

The Geffrye Museum Trust

Annual Report and Accounts
Year Ended 31 March 2018

Company Number 2476642

Charity Number 803052

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Directors and Trustees: The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year were as follows:

Trustees appointed by the Secretary of State for Digital, Culture, Media and Sport:

Chair: Samir Shah
Cynthia Polemis
Alexandra Robson
Edwina Sassoon

Elected Trustees: Bernard Donoghue
Jeremy Edge
Douglas Gilmore
Clare Gough
Jonathan Newby
Jeremy Newton
Marilyn Scott
Prof. Abigail Williams

Co-opted Member: John Forrester

Director: Sonia Solicari

Company Secretary: Graeme Silcocks

Professional Advisors:

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136 Kingsland Road
London E2 8EA

Company registered in England, number 2476642.

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The Trustees present their report for the year ended 31 March 2018.

The accounts have been prepared in accordance with accounting policies set out in Note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, applicable law, the requirements of the Financial Reporting Standard applicable in the UK – FRS 102 and follows the Charities Statement of Recommended Practice SORP (FRS 102) and comply with the requirements of Companies Act 2006.

STRATEGIC REPORT

THE GEFFRYE MUSEUM

Brief Description and History

The Geffrye is a specialist museum which explores the home over the past 400 years. It has outstanding collections and displays, and is set in beautiful buildings and gardens and has a reputation for its high-quality learning and engagement programmes. It is known as one of London's most friendly and enjoyable museums.

The museum is located in Shoreditch, East London. It is set in grade 1 listed, eighteenth-century buildings which were formerly the Ironmongers' Company almshouses, founded in 1714 with a bequest from Sir Robert Geffrye. The almshouses were sold in 1910 to the London County Council (LCC), and converted into the Geffrye Museum, which opened in 1914. Its collections of furniture and woodwork were intended to educate and inspire people working in the London furniture trade, then centred in Shoreditch and Bethnal Green. In the late 1930s the museum was re-arranged into a series of period rooms and under the direction of the curator, Molly Harrison, the museum pioneered museum education services for schoolchildren in the post-war decades. In 1990, following the abolition of the Greater London Council (which had taken over from the LCC) the Geffrye was transferred to an independent trust funded by government, and in recent years its purpose has been re-defined as the Museum of the Home.

Governance

The Geffrye Museum Trust is a charitable company, limited by guarantee, supported financially by grant-in-aid from the Department for Digital, Culture, Media and Sport (DCMS), supplemented by earned income, donations and sponsorship. The principal charitable purposes of the Trust are the advancement of education and other purposes beneficial to the community, including the care of its collections, grade 1 listed buildings and gardens.

Public Benefit

The Trustees comply with the duty contained in the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. The Charity provides public benefit by safeguarding the collections and buildings, making them accessible to the public and delivering museum and education services which are open to all sectors of society.

The Geffrye Museum Manifesto is:

1. Everyone has an idea of what home means to them

Home is universally relevant but also deeply personal. Our role is to engage people with the multiple meanings of home - past, present and future. We believe that our histories are critical to understanding how we live today and imagining the home of tomorrow.

2. Personal stories are our lifeblood

Without personal stories we cannot exist. We want to know how people live. The best way to do this is to ask them: to document their homes, invite them to participate in the creation of our galleries and programmes, discover their stories in what they have left behind.

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3. Design is important, but it has to be lived

We want to know how that armchair makes you feel, not just how it was made. Informing all our work is the question: ‘What does this tell us about how people experience home?’

4. We are a home for creativity

We are an active space for conversation, music, performance, storytelling, learning, play and socialising. We are also a hub where people designing, crafting and artistically exploring the home can come together, be discovered, showcased and celebrated.

5. Everyone can learn something here

Learning is at the heart of our collections and programming and we are a leading centre for studies of home. Whether someone wants to ‘dip-in’ or ‘dive-in’, we offer levels of connection and empower all our audiences and collaborators to engage.

6. Our visitors feel at home

We offer a warm and personal welcome to both our physical and digital spaces. We create experiences that are easy to navigate and enable our visitors to feel at ease and take control.

7. We lead the debate

We have a voice and use our expertise confidently. We inspire, provoke, encourage and challenge different meanings of home. We use our collections, physically and digitally, to spark research and discussion on the most relevant and difficult issues of our time.

8. Our gardens and almshouse buildings are part of who we are

We are proud of our beautiful green spaces. They are an oasis for all to enjoy, and inspire an understanding of the relationship between home and garden. Our iconic buildings have their own story to tell and provide a domestic context for our vision.

9. Our East London location inspires us

We have national and international reach but are rooted in East London. We connect to our local communities living and working nearby, and create vibrant and mutually rewarding networks.

10. Home is constantly evolving and so are we

We are not afraid to have fun with our collections, to question ourselves and occasionally break our own rules. We predict the trends that will interest our audiences and are forward-thinking in the way we work. We are collaborative, agile, risk-taking, and creative.

REVIEW OF ACTIVITIES 2017-18

Overview

The museum’s financial position was strengthened during the year with the successful completion of the sale of the former pub on Cremer Street to Jerram Falkus. The proceeds from this sale will be put towards the main *Unlocking the Geffrye* project. Part of the Cremer Street development includes a new café that will be leased back to the museum as part of the new streetscape on the corner of Cremer and Geffrye Street. Efficiency savings continue to be made in resource and staffing particularly during the period the museum is closed to the public. A series of commercial activity is planned for the front gardens during closure.

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We have made excellent progress in advancing our capital development project, *Unlocking the Geffrye*, building on major grants from the Heritage Lottery Fund and Department for Digital, Culture Media and Sport, as well as from trusts and individuals. The scheme, which addresses current needs, enables growth and helps to ensure a sustainable future, has been met with overwhelming support from statutory authorities and the public.

Unlocking the Geffrye, is now in the delivery stage. Instruction to start was given to the project team in May 2017, construction work is scheduled to start on site in July 2018 and be completed in Spring 2020. While the project is in delivery stage reserves are likely to remain low, as funds may need to be diverted to operational activities that support the project. *Unlocking the Geffrye* is an investment in the future as it will enable an increase in visitors and provide the spaces and facilities to earn and raise more income. The financial position remains tight, but we believe the long-term strategy is sound and will deliver a sustainable business model.

We have taken further strides in transforming the organisation to meet the continued challenging economic conditions, helped by a two-year resilience grant from Arts Council England, which ended June 2017. This has allowed capacity building in income generation and fundraising, improvements in marketing and communications, innovative work with collections, learning and engagement and a new direction in reaching out to culturally diverse communities.

Vision

Our vision for the Geffrye, to inspire everyone to explore the meaning of home, underlies our strategic planning. The name, Geffrye Museum of the Home is now well established and reflects our purpose: our collections, library and archive form the basis for exploring the history of home; our research activities, in collaboration with a number of universities, are deepening our understanding of home and home life; and through the Centre for Studies of the Home, established in 2010 with Queen Mary University of London, we are both initiating new research and encouraging international knowledge exchange and dissemination (see Research below).

We are changing the organisation from a culture of dependency to one of enterprise and partnerships; ensuring our core establishment has a balance of skills and expertise to deliver our essential purposes and maintain financial viability. To ensure the Geffrye has a sustainable business model which meets the challenge of rising costs and falling government grants we are investing in customer care and visitor facilities, marketing and communications, income generation and fundraising, alongside our more established activities in collections care, exhibitions and learning programmes. Our vision therefore, continues to increase our proportion of self-generated income against government grant-in-aid. We continue to make efficiency savings and reduce energy costs.

Organisational change is linked to the need for physical changes to the museum's buildings, to make sure they are fit for purpose in today's environment. To deliver our vision we seek to provide visitors with a high-quality experience; increase our visitor capacity; create spaces and facilities to generate more income; and we must provide our collections, library and archives with suitable conditions where they can be used, studied and enjoyed. Hence our *Unlocking the Geffrye* capital development project which is now well underway, implementing proposed designs by Wright & Wright Architects which seek to alter, improve and where necessary add to the existing buildings to enable us to fulfil our vision for the museum of the home. Their brief was to improve visitor access and circulation, provide a new Home Gallery, museum-quality storage spaces for the collections, a library and study room, a conference facility, improved and expanded learning spaces and a new café. Wright & Wright took a conservation-led approach, seeking to make more efficient use of the existing buildings. In doing so, they are able to address structural weaknesses in the historic fabric and replace outdated services, safeguarding the future of the Grade 1 listed buildings.

The proposal maximises the space potential in the main almshouse wing, creating a new Home Gallery on the lower ground floor, with direct access to the rear gardens; a library and collections study room at first floor level; a new entrance opposite Hoxton Station to a reception hub at the centre of the museum; and a collections store in the existing Branson Coates extension. Two small buildings will be added, both opening onto the rear gardens, a learning pavilion and a multi-use studio space, for which we requested an uplift of £1.8m from our HLF Stage 1 application, approved in May 2015. In a related but separately funded project, the former Marquis of Lansdowne pub on Cremer

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Street will be restored and extended with an adjoining residential development, generating the funds needed to bring this 19th century building back into use and provide a new museum café on the ground floor.

Unlocking the Geffrye will open up the museum to allow more people to benefit from its unique resources: we anticipate visitor numbers increasing from the current level of 114,000 for the 10 months to January 2018; (122,000 in 2016-17) to a sustainable level after completion of 150,000, rising by the end of the decade to 170,000, an increase of 39%, while the improved learning spaces will allow us to provide services to a further 9,000 people of all ages, up from 36,000 to 45,000 people per year, an increase of 25%. In addition, the project will resolve the museum's urgent needs in terms of caring for the buildings, our collections and library. Archives will be housed in good conditions enabling public access for study. The development will deliver efficiencies in running costs whilst creating the conditions for increased income generation and higher levels of fundraising which will deliver a more sustainable museum for the future.

The project cost (excluding the separately funded Cremer Street development) is £18.1m; the Heritage Lottery Fund approved a Stage 2 grant of £11.9m in March 2017, the DCMS has awarded a £1m capital grant and to date the museum has just £1.1m further to raise in its match funding. In May 2017 we received HLF permission to start and were able to instruct the Design Team to begin work on the delivery stage. We have progressed through RIBA Stage 4.1 by May 2018 for the main build, and through 3.2. for exhibition design by June 2018. An OJEU notice was issued in March 2017, with construction appointment awarded to Quinn London Ltd in August 2017. Enabling works commenced in two phases (Summer 2017 and early 2018), with main construction commencing in July 2018.

The museum closed to the public in January 2018 with a weekend of programming that attracted over 12,000 visitors to the site. We are now delivering an extensive outreach learning programme during the construction period, along with a busy series of events and activities in the museum's front garden, whilst maintaining a strong presence online.

Development

Securing a stage two award of £11.9m in support of *Unlocking the Geffrye* from the Heritage Lottery Fund was approved in April 2017 which then enabled us to call down many of the pledges that had been made and to secure additional funds from trusts and high net worth individuals. In addition, we tested a number of new initiatives, including participating in the Big Give Christmas Challenge, hosting an auction as part of our annual Winter Gathering event, and a display in the museum highlighting the benefits of the project and how visitors could support the campaign, all of which contributed to us having raised a total of £17m in support of the capital project by the end of this financial year. This leaves £1.1m to be raised over the course of the next two years.

Another key success during this year was securing National Portfolio status for the first time from Arts Council England with funding of £960,000 over four years commencing in April 2018. This funding will help the museum to transform its threshold and welcome, develop our digital offer and broaden the story we tell, and our audiences, through temporary exhibitions and installations.

In addition to these two major strands of activity we prepared for the closure of the museum in early January 2018 by participating in a special weekend of activities. Closure presents an interesting challenge for us as we move forward with raising the remainder of the funds for the *Unlocking the Geffrye* campaign and in preparation for this change we held strategy review meetings and updated the campaign strategy to ensure we maximise the opportunities available to us over the course of the next two years.

Department for Digital, Culture, Media and Sport

The Department for Digital, Culture, Media and Sport (DCMS) is the museum's principal funder and a valuable source of support and advice. During the past year, officers have supported the museum in their support and advice around the capital development. The museum presented an updated Full Business Case to DCMS in June 2018. The DCMS are contributing £1m towards the *Unlocking the Geffrye* project by way of capital Grant in Aid, with £200,000 received in each year 2016-17 and 2017-18 and with £300,000 due in each year 2018-19 and 2019-20 .

