside project. The loan agreement shows repayments being made in five equal instalments from April 2021 to April 2025. Interest is being charged at a rate of 0.24% and 0.12%

**15(a) IWM Trading Company Limited**

The IWM Trading Company provides educational services to IWM and performs the commercial activities of retailing, catering, corporate hospitality, commercial events and temporary exhibitions ticketing.

	<b>2021</b> <b>£'000</b>	2020 £'000
<b>Profit and loss account</b>		
Turnover	2,914	14,017
Cost of goods sold	(4,831)	(8,932)
<b>Gross profit</b>	<u>(1,917)</u>	<u>5,085</u>
<b>Other operating income</b>	1,600	1,245
	<u>(317)</u>	<u>6,330</u>
Administrative expenses	-	(1,681)
<b>Operating profit</b>	<u>(317)</u>	<u>4,649</u>
Interest receivable	1	15
<b>Profit</b>	<u>(316)</u>	<u>4,664</u>
Amount paid to IWM under gift-aid	-	(4,664)
(Loss) on ordinary activities after gift-aid	<u>(316)</u>	<u>-</u>



**15(a) IWM Trading Company Limited (continued)**
*Reconciliation of results of the trading company to the Consolidated Statement of Financial Activities*

Turnover	2,914	14,017
Intercompany transactions	(22)	(98)
<b>Included in trading income per SOFA</b>	<b>1,290</b>	<b>10,213</b>
<b>Included in fees income per SOFA</b>	<b>1,361</b>	<b>3,418</b>
<b>Included in royalties per SOFA</b>	<b>241</b>	<b>288</b>
External funds	1,600	1,245
Intercompany transactions	(800)	(1,190)
<b>Included in external funds per SOFA</b>	<b>116</b>	<b>55</b>
<b>Included in government grants per SOFA</b>	<b>684</b>	<b>-</b>
Cost of goods sold	4,831	8,932
Intercompany transactions	(22)	(118)
<b>Included in commercial costs (£3,869K) and education (£940K) per SOFA</b>	<b>4,809</b>	<b>8,814</b>
Indirect costs	-	1,681
Intercompany transactions	-	(1,681)
Interest receivable	1	15
<b>Included in investment income per SOFA</b>	<b>1</b>	<b>15</b>

	2021	2020
<b>Balance sheet</b>	<b>£'000</b>	<b>£'000</b>
Current assets	1,127	2,392
Current liabilities	(834)	(1,783)
Net assets	<b>293</b>	<b>609</b>
Called up share capital	600	600
Profit and loss account	(307)	9
Capital and reserves	<b>293</b>	<b>609</b>

The authorised share capital of the Company is 600,000 shares of £1 each.

The future plans of the Company forecast longer term growth.

The Financial Statements of the IWM Trading company have been prepared on a going concern basis.

The 2020 current assets figure has been amended from £2,586K to £2,392K and the current liabilities figure has been amended from £(1,977)K to £(1,732)K. This is due to the 2018-19 figures being shown rather than the 2019-20 figures. The Net assets figure has not changed.

**15(b) IWM Film Production Company Limited**

The IWM Film Production Company has been dormant during 2020-21 and 2019-20.

**16 Other grants**

Other grants are split between 14 -18 NOW WW1 Centenary Art Commissions (£54k) and the Second World War and Holocaust Partnership Programme (£256K).

14 -18 NOW WW1 Centenary Art Commissions, was an independent programme hosted within Imperial War Museum and received public funding from the National Lottery and Arts Council England, during the year 14 -18 NOW paid out co-commission grants of £54K(2019-20 £468K).

IWM leads the Second World War and Holocaust Partnership Programme, a collaboration with eight cultural organisations across the UK to uncover new stories of, and engage new audiences with, the Second World War and the Holocaust. IWM received public funding from the National Lottery Heritage Fund to deliver the programme, as part of the creation of new Second World War and the Holocaust Galleries at IWM London. As agreed with NLHF, grants totalling £121K - £20K per partner, for the six who began their activity plans in 2020-21, plus £1K to support one partner's preparatory work – were distributed to enable partners' activity on-site and with audiences. Grants totalling £134K were distributed to six partners to fund Digital Intern placements, each employed by the partner organisations.

**17 Capital commitments**

At the balance sheet date, the IWM had outstanding capital commitments, authorised by the Board of Trustees but not yet contracted of £4,903K(2019-20 £6,608K) and outstanding capital commitments contracted but not provided of £3,422K, (2019-20 £6,713K).