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The grant-in-aid settlement announced in November 2015, following the Spending Review, was very welcome, with grant levels being maintained over the next four years. The economic conditions remain tight and we continue to seek efficiency savings where possible, whilst developing our own income generation and fundraising capabilities.

Arts Council England

Following an agreed extension to the ACE Museum Resilience fund grant to June 2017, the museum successfully delivered all the key aims of the project. The project had three strands of activity:

- commercial development, seeking to increase earned income through our retail and catering outlets and developing new business in venue hire and events;
- stakeholder engagement, ensuring a new CRM database is fully functioning and enabling more efficient and effective communication with all our stakeholders;
- and audience and collections development, building relations with diverse local communities in order to expand our audiences and engage non-visiting sectors from the local area.

The funding allowed the museum to develop its operations in order to make it more sustainable and business compliant. This has helped inform how the museum should progress, in tandem with the capital project and puts the museum on a solid foundation.

Board of Trustees

Following the appointment of five new Trustees in recent years, the Board is at full strength, and offers a wealth of experience, energy and commitment in support of the museum during this exciting period of development. All of the Trustees have been increasingly engaged in supporting the museum's fundraising, hosting at cultivation events and fulfilling their role as ambassadors and advocates.

Trustees are closely engaged with aspects of the museum's policy-making and strategic planning, and this is reflected in the reports from Committees in the Governance Statement.

Geffrye Museum Foundation Trust

The Geffrye Museum Foundation Trust was established in 2014 to provide a separate body to hold funds raised by and donated to the museum. It is incorporated and is registered with the Charity Commission. The Chairman is Richard Hunting and there are two further trustees. Under charity law, the Foundation had to be set up as a clearly separate trust from the Geffrye Museum, with its own independent trustees and defined objectives. The first meeting was held in September 2014. To date there has been no activity to report.

Operations 2017-18

In order to physically merge the Collections, Learning and Engagement team and to release the Victorian Annex for the *Unlocking the Geffrye* project, the curatorial team were relocated to the first floor of the north range. This was previously the Upper Art Room. Works took place to remove existing services and refurbish the space to make it a useable office space.

Our library collection, previously housed in the portacabin, was relocated to the Victorian Annex. The cabin was on the land sold to Jerram Falkus as part of the café development and has been subsequently sold.

As a consequence of the *Unlocking the Geffrye* project, the building archive and garden's event store were relocated to the north range basement. A suspended floor was installed to protect the archive from any possible water damage.

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The Quinquennial Survey was completed in July 2017. Much of the identified works will be covered by the *Unlocking the Geffrye* project. Any required works for the rest of the estate will be planned for and carried out over the next 5 years when funds become available.

The copper roof of the Branson Coates has leaked during heavy rain for some time. An initial survey suggests that the separating membrane under the copper is holding moisture, exacerbating the problem. To facilitate the work, the roof glazing would need removing and temporary waterproofing installed. A temporary roof would be required. Quotes for the work are currently being sought.

In autumn 2017 we initiated the upgrade of our telephone system. Enabling works were carried out and the installation of the new system took place in March 2018. The new phone system will create internal efficiencies, reduce our maintenance and service costs and provide a better service to our customers/callers.

The gardens closed to the public at the end of the season. Since then the garden team have been identifying plants which can be salvaged and maintained during closure as the Period Gardens will become part of the construction site. Work is ongoing to lift and relocate those plants. Any plants not worth saving will be given to local schools and charities.

Sustainability Report

The Geffrye is exempt from producing a sustainability report on the basis that it has fewer than 250 FTE employees.

Collections

Delivery of the *Unlocking the Geffrye* project has been the priority. Most of the collections have been moved to temporary storage, the majority being kept on site under secure conditions. This has been a huge task involving packing, moving, cleaning as required and tracking the locations of some 25,000 items. The work has been carried out by the curatorial team at a fraction of the cost of using an external company for this work.

Design and content for the Home Gallery have been progressed to the near completion of Stage 3. The design of the Home Gallery is developing well after some concerns about the initial lack of progress, particularly on the graphic design which has now been addressed with the gallery design team, ZMMA.

Acquisitions

Notable acquisitions for the museum's collections in 2017-18 included:

- A collection of 46 colour images taken by photographer Victoria Birkinshaw as part of her 'Guardians' project. These photographs show residents living in a guardianship housing scheme in South East London in 2015. The museum also collected 11 corresponding Documenting Homes questionnaires which provide further information about the people and homes shown in the photographs.
- A mahogany corner chair, c.1730-60, of the form shown in the portrait of the Brewster family by Thomas Bardwell in the Geffrye's collection, on which the father of the family is seated. Such chairs are typical of middling homes, but have rarely found their way into museum collections. They are evidence of gendered notions of deportment, the chair – with a central leg requires that the sitter sits with their legs open and were not considered suitable for women..
- Two 19th century Ernst Bohne & Sohne ceramic owl-shaped oil lamps. The intention is for one to be used as a touch interactive in the Meanings of Stuff section in the Home Gallery and the other to be added to the handling collection and used in learning activities.

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Exhibitions

The exhibition programme was reduced in order to direct curatorial resources to delivering *Unlocking the Geffrye*. Two exhibitions were mounted – *Home Thoughts* and the annual *Christmas Past* exhibition which received 33,369 visitors, 12,000 of which came over the closing weekend in January.

Loans

In order to support the delivery of *Unlocking the Geffrye* a moratorium on loans out was put in place during the year. Loans already in the pipeline were honoured and the oil painting ‘View of the garden at 17 Grove End Road’ by J. J. Tissot was lent to Tate Britain for the ‘Impressionists in London: French Artists in Exile 1870 – 1904’ exhibition which will travel to Paris in June.

Loans in, used in the period room displays, were returned to lenders as part of the process of decanting the galleries ready for construction work.

Disposals

A number of items of furniture were disposed of to museums and heritage institutions as part of the on-going rationalisation of the collections

Research - Centre for Studies of Home

The research programme at the Geffrye continues to thrive. A full programme of dissemination events was delivered. Achievements for the year included securing Economic and Social Research Council (ESRC) funding for a collaborative PhD examining the experience of living on London’s waterways in the context of the growth in this area, policy changes and environmental impact.

Learning and Engagement

This has been another excellent year for the learning and engagement team where we have experimented with new formats and ways of working across the programmes to reduce costs and make the programmes more sustainable. We have for example, alongside our traditional offer, introduced new ways of engaging with schools through more focused project work linking to arts awards, trialled innovative adult tours in the gallery, broadened our volunteer offer through the introduction of an exciting new ACE funded app, ‘Volunteer Maker’ and prepared for and started to deliver our busy outreach programme as part of *Unlocking the Geffrye*.

Formal Learning

This has been an innovative year for the schools’ programme as we have developed a mixed offer of traditional core sessions alongside more in-depth project work across both primary and secondary schools. This new model of working reaches more pupils as we can engage across the whole school, adapt our sessions to meet schools’ arts awards’ requirements whilst using resources more efficiently.

For example, we piloted a bespoke ‘Decades’ project with local partner school, William Tynsdale to celebrate their centenary. Bespoke sessions were delivered to 8 classes across KS1 and 2. We also developed new almshouse sessions for 3 classes as part of the Hackney Heritage Learning Network. Since closure, we have used the project model to deliver a ‘Museum Residency’ set up at William Pattern Primary School that delivered to all year groups over 3 days and reached 490 pupils at the school. We have also pursued partnership work with secondary school, Petchey Academy to support a group of Year 8 pupils achieve their Arts Award using our new Home Gallery themes.

We are currently reviewing our schools’ outreach marketing to ensure we continue to maintain our key relationships with our local schools during closure.

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Public Programmes

Another busy and exciting year of programming for the public programme. We ran a number of adult events for example, a Celebrating Age Weekend in June, including a live radio broadcast from the museum in association with Grandfest to celebrate the skills of older people organised by the Royal Voluntary Service. For Open Garden Squares, we offered tours of the herb garden to mark its 25th anniversary. We also hosted a series of artist-led settlement workshops in July in association with Queen Mary University as part of the Home City Street research project and are currently collaborating with QM on the development of a walking tour based on interviews with participants living along the Kingsland Road.

The museum's traditional Epiphany celebrations attracted a record breaking crowd of nearly 12,000 visitors as part of the closing weekend programme. The event featured family-friendly storytelling and the London Orpheus Band.

We have also prepared for closure, planning activities as part of our Activity Plan to maintain engagement with our core audiences. We piloted a very successful Easter holiday activities week using a tent on the front lawns to accommodate workshops which despite the rain was very well attended. We have also adapted our quiz desk for the front lawns to offer activities for families with very young children and babies. This proved immensely popular and we are looking at ways to include an offer for older children. We are working closely with the commercial team to ensure access to key facilities such as toilets and refreshments from the lawns for visitors going forward.

Access and Audience Development

The access and audience engagement strands of the Arts Council England (ACE) project ended and the final ACE report was submitted in July 2017. In June the ACE exhibition, 'Home Thoughts' opened to the public. The exhibition included content co-created with the community through 3 creative projects funded by ACE: 'Keeping Home', a community project working with our Asian Women's group which involved thinking about the everyday routines in the home; 'Being at Home', a youth project working with a partner, Mouth that Roars to make an intergenerational film about the importance of radios in the home and 'Making Home', an intergenerational project working with cultural partner, Lien Viet. We involved members of the Vietnamese Community of all ages and backgrounds to participate in a series of recorded interviews which we then fed into our ACE temporary exhibition, Home Thoughts.

We have been working with the Faith and Culture to discuss the legacy of the ACE exhibition and content for the new Home Galleries. The current project, 'the meaning of stuff' has involved the group in a co-curation project to create a brief and commission a photographer/film maker to create a digital installation for the Home Galleries focusing on the mantelpiece or 'shelfie'. Collections and learning staff are working with the group on the implementation of the project.

The Geffrye commissioned a Community Mapping Report in 2014 which identified local audiences who were living locally but not visiting the museum, specifically the Vietnamese, Black African, Bangladeshi and Turkish communities. As part of our ACE funded Museum Resilience funding, we developed activities to enhance the museum's resilience and sustainability by engaging these local non-visiting communities and developing sustainable active participation programmes to ensure that the museum is relevant to their interests and needs. We also wanted to engage them to ensure their experiences of home informed our temporary exhibition, Home Thoughts and our new Home Gallery as part of the UtG project. Our work with non-visiting audiences continues to underpin our outreach work as we continue to engage with these audiences as part of our HLF funded Activity Plan.

Digital families' work

Four digital family trails were developed using a virtual reality app from digital gaming company, GAMAR including one trail based on paintings in our gallery. All of the trails were conceived as a resource for children aged 5-11 and their families and were created by the Audience Development Coordinator, Young People's and Families Programmes in consultation with members of the Curatorial department, the Gardening Team, the Access and Public Programmes Manager and with feedback from our Learning Activity Assistants and family visitors. An external digital consultant delivered a training session on digital awareness and the digital paintings trail to museum volunteers to ensure a legacy for the project.

We also recruited and inducted new Geffrye Explorers to use the digital trail to sustain this popular family resource. The Access and Public Programme Manager led a creative workshop for freelance staff to develop new digital

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workshops for the summer and October holiday family workshops. A written report was also submitted with our findings from the Digital Families work and evaluation of the pilot workshops and trails. This report concludes that there is a strong desire among families to engage digitally with the museum and as a result the museum is embarking on its first museum-wide digital strategy.

Young people

The Geffrye youth programme was awarded £2,000 as part of the Discover Young Hackney initiative run by Hackney Council. Recruitment for a young producers group took place in May-June 2017 resulting in a successful late night event at the museum in August.

Due to the success of this project, we decided to evolve our current Youth Advisory Panel into a young producers model to give greater focus on skills development and event planning. Recruits for the new programme took place in January 2018 and they continue to meet onsite. A new cohort of Young Consultants was also recruited and continue to meet once every 2 months at the Geffrye. The Young Consultants decided to consult on a number of issues including benchmarking the use of sound for the soundscape in the Home Gallery, consulting on the Museum Manifesto, creating a film on digital consumption also for the Home Gallery and the re-opening programme.

The schools and youth manager is now on maternity leave and we have a new temporary manager, Michelle McGrath from the National Maritime Museum running the formal learning and youth programme until November 2018.

Older people

The 'Feeling at Home' project enabled us to deliver a gardening club, craft activities and a successful outreach programme to improve physical and psychological wellbeing, encourage life-long learning, reduced isolation and increase happiness for older people - the majority of whom were over 75 and unable to visit the museum due to poor health, mobility issues, or dementia. In May we had a change of coordinator for the City Bridge project. Christine Harwood was recruited in June 2017 to deliver the final phase of the Feeling at Home project which was extended to 31 March 2018 when funding ended. The final session of our hugely successful Evergreen gardeners took place in October 2017. A celebratory atmosphere was created to mark its end. The coordinator researched clubs, projects and other opportunities that may be available in the local area to sign post suitable activities for the participants. The final report to City Bridge is currently being finalised and will be submitted in the next couple of months. Future funding for the older people's project has not been found but we shall continue to engage this audience through our outreach programme during closure.

Volunteers

A really exciting year for our volunteer work. Our volunteering strategy for 2017-22 was shared with staff and volunteers. The strategy sets out our plan to develop the volunteer community programme during this period, responding to opportunities through *Unlocking the Geffrye* and National Portfolio Organisation (NPO) funding.

The new 'Volunteer Maker' website, 'Geffrye Maker' launched in October 2017 and is a micro volunteering tool which aims to broaden the range of volunteering opportunities for a greater number of people. Of the 100 Geffrye volunteers, over 70 of them have now registered with the app which offers opportunities for volunteers to engage with the museum depending on the time they have available – whether it's just a minute, an hour, a day or more sustained engagement.

Since closure, we have been delivering almshouse tours every other Saturday. The afternoon tours have been developed to include object handling and relate to core Home Gallery themes such as Keeping Home, heating and lighting, food preparation and eating.

Despite a slight fall in the number of actual volunteers due to closure, we hope the new app will actually increase participation particularly in the lead up to opening when there will be many more opportunities to get involved.

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Communications

Communications to highlight *Unlocking the Geffrye* have been the major focus of the year, particularly as we headed towards closure. Our final public autumn / winter season was a major opportunity to raise awareness of the project, bring the fundraising message to the fore and capture data for our ongoing communications. Communications online and on-site, and targeted press activity highlighted the museum's final season and farewell party weekend in January – this secured widespread coverage across local, specialist and sector media; and resulted in record visitor numbers over the closing weekend.

The museum's profile and reputation continue to grow. The tone of the media coverage for our temporary exhibitions, events and in the run-up to closure in January has been overwhelmingly positive throughout the year. A sentiment reflected in our visitor and follower feedback online and on-site. Filming and photography has also broadened our reach – highlights include BBC2's 'A House Through Time' and Gardeners' World.

Before we closed, the year's exhibitions and events, including *Ceramics in the City*, *Christmas Past*, *The Craft of Wallpaper* and *Home Thoughts*, were marketed widely through print, media activity, digital and social media channels, as well as cross-marketing partnerships with other cultural venues. Ticket sales for the events programme were strong throughout the year.

The Geffrye's digital platforms continue to develop – and since January have been our main way of keeping in touch and sharing Geffrye news. The website received 394,155 visits (284,654 unique visitors) - a decrease on the previous year, most notably and to be expected since we closed in January. Our social media channels continue to grow, and this increase in followers is in part the reason for the decrease of web visits as more people use social media to find out about the museum. The fastest growing platform continues to be Instagram, which now has nearly 10,000 followers. Instagram is proving to be a valuable way to share news and events, as well as behind the scenes stories as we get ready for *Unlocking the Geffrye*. Twitter now stands at over 22,200 followers; Facebook, while still a useful tool particularly for promoting events, has shown the slowest growth rate with 8,900 followers.

Partnerships this year with, amongst others, London Design Festival, Shoreditch Design Triangle, London Craft Week and Chelsea Fringe have all broadened our reach and raised our profile.

Development on the Customer Relationship Management (CRM) system is ongoing. A new system has been commissioned and work is underway to move over from our original CRM. An emphasis has been placed on improving the quality of our existing data, alongside creating additional opportunities on site and via partnerships to capture more data. The CRM is key to our strategic communications and fundraising campaign.

Commercial development

The commercial programme had another strong year. The Commercial Manager post, originally funded by the ACE Museum Resilience Fund, is now core funded – an endorsement of the importance of commercial activity supporting the museum's long term aim to become more sustainable.

The shop and the café performed well, delivering a contribution of £4,727 and £18,930 respectively. Both were boosted by a busy Christmas season and the farewell party in January. The *Unlocking the Geffrye* product range in the shop – a collaboration with designer / makers to support the development project – launched in the autumn and has seen steady sales. The online shop, now on the much more user-friendly Shopify platform, had better sales than the previous year, but still remains a modest income stream.

The programme of commercial partnership events is now embedded within the public programme and has offered a wide range of ways for visitors to engage with the museum. Highlights included 'Let the Good Times Be-Gin' – a late night gin event; beekeeping workshops in the gardens, craft and design workshops with Hackney Arts and the London Cheese Project – a two-day celebration of artisan cheese making and tasting which attracted over 5,000 visitors to the museum. These activities are not only important income generation streams, but also valuable audience development opportunities.

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Targeted marketing of the museum for venue hire has proved successful. Once again the gardens have been very popular for hires and events. Since closure, capacity for museum hires has reduced greatly so the front gardens are the main opportunity during the closed period for this type of hire. Despite the main museum being unavailable for hire, we have continued to see a steady level of interest and enquiries. To maximise income from our green spaces, we have partnered with Kerb, a renowned street food company, and its events arm Kin, to sell and run summer parties in the front gardens. This will be a good way to test the market for the future, if successful the partnership could continue. To support increased events activity and offer more flexibility, the infrastructure to the front garden will be improved.

The picture library has performed solidly through the year. Through a mixture of direct and agency sales, income has been over three times the projected target for the year. A new partnership with Mary Evans Picture Library, who now have over 5,000 Geffrye images, will broaden the library's reach.

As preparing for *Unlocking the Geffrye* has been the main staff priority, there has been less capacity for filming and photography this year. However we have hosted filming for fashion and wedding shoots; and a number of production companies.

Commercial development as part of *Unlocking the Geffrye* has focused on securing an operator for the new café, due to open in 2019/20. Following a competitive tender process, three potential operators were shortlisted and we have identified our preferred operator. Negotiations are ongoing.

Friends of the Geffrye

Membership of the Friends' scheme now stands at just around 440. Regular on-site recruitment, improved marketing and events, such as behind-the-scenes talks and the annual Christmas party, have all supported the aim to engage the Friends more closely in the work of the museum. Friends events are continuing to take place at the museum since January to maintain the connection with the Geffrye. The museum has supported the Friends in streamlining their back-of-house administration, including data management, and online subscriptions and event booking.

Visitors

Following on from the record visitor numbers in 2016-17, this year has been another year of strong performance, almost matching the previous year despite only being open to the public for ten months. The total number of visitors for 2017-18 was 114,906 (98,919 adults and 15,987 children). When the museum closed to the public, on 7th January 2018, there was a year-on-year increase of 16%. The total figure for the year is 14% up on our projected target of 99,000 visitors.

Numbers for 2017-18 were boosted by holiday activities, *Ceramics in the City*, *Christmas Past*, the commercial programme through the year, a busy Christmas season and the hugely busy closing weekend in January, which was attended by over 12,000 people. Since closure, we continue to record visitor numbers for those attending events, such as the almshouse tours and holiday activities.

The wider picture for London saw a fairly flat year. London & Partners reported visitor attractions were down 2% on 2016 in their 2017 review, with a significant dip in quarter 4 which was 9% down on the same period in 2016. Although small and medium sized attractions showed a minimal increase; larger attractions showed larger reductions in numbers.

Our ongoing visitor research has been used to inform our audience development plans and communications. Using the Audience Finder spectrum we are building a much clearer idea of our visitors, their motivations and feelings about the Geffrye. Current research shows the recommendation rate for friends and family as 98%.

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Social, community and human rights issues

The Geffrye has no social, community or human rights issues to report.

Performance Indicators

The key indicators in the following table are those reported to DCMS as part of the Management Agreement. These are the principal measures used by the museum in strategic forward planning. Visitor demographics are measured through Visitor Surveys conducted at regular intervals.

		2017-18	2016-17
	Access		
1	Number of visits	114,906	121,770
2	Number of unique website visits	284,654	313,938
	Audience profile		
3	Number of visits by children under 16	15,987	18,078
4	Number of visits by UK adult visitors aged 18 and over from NS-SEC groups 5-8	4,511	4,728
5	Number of visits by UK adult visitors aged 18 and over from an ethnic minority background	9,021	9,457
6	Number of visits by UK adult visitors aged 18 and over who consider themselves to have a limiting long-term illness, disability or infirmity	3,759	3,940
7	Number of overseas visitors	23,741	24,886
	Learning/outreach		
8.1	Number of facilitated and self-directed visits to the museum by children under 18 in formal education	3,433	7,199
8.2	Number of instances of children under 18 participating in on-site organised activities	5,146	7,644
8.3	Number of instances of children under 18 participating in outreach activities outside the museum	1,273	402
9.1	Number of instances of adults aged 18 and over participating in organised activities at the museum	3,928	7,895
9.2	Number of instances of adults aged 18 and over participating in outreach activities outside the museum	121	675
	Visitor satisfaction		
10	% of visitors who would recommend a visit	98%	98%
	Self-generated income		
11.1	Admissions income	-	-
11.2	Trading income net profit (loss)	£23,657	£35,848
11.3	Fundraising income	£1,097,231	£294,571
	Regional impact		
12	Number of UK loan venues	3	2

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The Performance Indicators show an increase in overall visitors on a pro rata basis, taking into account the fact that 2017-18's figures are for ten months rather than twelve; the last full month for visitors was December 2017 as the museum closed in January 2018 in preparation for the capital project. Adult numbers have increased, partly caused by the increase in commercial events, and child visits have also increased slightly, the result of learning resources engaging with schools again following a period of disruption caused by changes to the national curriculum. Visitor satisfaction remains very high, while self-generated income through trading and fundraising has shown a significant increase due to the capital project. UK loan venues demand remained similar to the prior year.

The fall in 8.1 above was due to the museum's move towards an outreach programme together with a projects based approach whereby the learning team would visit a single school and deliver the outreach programme across all year groups. The fall in 9.1 and 9.2 groups is indicative of the new outreach programme being developed during 2017-18 which forms part of the HLF Activity plan. Successful events were held during 2017-18 with that success being measured by quality of engagement rather than purely numbers. Growth in numbers is expected in future years as the new programme is refined.

FINANCIAL REVIEW 2017-18

Income and endowments in 2017-18 amounted to £5,455,562 (2016-17: £2,727,653) of which £1,696,000 (2016-17: £1,696,000) was in the form of grant in aid from DCMS. Arts Council England (ACE) provided £25,247 (2016-17: £242,030) for special projects and resilience measures and HLF provided £932,439 (2016-17: £112,277) as part of the Stage 2 capital grant for *Unlocking the Geffrye*. The museum attracted donations and legacies of £1,097,231 (2016-17: £311,267). The sale of Cremer Street realised £1,420,009 after costs and expenses (2016-17: £nil) Income generated through other trading activities amounted to £207,738 (2016-17: £262,958).

Commercial activity continued to perform well during the year with all proceeds being directed back to the museum in order for it to pursue its charitable activities. Shop and café income provided a stable return in continuing difficult trading conditions. The museum continues to learn and develop an exciting programme of events and activities for the visitor both for the closed period during the construction and for reopening in early 2020.

There was an increase in income during the year, principally from the sale of the Cremer Street site and from continued success in the fundraising campaign to secure the museum's match funding towards *Unlocking the Geffrye*.

Expenditure amounted to £2,351,267 (2016-17: £2,253,457) leaving a surplus for the year of £3,104,295 (2016-17: £474,196). An actuarial gain on the defined benefits pension scheme of £327,000 (2016-17: £15,000), brings a total surplus for 2017-18 to £3,431,295 (2016-17: £489,196).

The museum continues to manage expenditure particularly well, endeavouring to always get best value. The museum is well placed to manage both operational and strategic cashflow during the challenges over the next 2 years in particular.

After the actuarial gain on the defined benefits pension scheme of £327,000 (2016-17: £15,000) in the current year, the pension scheme deficit has decreased to the amount of £1,489,000 (2016-17: £1,610,000). Provision for this pension liability has been made in the accounts.

FORWARD PLAN

The museum's strategic aims and objectives for the period 2017-18 to 2019-20 are summarised below. For further detail please refer to our Corporate Plan 2018-19 to 2021-22.