**IMPERIAL WAR MUSEUM ACCOUNT 2020-21**
**18a Commitments under operating leases**

At 31 March 2021 IWM had annual commitments under non cancellable operating leases as set out below:

	2021 Land and other buildings £'000	2020 Land and other buildings £'000	2021 Equipment £'000	2020 Equipment £'000
Operating leases which expire:				
Within one year	317	410	88	99
In the second to fifth years inclusive	1,560	1,439	115	137
Over five years	7,010	6,232	-	-
	<b>8,887</b>	<b>8,081</b>	<b>203</b>	<b>236</b>

**18b Commitments under hire agreements**

At 31 March 2021 IWM had annual commitments under non cancellable hire agreements as set out below:

	2021 Equipment £'000	2020 Equipment £'000
Hire agreements which expire:		
Within one year	74	56
In the second to fifth years inclusive	181	33
Over five years	-	-
	<b>255</b>	<b>89</b>

**19 Contingent liabilities**

There are no contingent liabilities (2019-20 £Nil).

**20 Consolidated statement of funds**

	Restated At 1 April 2020 £'000	Income £'000	Expenditure £'000	Revaluations/ capital restructure £'000	Transfers £'000	At 31 March 2021 £'000
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Buildings, collections, equipment and exhibitions	22,849	-	(2,138)	-	-	20,711
Buildings revaluations	21,191	-	(254)	(1,095)	-	19,842
Total designated funds	44,040	-	(2,392)	(1,095)	-	40,553
General funds	5,689	30,500	(32,138)	-	633	4,684
Finance lease reserve	(5,269)	-	(259)	-	-	(5,528)
IWM Trading Company reserve	9	-	-	-	(316)	(307)
	429	30,500	(32,397)	-	317	(1,151)
<b>Total unrestricted funds</b>	<b>44,469</b>	<b>30,500</b>	<b>(34,789)</b>	<b>(1,095)</b>	<b>317</b>	<b>39,402</b>
<b>Restricted funds</b>						
Buildings, collections, donated objects equipment and exhibitions	136,080	11,674	(3,873)	-	9,037	152,918
Buildings revaluations	74,885	-	(3,222)	(3,161)	-	68,502
CJRS	-	2,908	(2,908)	-	-	-
Tied funds	17,649	3,357	(1,364)	-	(9,354)	10,288
<b>Total restricted funds</b>	<b>228,614</b>	<b>17,939</b>	<b>(11,367)</b>	<b>(3,161)</b>	<b>(317)</b>	<b>231,708</b>
<b>Total funds</b>	<b>273,083</b>	<b>48,439</b>	<b>(46,156)</b>	<b>(4,256)</b>	<b>-</b>	<b>271,110</b>

**20 Consolidated statement of funds (continued)**

The unrestricted general funds and restricted tied funds at 1 April 2020 have both been restated by £1,032,975, being 50% of £2,065,950 to reflect a payment from Warner Bros Entertainment Inc for "They Shall Not Grow Old". IWM was notified of this additional income prior to the 2019-20 Accounts being signed.

<b>Consolidated statement of funds</b>	<b>Previously Stated At 1 April 2020 £'000</b>	<b>Prior period Income adjustment £'000</b>	<b>Restated At 1 April 2020 £'000</b>
<b>Unrestricted funds</b>			
<i>Designated funds:</i>			
Buildings, collections, equipment and exhibitions	22,849	-	22,849
Buildings revaluations	21,191	-	21,191
Collections	-	-	-
<b>Total designated funds</b>	<b>44,040</b>	<b>-</b>	<b>44,040</b>
General funds	4,656	1,033	5,689
Finance lease reserve	(5,269)	-	(5,269)
IWM Trading Company reserve	9	-	9
	<b>(604)</b>	<b>1,033</b>	<b>429</b>
<b>Total unrestricted funds</b>	<b>43,436</b>	<b>1,033</b>	<b>44,469</b>
<b>Restricted funds</b>			
Buildings, collections, donated objects equipment and exhibitions	136,080	-	136,080
Buildings revaluations	74,885	-	74,885
C.JRS	-	-	-
Tied funds	16,617	1,032	17,649
<b>IWM restricted funds</b>	<b>227,582</b>	<b>1,032</b>	<b>228,614</b>
IWM DT Redevelopment appeal	-	-	-
IWM DT Tied donations	-	-	-
<b>Total restricted funds</b>	<b>227,582</b>	<b>1,032</b>	<b>228,614</b>
<b>Total funds</b>	<b>271,018</b>	<b>2,065</b>	<b>273,083</b>

The tied funds (£10,288K) comprise funds donated for the application to specific projects. These include Transforming IWM London (£3,149K); 14-18 NOW Legacy (£2,554K); the AirSpace at IWM Duxford (£236K); the VCGC Gallery at IWM London (£129K) and the Holocaust exhibition at IWM London (£220K).

Funds of £172K have been transferred from restricted funds to unrestricted funds to cover eliminations on consolidation of transactions.

Funds of £262K have been transferred from general funds to restricted buildings, collections, donated objects equipment and exhibition.