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Aims and Objectives

The strategic plan is informed by our vision that the Geffrye should inspire everyone to explore the meaning of home. It should attract and engage a wider diversity of audiences, particularly within the local community. It should improve access to its collections, library and archives through more gallery space, better storage and new facilities for learning and study. At the same time the museum must become sustainable in the face of declining government grants; this requires further efficiency savings, whilst increasing earned income through trading and attracting more funds from donors and trusts.

A continuing change programme is under way to achieve this, both organisational change to ensure resources are allocated according to these new priorities, and physical change to create the spaces and facilities required to deliver services to the highest standards. Organisational change has been supported during 2016-17 by ACE Resilience Funding and throughout 2017 by the ACE/AMA Future Proof Museums Programme. Physical change is being delivered through the capital project, *Unlocking the Geffrye*. These two areas of change each have priority aims:

1. Organisational Change

- Ensure a balanced allocation of resources across the museum to address the new priorities in income generation and fundraising, whilst keeping the highest standards of collections care, display, audience engagement and learning.
- Widen the diversity of our audiences by engaging people in the exploration of home and including their narratives in the collections and displays.
- Raise the profile of the museum, attract more visitors, increase earned income, reduce operating costs.

2. Physical Change

- Improve visitor access and circulation throughout the museum, and increase capacity.
- Create more gallery space, better conditions for collections and library and access for study.
- Increase and improve facilities and access for learning and engagement.

Detailed objectives derived from these strategic aims are set out in the Corporate Plan. Our overall ambition is to create a thriving museum which is popular, highly regarded, friendly and accessible. The Geffrye's exceptional buildings and gardens provide a unique setting for outstanding collections, exhibitions and programmes underpinned by active research and scholarship. As a result of the change programme the museum will be increasingly well known locally, nationally and internationally as the museum of the home. As such it will be attractive to a growing cohort of funders, donors and supporters. It will be sustainable, strong and resilient, a powerful and valued cultural resource and a contributor to the economic development of east London.

CORPORATE STRUCTURE AND MANAGEMENT

The Geffrye Museum Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 13 February 1990 and amended on 26 October 1999 to increase the number of trustees to 13. Trustees are members of the company and agree to contribute £1 in the event of it winding up.

The Geffrye Museum Trust is registered as a charity with the Charity Commission. It is also a non-departmental public body (NDPB) funded by the Department for Digital, Culture, Media and Sport, which is considered to be a related party.

SENIOR OFFICERS

The Director is responsible to the Board of Trustees for the development of the museum and its day-to-day management. The museum's senior officers who served during the year are:

Sonia Solicari, Director and DCMS-designated Accounting Officer
Graeme Silcocks, Finance Director and Company Secretary
Sarah MacQuillin, Development Director
Eleanor John, Director of Collections, Learning & Engagement

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Emma Dixon, Director of Communications & Commercial Development
Lisa Moore, Director of Capital Projects and Operations

ORGANISATIONAL STRUCTURE

The museum is organised under five departments as follows:

- Finance and Administration
- Development
- Collections Learning and Engagement
- Communications
- Operations

The objectives of these departments are to maintain, improve and extend the operation of the museum and the provision of services to the public; to raise funds to support the museum's operation and development; to raise standards in the care, management and interpretation of the collections; to develop the marketing and publicity of the museum and to manage and maximise the museum's human, physical and financial resources.

STAFF

As at 31 March 2018, there were 43 staff (FTE: 33), (2016-17: 59, FTE: 46), of whom 28 (2016-17: 45) are core, the remainder being project funded. Employees play an active role in the life of the organisation. All employees have clear job descriptions and areas of accountability, and are expected to make an effort to remain informed and aware of the museum's corporate aims. Opportunities for this include regular consultation in the form of staff meetings, team meetings, written briefing papers circulated to all staff, a staff newsletter and individual performance appraisals. These formal mechanisms ensure that all employees contribute at appropriate levels to the daily running and performance of the museum.

During the year Trustees who served on the board were split as follows: 7 male and 6 female (2016-17: 7M, 6F). Those who served on the senior management team included 1 male staff and 6 female (2015-16: 2M, 6F). Overall, the staff split was 10 male and 33 female and (2016-17: 14M, 45F).

A pool of over 100 volunteers, many of whom are Friends of the Geffrye, assist in all areas of the museum's operation, with special projects and events, publicity mailings and garden maintenance. A special team has been given training by staff to enable them to supervise visitors and provide interpretation in the restored almshouse. A new Volunteer Handbook has been produced, along with policy documents setting out best practice.

Spending on Consultancy and Contingent staff

There was no expenditure on consultancies in either 2017-18 or 2016-17. The spend on contingent labour during 2017-18 was £48,854 (2016-17: £63,251) and is included in the figure in Note 5.

Health and Safety

All staff follow the museum's Code for Health and Safety at Work. This document forms a part of the Employee Handbook and adherence to good practice in this area is a condition of employment at the museum.

ASSESSMENT OF GOING CONCERN STATUS

The trustees are confident that for at least the twelve months following the date on which the 2017-18 annual accounts are signed, there are no issues that could compromise the going concern status of the museum. This is supported by grant in aid allocated by DCMS to the end of 2018-19.

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PAYMENT POLICY

The Geffrye Museum Trust endeavours to observe the principles of the Better Payment Practice Code. Payment terms and procedures are explained to suppliers and agreed with them in advance. Accounts that are not contested are paid according to those terms and the average settlement time for this year has been 41 days (2016-17: 43 days) from invoice date. Approximately 39% (2016-17: 37%) of all invoices were paid within 30 days. Whilst there has been a year on year improvement again this year in settling invoices to 30 days during 2017-18, the museum will continue to work on improving creditors days taking fully into account the recommendation in “Managing Public Money”. Greater gains towards this target are expected in 2018-19.

EXPLANATION OF CATEGORIES OF FUNDS

(a) **General Funds**

Grant-in-aid (GiA) received from the Department for Digital, Culture, Media and Sport in 2017-18 totalled £1,696,000 (2016-17: £1,696,000). This is the Trust's main source of income, and is supplemented by earned income, sponsorship and donations.

GiA applied to running costs totalled £1,421,000 (2016-17: £1,421,000) of which £25,000 (2016-17: £25,000) is designated and contributed to the acquisition of collections and £90,000 (2016-17: £100,000) related to the drawdown of the DCMS loan disclosed in note 9. £200,000 (2016-17: £200,000) was received for *Unlocking the Geffrye* and £75,000 (2016-17: £75,000) for capital building works.

The Geffrye is a Non-Departmental Public Body (NDPB) sponsored by the DCMS. The core financial and non-financial targets and outturns are set down in a three year management agreement between the DCMS and the Geffrye with the performance indicators outlined on page 13 of the Annual Report.

(b) **Restricted Funds**

These funds are subject to specific purposes declared by the donors, for example funds committed to major building works, capital expenditure or research. The major source in 2017-18 was from Arts Council England, which totalled £25,247 (2016-17: £242,030) and from Heritage Lottery Fund £932,439 (2016-17: £112,277) and from Trusts, Corporates and major donors £958,677 (2016-17: £212,969)

(c) **Designated Funds**

These represent unrestricted funds that have been allocated or designated for specific purposes. The total received in 2017-18 was £25,000 (2016-17: £35,000)

RESERVES POLICY

The museum accumulates free reserves through self-generated or donated income. Free reserves are unrestricted but may be designated for a particular project or purpose. They are only to be used to further the museum's charitable objectives. Typical instances where free reserves might be used are:

- to absorb setbacks, such as unplanned maintenance and changes to funding arrangements;
- to cope with short-term fluctuations and bridge cash-flow problems;
- to take advantage of currently unidentified opportunities; and
- to plan for future growth by allocating free reserves for specific future projects.

In order to provide a level of free reserves appropriate to the museum's needs and risks, as identified in the risk register, the museum will endeavour to maintain a sum of not less than £250,000, which is the equivalent of eight weeks' running expenses. Where free reserves exceed this sum trustees will include a statement in the Annual Accounts to explain the purposes for which they are to be designated. Free reserves are in excess of this value due to the sale of the Cremer Street site, the proceeds of which have been designated to the *Unlocking the Geffrye* project. Note 11 shows the value of the donated asset fund and funds designated for collections purposes. There is no specific timing on these funds and there are no commitments at year end.

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At the balance sheet date, free reserves comprised the following:

	<u>2018</u> £	<u>2017</u> £
Total Assets less Current Liabilities:	16,607,255	13,206,960
Deduct:		
Restricted funds (note 11)	(722,256)	(125,270)
Fixed assets held for charity use	(14,250,977)	(13,061,652)
Free reserves at 31 March	<u>1,634,022</u>	<u>20,038</u>

The loan from DCMS of £240,000 (2016-17: £150,000) and the defined benefit pension scheme liability of £1,489,000 (2016-17: £1,610,000) have been excluded because these are long-term liabilities which are not expected to crystallise in the immediate future.

Designation of free reserves approved by the Trustees in March 2018

As outlined in the overview, the ongoing work and outreach of the Geffrye continues to develop and go from strength to strength. In the short term however, there continues to be a demand on resources as the museum invests in the future through the *Unlocking the Geffrye* project. This has continued throughout 2017-18 through a series of successful fundraising and commercial activities including the sale of the former pub on Cremer Street, the receipt of which HM Treasury agreed could be retained by the museum in order to further the charitable activities of the museum. Fundraising and commercial activities will continue throughout 2018-19 as part of the museum's sustainability plan and long term strategy.

The Audit Committee will continually challenge and monitor progress towards more sustainable activity. The Commercial Development Advisory Group set up in 2015-16 continues to meet regularly and report back to trustees. As a Group this will ensure that reserves are returned to sustainable levels by raising visitor footfall, commercial income and fundraising capacity during closure and continue on reopening in 2020.

Current free reserves at 31 March 2018 were £1,634,022 which includes the benefit of the sale of the former pub on Cremer Street and fundraising activity. (2016-17: £20,038). There is still work to be done to ensure reserves are managed in the long term once the impact of the capital project has worked its way through the accounts during 2018-19 and 2019-2020.

ENVIRONMENTAL POLICY

The museum is committed to becoming an increasingly sustainable organisation and is working hard to improve its environmental performance and reduce the carbon footprint. Actions to achieve this include:

- recycling, reuse and responsible disposal to minimise waste and reduce its effects on the environment;
- managing energy use through low energy environmental controls to reduce waste and ensure operational efficiency;
- operating a 'no drive' policy for staff and most visitors;
- establishing a cross-museum Green Team working group to develop, monitor and manage environmental sustainability;
- and by providing a much needed and valued public green space in a busy urban environment, contributing to the air quality and providing a natural habitat for plants animals, birds and insects.

The museum is a member of the Sustainable Exhibitions for Museums network and the Fit for the Future network and we continue to work with Greenlight North London and the Hackney Zero Emissions Network (ZEN) to identify initiatives to improve our environmental sustainability. The *Unlocking the Geffrye* development will make a positive contribution to sustainability and low energy use. The Geffrye helps to share best practice across the sector.

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EMPLOYEE POLICY

The Geffrye Museum is committed to providing equal employment opportunities. All job applicants and employees receive equal treatment regardless of race, colour, ethnic or national origins, sex, pregnancy and maternity, marriage and civil partnerships, sexual orientation, disability, gender reassignment and age. All policies relating to employment are in the Employee Handbook, which is issued to every member of staff and regularly reviewed and updated.

S. Solicari.....

Director & Accounting Officer, Geffrye Museum.

11th July 2018

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DIRECTORS' REPORT

Geffrye Museum Trustees

During the year the following served as Trustees of the museum:

Dr Samir Shah, Chair
Bernard Donoghue
Jeremy Edge
John Forrester (co-opted)
Douglas Gilmore
Clare Gough
Jonathan Newby
Jeremy Newton
Cynthia Polemis
Alexandra Robson
Edwina Sassoon
Marilyn Scott
Prof. Abigail Williams

Pension Liabilities

The Trust operates a pension scheme providing benefits based upon a career average pensionable salary. The assets of the scheme are held separately from those of the Trust, being administered by the London Pensions Fund Authority (LPFA). A qualified independent actuary updated the most recent formal valuation of the scheme to 31 March 2018 for the purposes of presenting figures required by Financial Reporting Standard No.102 – Retirement Benefit Plans. This indicated a deficit for the scheme at 31 March 2018 of £1,489,000 (31 March 2017: £1,610,000) and provision for this liability has been made in the accounts. Further details can be found in note 13 to the accounts.

Staff sickness

In 2017-18 there was an absence of 176 days or 3.59 days per employee (2016-17: 443 days or 9.84 days per employee). The figures are calculated using the number of days lost over headcount. During the year there continue to be instances of long term sickness. Discounting the long term sickness the absence record for 2017-18 was 80 days or 2.05 days per employee (2016-17: 130 days or 2.9 days per employee)

Significant Events

In June 2017, the museum reported a financial loss as a result of falling victim to a financial phishing scam. The fraud was immediately picked up by the museum but too late to recover the loss. The museum's bank, Action Fraud, Trustees, and the DCMS were all immediately alerted. The DCMS with agreement from the trustees, initiated an audit by the Government Internal Audit Agency (GIAA). The audit investigated how the fraud was carried out and the procedures that the museum had in place that may have prevented it. The GIAA concluded that it was a sophisticated scam but also recognised that with more robust procedures and staff training in place, it would have been more likely that the fraud would have been unsuccessful. The recommendations of the GIAA audit included realigning payment delegations both internally and with the bank, updating the internal Financial Processes documentation and issuing to trustees and senior management team. Further recommendations included regular staff training in fraud awareness and commissioning an internal audit programme so as to ensure robustness in all museum operations but with a focus on financial operations. The museum recognises the gravity of this and all of the recommendations were acted upon as quickly as possible after the event and are now implemented and have been embedded into the working practices. In addition it was identified that the senior team required additional support both to deliver the capital project but also in developing long term financial strategy. A new post, Director of Strategy and Finance was created and recruited. Andrew Macdonald, former deputy director of the Dulwich Picture Gallery took up the post in April 2018.

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Personal Data Loss

The Geffrye Museum had no report to make to the Information Commissioner's Office during 2017-18 (2016-17, none).

Directors' Conflict of Interest

In 2017-18, no material conflicts of interest have been noted by the Director or the Trustees in the Register of Interests. (2016-17: None)

Auditors

The Comptroller and Auditor General was appointed as Statutory Auditor to the charitable company following the passing of the Government Resources and Accounts Act 2000 (audit of non-profit making companies) Order 2009.

S. Solicari..... Director & Accounting Officer, Geffrye Museum.

11th July 2018

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REMUNERATION REPORT

Policy on remuneration of senior managers

The senior manager is the Director, Sonia Solicari. Her salary is set by the Remuneration Committee (see below). There is a bonus scheme and performance pay scheme as detailed in the following note.

Methods used to measure performance

Staff are appraised annually by their line managers and performance is assessed against competencies and individually targeted objectives. Performance is classified in four categories: Exceptional, Good, Satisfactory, and Unsatisfactory.

The levels of pay increase and bonuses are set within the parameter of Government directives and are agreed by the Trustees on the recommendation of the Remuneration Committee. In line with the Government directive there was a 1% increase in staff salaries during the year. At Committee, the Remuneration Committee decided that non-consolidated bonuses would be awarded on merit, rather than spread across all staff as previously. A non-consolidated bonus total of £3,500 was paid in year. (2016-17: £2,000). A small number of staff received one off increases in year, reflecting wider remits and increased responsibilities.

Policy on duration of contracts

For members of staff other than senior management staff, contracts may be terminated by either party by giving one month's notice. For Senior Management staff the notice period is two months. No termination payment is allowed for in any contract.

The Director is employed under a contract dated 9th January 2017. Either party may terminate the contract by giving three months' notice. No termination payment is allowed for in the contract.

Awards to past managers

No award has been made to a past senior manager.

Remuneration and pension benefits (audited information)

Trustees and the Director exercise ultimate responsibility and authority for controlling the major activities of the museum. The Trustees do not receive any remuneration.

Details of remuneration and pension benefits of the Director, Sonia Solicari at 31 March 2018 are detailed below, together with prior year comparatives for David Dewing's remuneration and pension benefits as at his retirement, 20 December 2016.

<u>Official</u>	<u>Salary</u> (£'000's)		<u>Bonus payments</u> (£000's)		<u>Pension Benefits</u> (to nearest £1,000)		<u>Total</u> (£000's)	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sonia Solicari	65-70	15-20	-	-	12,000	2,000	80-85	15-20
David Dewing	-	45-50	-	0-5	-	7,000	-	55-60

<u>Official</u>	Accrued pension at age 65 as at 31/3/18	Real(decrease) in pension at age 65	CETV at 31/3/18	CETV at 31/3/17	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Sonia Solicari	0-5	0-2.5	14	3	5

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Remuneration includes gross salary and bonus only. No other payments or benefits in kind were received. Pension benefits are provided through the London Pensions Fund Authority scheme, of which the Director is a member on the same terms as other employees (see note 13).

Non-cash elements of remuneration

There was no non-cash element of remuneration given to any employee during the year.

Compensation payable to former senior managers

No compensation was payable to a former senior manager.

Amounts payable to third parties for senior manager services

No amount was paid during the year to third parties for senior manager services.

Highest paid – Median pay ratio (audited information)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. The highest paid FTE as at 31 March 2018, was the Director, Sonia Solicari.

The FTE banded remuneration of the highest-paid director at the museum in the financial year 2017-18 was £65,000-70,000 (2016-17 £65,000-70,000 – full year equivalent). This was 2.7 times (2016-17: 3.2 times) the median remuneration of the workforce which was £25,006 (2016-17: £22,203). The movement on prior year is due to a decrease in lower paid staff at year end due to the staff reorganisation leading up to closure from the public.

In 2017-18 no other museum employee received remuneration in excess of the highest-paid director (2016-17, none). Remuneration in the organisation, not including the highest paid director, ranged from £14,085 - £62,750 (2016-17: £14,085 - £62,128)

Total remuneration includes salary, allowances, and non-consolidated performance-related pay. It does not include employer pension contributions or the cash equivalent transfer value of pensions.

S. Solicari..... Director & Accounting Officer, Geffrye Museum.

11th July 2018

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GOVERNANCE STATEMENT

ACCOUNTING OFFICER

As Accounting Officer of the Geffrye Museum I am responsible to the government for the proper management and use of public funds. I ensure that the museum is managed in accordance with the rules set out in “Managing Public Money” and in the DCMS Financial Memorandum, within a framework of controls and risk management described below. I am responsible for reporting on the museum's performance against the requirements, objectives and measures set out in the Management Agreement with DCMS. My role is one of balancing the achievement of the Geffrye Museum's policies, aims and objectives, whilst safeguarding the public funds and museum assets for which I am personally responsible.

The Geffrye Museum Trust is committed to the highest standards of corporate governance and is guided by the Corporate Governance Code for central government departments (the Code) and the following principles laid down in that Code:

- Parliamentary accountability
- The role of the Board
- Board composition
- Board effectiveness; and
- Risk management

The Governance framework of the organisation

The museum has established a robust governance framework, appropriate for an organisation of its size. The key elements in place are:

TRUSTEES

The Trustees have ultimate responsibility for policy, financial accountability and the overall management of the museum.

Appointment of Trustees

The Chair and three Trustees are appointed by the Secretary of State for Digital, Culture, Media and Sport. The remainder are elected by the Board of Trustees. All elected Trustees serve for a three-year term and are eligible for re-election.

Trustees appointed by the Secretary of State for Digital, Culture, Media and Sport are subject to appointment processes conducted in accordance with the code of practice recommended by the Commissioner for Public Appointments. The Board of Trustees are advised of forthcoming retirements and invited to propose new candidates for election. The Board endeavors to maintain a balance of expertise appropriate to the governance of the museum and has regard to any specialist skills that may be needed when considering potential Trustees.

The Board has agreed a Diversity Plan that aims to ensure the composition of the Board reflects the diversity of society at large.

Trustee Induction and Training

New Trustees attend an introductory meeting with the Chair, Director and senior staff, and are given a tour of the museum. They are given an induction pack ‘*Information for Trustees*’ which informs them about the museum’s constitution, the objectives, powers and responsibilities of the Trust, and the role of Trustees. With this pack they are also given copies of the Memorandum and Articles of Association, the Corporate Plan, the Annual Report, the

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Management Agreement with the Department for Digital, Culture, Media and Sport and various handbooks and guidance publications relating to the responsibilities of a Trustee. Trustees are advised of training opportunities provided by DCMS and others.

Meetings of the Board of Trustees

Regular meetings of the Board are held at approximately quarterly intervals through the year. Papers include minutes of the previous meeting, minutes of any committee meetings, agenda item reports and recommendations, the Director's report on activities since the previous meeting and management accounts for the year to date. Presentations by members of staff are given on occasion to provide Trustees with more detail on a particular aspect of the museum's work.

The principal issues considered by the Trustees during the year related to the *Unlocking the Geffrye* project and closure planning and staffing both operationally and during closure. Also under consideration were the forecast budgets, changes to the scope of the project and the museums procedural processes. The HLF board formally awarded the museum a grant of £11.9m and the board considered and advised upon the treatment of this grant. The Geffrye was successful in its bid to become a National Portfolio Organisation and was awarded £240,000 a year, over 4 years, starting in 2018-19. The museum was accepted onto the AMA's Future Proof Museums programme, funded by ACE's Museums Resilience Fund and the board deliberated on the work and ideas generated from a number of Future Proof Workshops. The sale of the Cremer Street site completed in August 2017. Quinn London Ltd were appointed as contractor for Stage 1 of the development following a series of contractor interviews in which trustees were involved, and subject to agreement on the final contract sum will begin full mobilisation commencing July 2018. The Stage 4.2 design completed, and final packages for the works were issued to Quinn who put them out for second stage tender with return of these packages received in May and June 2018. The main board was advised by the project board (formerly the Expert Panel) on forecast budget overspend, contingencies and risk allowances with any approval to expend contingencies subject to change controls. Trustees also led on new approaches to fundraising including the recruitment of an additional Trustee to join the Board.

In addition, the Board kept under review the museum's acquisitions for the collections, the ACE Resilience Funded projects, and the museum's DCMS loan to increase capacity for income generation and fundraising. The Board was updated at its meetings on the establishment and work of its Committees.

The Trustees have undertaken their role and responsibilities by reviewing the vision and mission for the museum and the aims and objectives proposed by the Director and senior managers for the next few years, as set out in the Corporate Plan. The Plan is the museum's main statement of purpose and intent, approved by the Board and circulated to all funders, stakeholders and supporters. The Trustees further reviewed and provided input on the draft budget 2018-19 prior to agreement in January 2018.

The Board has a diverse range of members whose skills and areas of expertise complement the activities of the museum.

The Board monitors the quality and diversity of data received prior to meetings and Trustees are keen to challenge and suggest additional information in order for them to make effective judgements and decisions. During the year the Trustees maintained a close scrutiny of the museum's performance, both challenging and supporting the Director and management team, and ensuring resources were allocated and used in the most efficient and effective way.

Annual General Meeting

Once a year the Board meets at the AGM to receive the Annual Report, approve and adopt the Annual Accounts.

GOVERNANCE COMMITTEE

The Governance Committee has a remit to advise the Board on its constitution and structure, the skill sets of Trustees and other issues concerning the governance of the museum, its Board and Committees. It takes a lead in the process for recruiting new Trustees who are elected members, as opposed to those appointed by the Secretary of State. The

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members for the year included Samir Shah, Marilyn Scott, Bernard Donohue and Sonia Solicari. There were no formal meetings held during the year.

AUDIT COMMITTEE

The Audit Committee, formed in 1996 in line with the Code of Best Practice for Board members of Non-Departmental Public Bodies, comprises Jeremy Newton, Chair, Samir Shah and Steven Lippitt (appointed as a co-opted member in August 2010). The Audit Committee oversees the accounts, financial procedures, pension arrangements and risk management. It recommends the appointment of external and internal auditors, and oversees their work. It examines the annual accounts closely and recommends their approval by the Board. The Director and Finance Director report to the Committee and attend its meetings, which are held at intervals determined by the Board in consultation with the Chair of the Committee. The main duties of the Audit Committee, as defined in its terms of reference, are:

- to review the museum’s internal and external financial statements and reports to ensure that they reflect best practice;
- to discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the full co-operation of staff;
- to consider all relevant reports on the museum’s accounts, achievement of value for money and the response to any management letters;
- to review the effectiveness of the museum’s internal control system – established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic and effective manner – and to approve the Governance Statement;
- to keep under review the museum’s risk register;
- to ensure that the museum’s internal audit service meets, or exceeds, the standards specified in Government Internal Audit Standards, complies in all other respects with these guidelines and meets agreed levels of service;
- to consider any internal audit reports, including value for money reports, and the arrangements for their implementation;
- to review arrangements by which staff may raise concerns about possible improprieties (“whistle-blowing”) in order to ensure that arrangements are in place for their proportionate / independent investigation and for follow-up action;
- to consider any other matter where requested to do so by the Board;
- to report at least once a year to the Board on the discharge of the above duties.