Funds of £8,709K have been transferred from tied funds to cover Transforming IWM London costs and £459K to buildings, collections, donated objects equipment and exhibitions for capital projects.

Funds of £293K have been transferred to tied funds to cover future cost of buildings, collections, donated objects equipment and exhibitions for capital projects.

Funds of £408K have been transferred from tied funds to general funds to cover payments.

The unrestricted buildings, collections, equipment and exhibitions funds of £20,711K, the buildings revaluation of £19,842K, the restricted buildings, collections, donated objects, equipment and exhibitions funds of £152,918K, the buildings revaluation of £68,502K, together represent the net book value of the intangible fixed assets, tangible fixed assets and heritage assets less the assets held under finance leases £262,629K.

Designated funds comprise assets funded by IWM, including capital building works, collections, equipment and exhibitions. Restricted funds comprise funds received specifically for expenditure on such assets. These include the American Air Museum and AirSpace at IWM Duxford, IWM North, the Churchill War Rooms expansion project, HMS Belfast Pavilion and the redevelopment of IWM London and the Holocaust exhibition.

Building revaluations increased/(decreased) IWM London by £(3,537)K; All Saints by £(147)K; IWM North by £(298)K; IWM Duxford by £(1,528)K; HMS Belfast by £(74)K; Ickleton by £(60)K; Churchill War Museum by £(29)K; Parkside by £1,546K and the finance lease by £(129)K.

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
<b>21 Analysis of group net assets between funds</b>			
<b>Fund balances at 31 March 2021 are represented by:</b>			
Fixed assets	43,785	221,420	265,205
Net current assets	3,862	10,898	14,760
Long-term creditors	(8,245)	(610)	(8,855)
<b>Total net assets</b>	<b>39,402</b>	<b>231,708</b>	<b>271,110</b>

**22 Cash flow information**

**(a) Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2021 £'000	Restated 2020 £'000
Net income for the reporting period (as per the statement of financial activities)	2,283	5,318
Decrease in Lease Receivables	1,832	-
Investment Income	(201)	(89)
Interest element of finance lease rental payments	273	297
Interest element of loan payments	7	-
Loss on disposal of tangible fixed assets	570	60
Reclassification from capital costs to revenue costs	-	447
Depreciation and impairment charge for the year	7,824	8,072
(Increase) in stocks	(71)	(75)
Decrease/ (increase) in debtors	4,337	(496)
Increase/(decrease) in creditors	2,641	(1,435)
<b>Net cash provided by operating activities</b>	<b>19,495</b>	<b>12,099</b>

**(b) Analysis of cash flows**

(Decrease)/increase in cash in the year	(2,733)	1,238
Cash flow arising from decrease in finance lease	195	246
Movement in net debt in the year	(2,538)	1,484
<b>Net funds at 1 April 2020</b>	<b>11,081</b>	<b>9,597</b>
<b>Net funds at 31 March 2021</b>	<b>8,543</b>	<b>11,081</b>

**22 Cash flow information (continued)**

**(c) Changes in net debt/funds**

	1 April 2020 £'000	Cash flow £'000	31 March 2021 £'000
Cash at bank and in hand	15,601	(2,733)	12,868
Finance lease	(4,520)	195	(4,325)
<b>Net funds</b>	<b>11,081</b>	<b>(2,538)</b>	<b>8,543</b>

**23 The role of financial instruments**

Sections 11 of the accounting standard FRS 102, *Financial Instruments*: requires disclosure of the role which financial instruments have had during the period, in creating or changing the risks IWM faces in undertaking its activities.

The following disclosures relate to the whole group.

**Credit, liquidity or market risk**

Grant-In-Aid from the Department for Digital, Culture, Media and Sport comprises 70% of total incoming resources. The remaining amount is funded via self generated income, which tends to fluctuate around historically predictable performance. The majority of financial instruments relate to contracts to buy non-financial items in line with IWM's expected purchase and usage requirements. As a result, IWM is exposed to some credit, liquidity or market risk.

IWM is exposed to credit risk of £173K of trade debtors - however this risk is not considered significant as major customers are familiar to IWM. Bad and doubtful debts are provided for on an individual basis.

IWM has sufficient unrestricted funds to cover its current liabilities.

Cash is held by IWM's bankers and invested in compliance with the Trustees' approved policy to spread risk and impose minimum credit ratings for institutions. IWM has not suffered any loss in relation to cash held by bankers.

**Interest rate risk**

100% of IWM's financial assets carry nil or fixed rates of interest. IWM is not therefore exposed to significant interest rate risk.

The following table shows the interest rate profile of IWM's financial assets:

<b>Interest rate profile</b>	<b>Fixed rate financial assets £'000</b>	<b>Non- interest bearing financial assets £'000</b>
As 31 March 2021		
Sterling	12,868	-
	<u>12,868</u>	<u>-</u>
As 31 March 2020		
Sterling	15,601	-
	<u>15,601</u>	<u>-</u>

The book value equals the fair value for all assets held.