During the year the Audit Committee supported the Director on matters relating to risk, internal controls, governance, staffing, GDPR and fraud. Three meetings were held in the year, and the minutes were submitted to the Board. The Committee has kept the museum’s pension schemes under close examination, considered opting to tax the museum site for VAT efficiencies and discussed setting up a trading company in time for reopening the museum to the public in 2020. The Committee considered the Cremer Street sale, fraud controls, the museum’s annual budgets, the management of cash flow, liquidity and delegated expenditure authorities during the course of the *Unlocking the Geffrye* project. The Risk Register was reviewed at each meeting with any changes, updates and new risks highlighted for discussion.

Statement on fundraising practice

Fundraising is undertaken by a small professional team, which works towards achieving best practice as defined by the Codes of Fundraising Practice. We continue to review the codes and take on new guidance, particularly in relation to data protection and the protection of vulnerable people and ensuring no undue pressure is experienced by members of the public. We have in place a process for recording complaints to support this activity. There were no complaints made in 2017-18 (2016-17: None)

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Fundraising activity is currently focused on securing support for a major capital development, *Unlocking the Geffrye*, primarily through approaching statutory funders, charitable trusts and foundations and individuals. All activity is undertaken by the in-house team. The strategy has been updated for the closure period and expanded to include peer to peer, corporates, HNWI's and local entrepreneurs, including tech entrepreneurs as well as charitable trusts and foundations. An ethical donation acceptance policy has also been created which includes GM policy on gift assessment and right to refusal on ethical grounds.

REMUNERATION COMMITTEE

The Remuneration Committee, originally formed in 2000, was re-formed in April 2015 following recent changes in Board membership, with Samir Shah as Chair and Clare Gough and Jeremy Newton as members. The terms of reference for the committee are:

- to consider and make recommendations to the Board of Trustees on remuneration policy and on terms and conditions of employment for all museum staff, taking advice from the Director, the DCMS and others as appropriate;
- specifically to act for the Board on implementation of the above policy (in terms of salary, bonuses and any other benefits) for senior staff, currently defined as the Director and members of the senior management team.

The Committee met once during the year in October and considered staff pay and conditions. They agreed a 1% increase in salaries for staff effective from September 2017, which was in line with Government directives.

PROJECT BOARD (FORMERLY MUSEUM DEVELOPMENT EXPERT PANEL)

An Expert Panel was formed in October 2013 and following agreement from the Board in April 2016, merged with and became the *Unlocking the Geffrye* Project Board with the focus on delivering the project. The Project Board is authorised to advise the Board and Director on the capital development project and authorised by the Board to take a lead in ensuring the capital development project proceeds as efficiently and effectively as possible within the parameters set by the Board and principle funders. Its primary purpose has been to provide expertise in steering the development project through the design stages to meet the museum's requirements as defined in the project brief, within the agreed budget and programme, culminating in the achievement of RIBA stage 4.1 in November 2017 and the start of the second stage procurement.

The Project Board is comprised of experienced professionals within the property, planning and surveying professions, together with the Chair of the Geffrye, Samir Shah and Trustees Jeremy Edge (Edge Planning) and John Forrester (Global - Cushman and Wakefield) who was co-opted onto the Geffrye Board in 2015.

The Project Board is chaired by Sonia Solicari, Director. Members of the Project Board are John Forrester, Samir Shah, Chair of the Geffrye Museum, Jeremy Edge (Edge Planning), Martin Clayton (Martin J Clayton Ltd) Sandy Wright and Naila Yousuf (Wright and Wright Architects) Miles Delap, Sam Crusz, Joe Lawlor, Alex Houareau, Richard Willing (Gardiner and Theobald) and Graeme Silcocks, Lisa Moore, Sarah MacQuillin (Geffrye Museum). Andrew Macdonald joined the committee in April on joining the senior management staff at the museum.

The Project Board first met in July 2017 and seven meetings took place during the year. The Project Board have considered designs, costings, project milestones, procurement programme, contractor appointments and contingencies for the capital project. A change control process including expenditure authorities during the project were updated and taken to Board for approval. A forecast budget was reviewed at each meeting and considered alongside contingencies and value engineering. The Project Board considered the mid-Stage 3 cost review of the Exhibition design and attended a workshop to identify options to be

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incorporated into the scheme during the remainder of Stage 3. The Project Board submitted Non – Material Amendments (NMA) on small changes to plan to LB Hackney, Highways and Byways were consulted on the area behind the museum and a new Listed Building Consent (LBC) prepared for submission.

The panel continued to advise on the progress of the agreement between the museum and Jerram Falkus, the construction company appointed for the Cremer Street development, until the conclusion of the sale in August 2017.

COMMERCIAL DEVELOPMENT ADVISORY GROUP

The Commercial Development Advisory group was established in December 2015. Its purpose is to increase income generation, whilst maintaining the core principles, purposes and values of the museum. Chaired by Douglas Gilmore, a Trustee with extensive experience of commercial management at the National Gallery, the Committee brings together Trustees and staff with relevant skills and experience to consider and advise on how best to maximise the commercial potential of the Geffrye, and seeks advice from external professionals. The Committee's terms of reference are:

- to advise on the development and implementation of a commercial strategy
- to consider proposals for new commercial activities at the museum
- to seek advice from other Trustees and from other organisations and individuals
- to consider and advise on potential commercial partners
- to ensure best practice for commercial activities at the museum
- to evaluate the success of commercial activities and enterprise
- to report to the Board as appropriate.

Members of the Committee are Douglas Gilmore, Chair and Trustee; Bernard Donoghue, Trustee; Jonathan Newby, Trustee; Cindy Polemis, Trustee; and Samir Shah, Chair of the Board of Trustees. The Committee met twice, in June and in October 2017. The group discussed the museum's strategic framework for commercial development and income generation, and reviewed commercial activity undertaken during the year against strategy. It also reviewed activity planned and opportunities in the lead up to and during the closure of the museum.

GARDEN WORKING GROUP

The Garden Working group was established in July 2017 following agreement from the Board. The Garden work advise on the gardens during and after closure. The group first met in September 2017. The group provide steerage and advocacy for the content of the gardens, visitor experience and accessibility and innovative, sustainable environmental elements. The Garden Working Group is also a standing agenda item at the Board and the group continues to advocate for funding and means.

Members of the Garden Working Group are Edwina Sassoon, Chair, Clare Gough, GM Trustee, Clare Wright, Architect, Naila Yousuf, W&W Architects, Heather Stevens, GM Gardener, Lisa Moore, Director of Capital Projects and Operations.

GALLERIES AND INTERPRETATION COMMITTEE

An academic advisory group or 'Galleries and Interpretation Committee' was established in January 2016 to advise on the overall policy relating to gallery displays, content and interpretation, with particular regard for the visitor experience, and to advise on the content of the new Home Gallery. The Committee is formed of Trustees with relevant expertise, academics engaged in studies of the home, with senior staff in attendance. The terms of reference for the committee are:

- to establish a common vision for the museum's content and interpretation, ensuring that this is informed by current academic research and thinking in these areas;
- to keep a particular focus on the ideas, themes and content of the new Home Gallery;
- to advise on changes to the existing period rooms;

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- to ensure the visitor experience is significantly enhanced.

Members of the Committee are Prof Abigail Williams, Chair and Trustee, Bernard Donoghue, Trustee, Jonathan Newby, Trustee, Prof Alison Blunt, Queen Mary University London, Alex Werner, Museum of London. The committee met once during July with further meetings put on hold while the GM team worked through ideas and concepts for the Home Gallery and while the gallery designers were stood down. The Committee provided input on the outline plans for the new Home Gallery – which would explore the home more broadly (socially, geographically and culturally) than was possible in the period room displays, as well as the designs themselves following the appointment of gallery designers in May. The group viewed and discussed provisional selection of objects for inclusion in the Home Gallery and the proposed gallery lay-out. The Committee have been re-established for 2018.

TRUSTEES' ATTENDANCE RECORD

	Board Meetings	Audit Committee	Remuneration Committee	Project Board	Commercial Advisory Group	Galleries & Interpretation Committee	Garden Working Group	Appointment Committee	Governance Committee
Number of Meetings held in 2017-18	5	3	1	7	2	1	2	1	0
Samir Shah	5	3	1	7	2	0	n/a	1	0
Bernard Donoghue	3	n/a	n/a	n/a	0	1	n/a	1	0
Jeremy Edge	1	n/a	n/a	3	n/a	n/a	n/a	n/a	n/a
John Forrester	2	n/a	n/a	2	n/a	n/a	n/a	n/a	n/a
Douglas Gilmore	5	n/a	n/a	n/a	2	n/a	n/a	n/a	n/a
Clare Gough	3	n/a	1	n/a	n/a	n/a	2	n/a	n/a
Jonathan Newby	4	n/a	n/a	n/a	2	1	n/a	1	n/a
Jeremy Newton	4	3	1	n/a	n/a	n/a	n/a	n/a	n/a
Cynthia Polemis	4	n/a	n/a	n/a	1	n/a	n/a	n/a	n/a
Alexandra Morris Robson	4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Edwina Sassoon	5	n/a	n/a	n/a	n/a	n/a	2	n/a	n/a
Marilyn Scott	4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Abigail Williams	3	n/a	n/a	n/a	n/a	1	n/a	1	n/a

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KEY CONTROLS

The principal means by which the Board of Trustees executes its governance responsibilities are:

- Management Agreement with the DCMS, dated 2017
- Corporate Plan for 2018-19 to 2020-22, published in 2017
- Annual business plan and supporting budget for 2017-18
- Quarterly presentation of accounts to the Trustees
- Regular reporting of finances and performance against management agreement targets to funders (DCMS / ACE).

RISK MANAGEMENT

The Director is the Accounting Officer for the purposes of reporting to the Department for Digital, Culture, Media and Sport, and has overall responsibility for the museum's risk management framework.

Risk management is inherent in the Geffrye's systems and procedures. The museum's policy and procedures were established in 2011 after a full review. The policy and risk register is based on risks identified within each department and escalated where appropriate to a museum-wide register which includes strategic risks identified by the management team. The policy and register have been approved by trustees and are regularly reviewed by the management team and Audit Committee. Risk management is therefore devolved across the whole organisation.

The major strategic risks identified during the year and kept under close review related to the museum's capital development project, specifically the risks of not raising the required funds and not being able to keep to programme schedule and budget. In the event, the strategies to monitor and mitigate these risks have succeeded to date. Following the success of the Stage 2 application with the Heritage Lottery Fund in March 2017, cash-flow is becoming more robust as pledges convert to donations. The sale of the former pub on Cremer Street completed in August 2017, adding further to the museum's resources. Reputational risk in relation to the capital project, especially associated with the development of the former pub on Cremer Street, has also been carefully controlled; the Director of Communications has ensured an extensive programme of public consultation to ensure an open and transparent design process, thereby avoiding the risk.

Managing liquidity and cash-flow during the capital development project will remain a risk over the next four years and this will be closely monitored by senior staff and the Audit Committee. Trustees are also aware of the risks relating to the pension scheme and the Audit Committee obtained professional advice during the year to plan and safeguard a sustainable future for the defined benefits scheme, administered by the London Pensions Authority Fund.

INTERNAL CONTROL

The Board has appointed Moore Stephens internal auditors acting in accordance with Government Internal Audit Standards, to examine and assess, under an agreed work plan, key areas of the museum's operation and provide reports on their efficiency and effectiveness. A review of key controls was performed which concluded on a green / amber overall assessment. Where recommendations were raised the museum is taking steps to address these. This report was presented to the Audit Committee and the Board for discussion.

- The director submits an annual report on internal control and risk management to the Audit Committee and the Audit Committee presents it to the Board with their recommendations.
- The museum is working towards compliance with the Security Policy Framework and submits an annual assessment on compliance to DCMS. This includes arrangements for data security and ICT system security.
- The museum suffered a financial loss due to a telephone phishing scam as outlined in the Director's report. The Government Internal Audit Agency (GIAA) audited the events around the fraud and the appropriateness of the systems at the museum to prevent fraud. Weaknesses were identified and recommendations made including, documenting financial processes, staff training on fraud, and initiating a new programme of internal audit. All of these recommendations have been put into place.
- During 2017-18, there were no lapses in data security. (2016-17: None)

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The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the museum's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Geffrye Museum for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts, and accords with HM Treasury guidance.

Taken together, these measures ensure that risk management and internal control are considered on a regular basis and there is an annual review at the end of each financial year. Risk management has thus been incorporated fully into the corporate-planning and decision-making processes of the museum, and forms a key part of the everyday operation and service delivery.

S. Solicari..... Director & Accounting Officer, Geffrye Museum

S. Shah..... Chair, Geffrye Museum Trust

Date: 11th July 2018

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STATEMENT OF TRUSTEES' AND ACCOUNTING OFFICER'S RESPONSIBILITIES

The Trustees are required by the Companies Act 2006 and the Secretary of State for Digital, Culture, Media and Sport, with the approval of HM Treasury, to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Geffrye Museum and of its net resource outturn, application of resources, changes in funds and cash flows for the financial year.

In addition, as Accounting Officer, I can confirm that I am aware there is no relevant audit information of which the museum's auditors are unaware and I have taken all the steps that ought to have been taken to make myself aware of any relevant audit information and to establish that the museum's auditors are aware of that information.

I can confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgements required for determining that they are fair, balanced and understandable.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis (a copy of these directions is available on application in writing to the Accounting Officer at the Geffrye Museum);
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed and disclose and explain any material departures in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Geffrye Museum will continue in operation.

The Accounting Officer for the Department for Digital, Culture, Media and Sport has designated the Director of the Geffrye Museum as the Accounting Officer for the Geffrye Museum. 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, are set out in *Managing Public Money* published by HM Treasury.

S. Solicari..... Accounting Officer, Geffrye Museum

S. Shah..... Chair, Geffrye Museum Trust

Date: 11th July 2018

AUTHORISED FOR ISSUE

The date of authorisation is the date of certification by the Comptroller and Auditor General.

By Order of the Board of Trustees

Signed.....G. D. Silcocks, Company Secretary, Geffrye Museum Trust

Date: 11th July 2018

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THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE MEMBERS OF THE GEFFRYE MUSEUM TRUST

Opinion on financial statements

I certify that I have audited the financial statements of the Geffrye Museum Trust for the year ended 31 March 2018 under the Government Resources and Accounts Act 2000. The financial statements comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the related notes, including the significant accounting policies. The financial statements have been prepared under the accounting policies set out therein. 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 Geffrye Museum Trust's affairs as at 31 March 2018 and of the net income for the year then ended; and
- the financial statements have been properly prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice); and
- the financial statements have been prepared in accordance with the Companies Act 2006.

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 of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) 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 2016. I am independent of the Geffrye Museum Trust in accordance with the ethical requirements that are relevant to my audit and 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.

Responsibilities of the Trustees and the Accounting Officer for the financial statements

As explained more fully in the Statement of Trustees' and Accounting Officer's Responsibilities, the Trustees (who are also the directors of the charitable company for the purpose of company law) and the Director as Accounting Officer are responsible for:

- the preparation of the financial statements and for being satisfied that they give a true and fair view.
- Such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- assessing the Geffrye Museum Trust's ability to continue as a going concern, disclosing, if applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

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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 Government Resources and Accounts Act 2000.

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

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Geffrye Museum Trust's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Geffrye Museum Trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

Other Information

Management is responsible for the other information. The other information comprises information included in the annual report, other than the parts of the Remuneration Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the

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

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Government Financial Reporting Manual;
- in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, I have not identified any material misstatements in the Strategic Report or the Directors' Report; and
- the information given in the Strategic Report and Directors' 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

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 part 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
- certain disclosures of trustees' remuneration specified by law are not made; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse

13th July 2018

Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2018 (Including income & expenditure account)	<u>Notes</u>	Unrestricted Funds	Restricted Funds	Total 2018
		£	£	£
Income & endowments from:				
DCMS Grant In Aid		1,496,000	200,000	1,696,000
Donations and Legacies		120,860	976,371	1,097,231
Charitable Activities		44,662	987,686	1,032,348
Profit from sale of Cremer Street		1,420,009	-	1,420,009
Other trading activities		207,738	-	207,738
Investments		2,236	-	2,236
Total	2	3,291,505	2,164,057	5,455,562
Expenditure On:				
Raising Funds	3	332,436	-	332,436
Charitable activities	3	1,834,311	103,992	1,938,303
Other expenditure		80,528	-	80,528
Total		2,247,275	103,992	2,351,267
Net income (expenditure)		1,044,230	2,060,065	3,104,295
Transfer between funds	11	1,463,079	(1,463,079)	-
Net incoming (outgoing) resources before other recognised gains and losses		2,507,309	596,986	3,104,295
Actuarial gain (loss) on defined benefit pension scheme	13	327,000	-	327,000
		2,834,309	596,986	3,431,295
Reconciliation of funds:				
Total funds brought forward at 1 April 2017		11,321,690	125,270	11,446,960
Total funds carried forward at 31 March 2018		14,155,999	722,256	14,878,255

The notes on pages 40 to 57 form part of these financial statements

THE GEFFRYE MUSEUM TRUST
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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2017 (Including income & expenditure account)	Notes	Unrestricted Funds	Restricted Funds	Total 2017
		£	£	£
Income & endowments from:				
DCMS Grant In Aid		1,496,000	200,000	1,696,000
Donations and Legacies		88,926	222,341	311,267
Charitable Activities		34,363	422,212	456,575
Other trading activities		262,958	-	262,958
Investments		853	-	853
Total	2	1,883,100	844,553	2,727,653
Expenditure On:				
Raising Funds	3	344,395	-	344,395
Charitable activities	3	1,596,569	312,493	1,909,062
Total		1,940,964	312,493	2,253,457
Net income (expenditure)		(57,864)	532,060	474,196
 Transfer between funds		 464,520	 (464,520)	 -
Net incoming (outgoing) resources before other recognised gains and losses		406,656	67,540	474,196
 Actuarial gain (loss) on defined benefit pension scheme	 13	 15,000	 -	 15,000
		421,656	67,540	489,196
Reconciliation of funds:				
Total funds brought forward at 1 April 2016		10,900,034	57,730	10,957,764
Total funds carried forward at 31 March 2017		11,321,690	125,270	11,446,960
All activities are on an on-going basis				

The notes on pages 40 to 57 form part of these financial statements

THE GEFFRYE MUSEUM TRUST
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Company Number

2476642

Charity Number 803052

		<u>2018</u>	<u>2017</u>
		£	£
BALANCE SHEET	Notes		
FIXED ASSETS			
Tangible fixed assets	6	23,112	271,685
Heritage assets	6	14,227,865	12,789,967
		14,250,977	13,061,652
CURRENT ASSETS			
Stocks		12,042	32,875
Debtors	8	546,199	104,626
Cash at bank and in hand		2,258,588	277,451
		2,816,829	414,952
CREDITORS			
Amounts falling due within one year	9	(460,551)	(269,644)
NET CURRENT ASSETS		2,356,278	145,308
TOTAL ASSETS LESS CURRENT LIABILITIES		16,607,255	13,206,960
CREDITORS			
Amounts falling after one year	9	(240,000)	(150,000)
PROVISION FOR LIABILITIES AND CHARGES			
Net defined benefit pension liability	13	(1,489,000)	(1,610,000)
NET ASSETS		14,878,255	11,446,960
Represented by:			
INCOME FUNDS			
Restricted funds:	11	722,256	125,270
Unrestricted funds:			
Designated funds	11	307,027	287,621
General funds	11	13,848,972	11,034,069
TOTAL INCOME FUNDS		14,878,255	11,446,960

The financial statements were approved by the Board of Trustees on 11th July 2018 and signed on their behalf by:

S. Shah.....) Chair, Geffrye Museum Trust

S. Solicari.....) Director & Accounting Officer, Geffrye Museum

The notes on pages 40 to 57 form part of these financial statements

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STATEMENT OF CASH FLOWS	Notes	<u>2018</u> £	<u>2017</u> £
Cash flows from operating activities:			
Net cash provided by (used in) from operating activities	10	1,721,380	571,933
Cash flows from investing activities:			
Dividends, interest and rents from investments		2,236	853
Purchase of tangible fixed assets	6	(185,306)	(97,514)
Purchase of heritage assets	6	(1,468,673)	(403,049)
Cash inflow from the sale of Fixed Asset		1,821,500	-
Net cash provided by (used in) investing activities:		169,757	(499,710)
Cashflows from financing activities:			
Cashflows from new borrowing		90,000	100,000
Change in cash and cash equivalents in the reporting period:		1,981,137	172,223
Cash and cash equivalents at the beginning of the reporting period		<u>277,451</u>	<u>105,228</u>
Cash and cash equivalents at the end of the reporting period:		<u><u>2,258,588</u></u>	<u><u>277,451</u></u>

The notes on pages 40 to 57 form part of these financial statements

THE GEFFRYE MUSEUM TRUST
ANNUAL REPORT AND ACCOUNTS
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NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and, on the basis of on-going grant in aid funding from the Department for Digital, Culture, Media and Sport, they have been prepared on a going concern basis. There are no circumstances that the trustees are aware of either now or up to 12 months following the date on which the financial statements are signed that would alter this view. The accounts follow the requirements of the Companies Act and the Statement of Recommended Practice: applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), FRS 102 and make additional disclosures required by the Secretary of State for Digital, Culture, Media and Sport as required by the accounts direction.

The core financial and non-financial targets and outturns against the Management Agreement between the Department for Digital, Culture, Media and Sport and the museum is summarised on Page 13 of the Annual Report.

(b) Grant in Aid

The museum is a Non-Departmental Public Body (NDPB) sponsored by the Department for Digital, Culture, Media and Sport. Grant in Aid is available for running costs, capital improvements and collection purchases. Grant in Aid from the Department for Digital, Culture, Media and Sport is taken to the income and expenditure account in the year it is received.

(c) Income

Income from grants, donations and legacies is recognised in the SOFA when there is evidence of entitlement, receipt is probable and its amount can be measured reliably. Contractual and trading income is recognised as incoming resources to the extent that the Geffrye Museum has provided the associated goods or services. Where income is received in advance and the Geffrye Museum does not have entitlement to these resources until the goods or services have been provided, the income is deferred.

(d) Volunteers

The value of services provided by volunteers is not incorporated into these financial statements, due to the absence of a reliable measurement basis. Details of the services made by volunteers can be found in the trustees' annual report.

(e) Expenditure

Expenditure is included on an accruals basis. Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements.

Any cost which is attributed to raising voluntary income, which consists of donations, contributions from the Friends of the Geffrye Museum and the value of objects donated to the collection are deemed as immaterial.

Trading costs relate to the operation of the museum shop and restaurant and the hire of museum facilities. Direct staff and other costs are included.

Charitable activity expenditure comprises direct expenditure and staff costs attributable to the activity. Where costs cannot be directly attributed, these have been allocated to activities on a basis consistent with the use of resources.

Support costs include central functions and have been allocated to activities on a basis consistent with the use of resources. Also included within support costs are governance costs which are those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

(f) Tangible fixed assets

Heritage assets

The disclosure requirements of Financial Reporting Standard 102 have been adopted, as the historic buildings and grounds and museum exhibits are regarded as heritage assets. This is due to their historic importance and the fact they are held for purposes of preservation, conservation and public education.

THE GEFFRYE MUSEUM TRUST
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Donated Assets

In accordance with the fixed asset capitalisation policy that has been adopted, Donated assets are recognised at fair value when received, should their fair value be in excess of £1,000.

Collections

Since the implementation of SORP 2000 the cost of exhibits acquired on inception of the Trust in 1990 and subsequently has been capitalised at historic cost on the balance sheet.

All heritage assets, including collections and additions to collections are on the balance sheet.

Museum buildings

Since the implementation of SORP 2000 the cost of buildings transferred under the 1991 Transfer Order and the cost of subsequent additions to the museum have been capitalised on the balance sheet.

Dealings in the freehold property transferred to the Geffrye Museum Trust require the consent of the Charity Commission.

Museum buildings are considered to form an intrinsic part of the Collection.

The basis of valuation of museum buildings is at historic cost.