**Foreign currency risk**

IWM's exposure to foreign currency risk is not significant.

**24 Related party transactions**

The Imperial War Museum is a statutory non-departmental public body sponsored by the Department for Digital, Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the Museum has had various material transactions with the Department. The IWM received grants from the National Heritage Lottery Fund (NHLF) for which the DCMS is also recognised as the parent body department. None of the Trustee board members, key managerial staff or other related parties has undertaken any material transactions with the Museum during the year. During the year the Museum had significant related party transactions with the following bodies:

	<b>Amount Purchased £'000</b>	<b>Amount Sold £'000</b>	<b>Donations / Grants Received £'000</b>	<b>Donations / Grants Given £'000</b>	<b>Year End Balance £'000</b>
American Air Museum in Britain (AAMiB)	-	-	112	-	167
IWM Foundation	-	5	-	-	5
IWM Development Trust	-	2	-	-	2
Goldman Sachs	-	-	220	-	-
Commonwealth War Graves Commission	-	1	-	-	-
Gerald Eve LLP	12	-	-	-	(8)
Amazon	8	-	-	-	-
BBC	-	41	-	-	-
British Film Institute	71	-	-	-	-
National Lottery Heritage Fund	-	-	1,130	-	228
National Maritime Museum	14	-	-	-	-
Science Museum	9	-	-	-	-
Victoria & Albert Museum	-	1	-	-	-

The nature of these related parties is as follows:

**Diane Lees**, Director General is a Vice President and **Jon Card** is the Secretary and Treasurer of the American Air Museum in Britain. During the year IWM received donations from the AAMiB.

A total of £2K (2019-20 £2k) is due from the IWM Development Trust in service charges as per the operating agreement.

The IWM Foundation is charged with raising funds to support the redevelopment of Imperial War Museum's permanent galleries. £5K (2019-20 £12k) is due from the Foundation for payments made on its behalf in 2020-21.

IWM Trustee **Matthew Westerman** has financial interests in Goldman Sachs. IWM received a total of £220K(2019-20 £0) in donations from Goldman Sachs employees through the *Goleman Sachs Gives* programme.

IWM Trustees **HE George Brandis**, **HE Bede Corry** and **HE Janice Charette** are Commissioners for Commonwealth War Graves Commission. £1K (2019-20 £1K) was received as fees for image sales.

IWM Trustee **Hugh Bullock**, is a Non-Executive Adviser of Gerald Eve LLP. £12K (2019-20 £0) was paid relating to year end valuation of IWM sites for 2020-21 and a phase one scoping for a joint venture development agreement.

IWM Trustee **Angus Lapsley** is a member of the Ministry of Defence. £1K (2019-20 £1K) was received from the Ministry of Defence for image sales.

**24 Related party transactions (continued)**

IWM Trustee **Mark Urban** holds shares in Amazon. £8K was paid to Amazon for items and services purchased through their website.

IWM Trustee **Tim Marlow's wife, Tanya Hudson** is and Executive Producer at the BBC. £41K (2019-20 £271K) was received by IWM for the use of IWM film and licensing agreements.

IWM Trustee **Tamsin Todd** is the CEO of FindmyPast. £1K (2019-20 £0) was paid by IWM for image sales and licensing.

£71K (2019-20 £74K) was paid to the DCMS funded **British Film Institute** for the transport and storage of cellulose nitrate films. £1K (2019-20 £10K) was received for images sales and licensing.

£1K (2019-20 £0) was paid to the DCMS funded **National Gallery** for exhibition licenses .

£670K (2019-20 £955k) was received from the DCMS funded **National Lottery Heritage Fund** as Capital Grants towards the Transforming IWWL Phase 2. A further £214K is due in 2021-22.

£232 (2019-20 £160k) was received to fund the Ordinary People Extraordinary Lives Second World War project with a further £14K due in 2021-22.

£14K (2019-20 £19k) was paid to the DCMS funded **National Maritime Museum** for rental and storage services.

£1K (2019-20 £1K) was paid to the DCMS funded **National Portrait Gallery** for licensing fees.

A NMDC membership contribution payment of £9K (2019-20 £7k) was made to the DCMS funded **Science Museum Group**. £1K was received for image sales and for conservation services provided (2019-20 £3k).

£1K(2019-20 £1k) was received from DCMS funded **Victoria & Albert Museum** as payment for conservation services provided.

**25 Losses, special payments and gifts**

Costs falling into the category of losses, special payments and gifts were below the level of £100,000. Losses exceeding this amount are required to be shown in a Loss Statement, with any individual losses of more than £100,000 being listed separately.

**26 Post balance sheet events**

The accounts were authorised for issue by the Accounting Officer and the Board of Trustees on the date given on the audit certificate.