All assets regarded as tangible fixed assets acquired in the period, costing more than £1,000 are capitalised.

(g) Depreciation of tangible fixed assets

Depreciation on assets is charged so as to write off their full cost or valuation less estimated residual value over their expected useful lives at the following rates:

Furniture, fittings and equipment	- 33% of cost per annum
Plant and equipment	- 33% of cost per annum

No depreciation is provided in respect of the Collection (including the Museum Buildings) as they are Heritage Assets. Tangible fixed assets that have not been brought into use by the end of the year have not been depreciated. Assets, which have not been depreciated, have been reviewed for impairment. Assets that have been brought into use during the period are fully depreciated for the year, and no charge is made in the year of disposal.

(h) Impairment of Fixed Assets

Fixed Assets are reviewed for impairment when there are indications of impairment in accordance with FRS 102. Assets are impaired to their fair value to reflect the future economic events that are expected to be received.

(i) Stock

Stocks comprise goods for resale held in the Museum shop and restaurant. Stocks are valued at the lower of cost and net realisable value.

(j) Pension costs

The Museum is a member of the London Pensions Fund Authority (LPFA) superannuation scheme that provides benefits based on final pensionable pay. The cost of benefits accruing during the year is charged against staff costs in the Statement of Financial Activities. Actuarial gains and losses are recognised in the Statement of Financial Activities after total net resources for the year and charged to reserves.

The balance sheet includes the actuarially calculated scheme liabilities, discounted at an appropriate rate to reflect expected long term returns.

The museum commenced auto enrolment from October 2014 and set up a Defined Contributions scheme with Royal London as the default pension provision. Amounts paid by the museum during the year are included in Note 5 – Wages and Salaries and no assets or liabilities were held by the museum at 31 March 2018. Employees retain the option of joining either scheme.

(k) Fund accounting

General funds are available to use at the discretion of the Trustees in furtherance of the general objectives of the Museum.

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Designated funds comprise funds, which have been set-aside at the discretion of the trustees for specific purposes. The purpose and use of the designated funds are set out in the notes to the financial statements. Restricted funds are funds subject to specific restriction imposed by donors or by the purpose of the appeal.

(l) Financial instruments

As the cash requirements of the Charity are largely met through Grant in Aid received from the Department for Digital, Culture, Media and Sport, financial instruments play a more limited role in creating risk than would apply to a non-public body of a similar size.

(m) Cash & cash equivalents

All cash and cash equivalents held throughout the year were held in commercial banks or cash in hand.

(l) Significant Accounting judgements

The museum sold the Cremer Street site on a 999 lease to Jerram Developments Ltd under a Development Management Agreement which provides for the freehold title to transfer to them on practical completion of the development. This decision was taken to safeguard the museum by ensuring that the quality of the build and vision of the museum was not compromised. The same architect and engineers associated with the main *Unlocking the Geffrye* project are also involved with the Cremer Street development, which will also help ensure build quality and vision are sustained. The substance of the transaction was judged by the Geffrye management team to be a sale as full proceeds were received at the date of sale, and the practical difference between a 999-year leasehold and a freehold tenancy is not material.

On practical completion of the development, The Geffrye will transfer the freehold title of the Cremer Street site to Jerram Developments Ltd, and at the same time be granted a 999 lease from Jerram Developments Ltd for part of the ground floor and basement which will be the new café space for the museum. The Geffrye management judged this transaction as an operating lease as the substance of the transaction was the sale of the freehold and lease back of the café space with all risks and rewards transferring to Jerram Developments Ltd as lessor.

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2 INCOME AND ENDOWMENTS

	<u>2018</u> £	<u>2017</u> £
Grant in Aid		
DCMS Grant in Aid - revenue	1,421,000	1,421,000
DCMS Grant in Aid – core capital	75,000	75,000
DCMS Grant in Aid – major capital projects	<u>200,000</u>	<u>200,000</u>
	1,696,000	1,696,000
Donations and Legacies		
Restricted		
Trusts	918,343	101,600
Corporate	30,334	10,000
Major donors	10,000	101,369
Individuals	17,260	1,173
Other awards	<u>434</u>	<u>8,199</u>
	976,371	222,341
Unrestricted		
Friends	10,000	10,000
Patrons	7,250	8,867
Trusts	4,000	7,500
Corporate	6,085	5,640
Legacies	66,000	-
Individual	<u>27,525</u>	<u>56,919</u>
	120,860	88,926
Charitable Activities		
Restricted		
Heritage Lottery	932,439	112,277
Arts Council England	25,247	242,030
City Bridge	30,000	34,155
Friends of the National Archives	-	7,500
V&A Museum	-	23,000
Art Fund	<u>-</u>	<u>3,250</u>
	987,686	422,212
Unrestricted		
School sessions	3,379	9,438
Other charitable activities	<u>41,283</u>	<u>24,925</u>
	44,662	34,363
Net proceeds from sale of Fixed Asset	<u>1,420,009</u>	-
Other Trading Activities	207,738	262,958
	Includes:	
	Shop trading:	
	Café contribution:	
	Museum hire and activities:	
	124,382	145,656
	18,930	26,460
	64,426	90,842
Investment income		
Bank interest	<u>2,236</u>	853
	5,455,562	2,727,653

THE GEFFRYE MUSEUM TRUST
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3 EXPENDITURE	Staff costs £	Direct costs £	Support costs £	Total 2018 £
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Cost of raising funds

Fundraising and trading costs	209,060	123,376	-	332,436
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Charitable activity:

The charitable activity of the Geffrye Museum is as a resource for education. Museum operations can be divided as follows:

Public Access Care of buildings and gardens, Security and visitor services	522,841	147,392	96,991	767,224
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Education and Outreach Schools and formal learning, public programmes and public relations	403,095	185,038	72,134	660,267
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Curatorial and Exhibitions Care and development of collection, research and exhibition programme	356,719	100,011	54,082	510,812
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	1,491,715	555,817	223,207	2,270,739
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Other Expenditure

Loss due to phishing fraud	49,753
Loss on disposal of heritage assets	30,775
	80,528

Analysis of support costs

	Bank Charges £	Finance and Admin £	Comms and equipment £	Governance £	Total 2018 £
Basis of apportionment	Expenditure	Headcount	Headcount	Headcount	
Public Access	910	60,528	26,157	9,396	96,991
Curatorial & Exhibitions	831	33,561	14,486	5,204	54,082
Education & Outreach	819	45,325	19,121	6,869	72,134
	2,560	139,414	59,764	21,469	223,207

The Governance costs of £21,469 comprises £12,500 audit fees and £8,969 on internal audit and advice.

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3 PRIOR YEAR EXPENDITURE	Staff costs £	Direct costs £	Support costs £	Total 2017 £
Cost of raising funds				
Fundraising and trading costs	203,403	140,992	-	344,395
 Charitable activity:				
The charitable activity of the Geffrye Museum is as a resource for education. Museum operations can be divided as follows:				
 Public Access				
Care of buildings and gardens, Security and visitor services	484,778	144,129	113,868	742,775
 Education and Outreach				
Schools and formal learning, public programmes and public relations	421,112	204,363	56,450	681,925
 Curatorial and Exhibitions				
Care and development of collection, research and exhibition programme	322,065	114,278	48,019	484,362
	1,431,358	603,762	218,337	2,253,457

**Analysis of support costs -
Prior Year**

	Bank Charges £	Finance and Admin £	Comms and equipment £	Governance £	Total 2017 £
Basis of apportionment	Expenditure	Headcount	Headcount	Headcount	
Public Access	1,622	71,857	24,563	15,826	113,868
Education and outreach	1,138	35,409	12,104	7,799	56,450
Curatorial and exhibitions	1,216	29,962	10,242	6,599	48,019
	3,976	137,228	46,909	30,224	218,337

The Governance costs of £30,224 comprise £12,500 audit fees, and £17,724 on internal audit costs.

THE GEFFRYE MUSEUM TRUST
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4 NET MOVEMENT IN FUNDS	<u>2018</u>	<u>2017</u>
	£	£
This is stated after charging:		
Auditor's remuneration:		
- External Audit fee	12,500	12,500
-Internal Audit fee	2,500	-

5 WAGES AND SALARIES	<u>2018</u>	<u>2017</u>
	£	£
a) Staff costs		
Wages and salaries	1,096,454	1,092,762
Subcontractors and agency staff	48,854	63,251
Social security costs	87,593	88,867
Pension costs	<u>258,814</u>	<u>186,478</u>
	<u>1,491,715</u>	<u>1,431,358</u>

Two employees earned over £60,000 in 2017-18 (2016-17: 1). Both earned between £60,000 - £70,000 per annum (2016-17: £60,000 - £70,000: 1). The employees both participate in the LPFA pension scheme and the employer contribution was £17,085 (2016-17: £8,884).

Capitalised staff costs in relation to the *Unlocking the Geffrye* in year related to 6 staff (2016-17: 6); Salary cost: £101,531 (2016-17: £115,505); National Insurance contributions: £10,453 (2016-17: £11,438), Pension contributions: £9,749 (2016-17: £9,288) These costs are not included in the figures to Note 5 (a) above.

The amount of employee benefits received by the Geffrye's key management personnel (defined as the senior management team) for their services to the charity was £380,964 (2016-17, as restated: £410,674).

Staff costs include those funded through Arts Council England.

Whistleblowing Policy:

The Public Interest Disclosure Act 1998 provides certain rights and protections for a member of staff who "blows the whistle" by raising concerns. The museum's Whistleblowing policy describes the protection the Act gives and which disclosures qualify.

Trade Union Facility Time:

There was no trade union facility time to report in regard to staff time or costs for the year ended 31 March 2018. (2016-17: None)

b) Trustees

None of the trustees who served during the year received nor waived any emoluments during the year (2016-17: Nil). No Trustee was reimbursed for expenses in relation to travel costs (2016-17: 1: £54). The museum also incurred hospitality of £289 in relation to a Board and Committee meetings (2016-17: £54). No expenses were paid to third parties on behalf of trustees in 2017-18 (2016-17: Nil).

c) Employees

The average number of employees, on full-time equivalent basis, analysed by function:

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	<u>2017-18</u>	<u>2016-17</u>
Charitable Activity:		
- Public Access	12	13
- Education and Outreach	7	9
- Curatorial and Exhibitions	6	7
Fundraising and trading	6	8
Management and administration	8	7
	39	44
	39	44

The Average headcount for the year was 50 (2016-17: 56)

d) Exit packages

	Number of compulsory redundancies	Number of other departures	Total number of exit packages for 2017-18	Total number of exit packages for 2016-17
Exit package cost band (£)				
<10,000	8	-	8	-
10,001 - 25,000	1	-	1	-
Total	9	-	9	-
Cost (£)	28,380	-	28,380	-

6 FIXED ASSETS

	Other Land & Buildings £	Assets in the course of construction £	Furniture Fittings & Equipment £	TOTAL £
Cost				
At 1 st April 2017	117,108	127,477	423,164	667,749
Additions	-	156,906	28,400	185,306
Disposals	(117,108)	(284,383)	-	(401,491)
At 31 st March 2018	-	-	451,564	451,564
Depreciation				
At 1 st April 2017	-	-	396,064	396,064
Charge for the year	-	-	32,388	32,388
At 31 st March 2018	-	-	428,452	428,452
Net Book Value				
At 31 st March 2018	-	-	23,112	23,112
	-	-	23,112	23,112
At 1 st April 2017	117,108	127,477	27,100	271,685
	117,108	127,477	27,100	271,685

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HERITAGE ASSETS – land and buildings	Land and Buildings (Valued 1991) £	Land and Buildings (Historic cost since 1991) £	TOTAL £
Cost			
At 1 st April 2017	2,400,000	7,344,748	9,744,748
Additions	-	1,463,079	1,463,079
At 31 st March 2018	2,400,000	8,807,827	11,207,827
Net Book Value			
At 31 st March 2018	2,400,000	8,807,827	11,207,827
At 1 st April 2017	2,400,000	7,344,748	9,744,748

Capitalised heritage assets are not depreciated because they are deemed to have infinite lives, but are subject to impairment reviews where damage or deterioration is reported. The additions to land and buildings represent capitalised costs at the balance sheet date including costs associated with the *Unlocking the Geffrye* capital project.

HERITAGE ASSETS - collections

	Collection (Valued 1990 & 1996) £	Collection (Historic Cost since 1991) £	Collection Total £	Donated Assets £
Cost				
At 1 st April 2017	1,500,000	1,336,499	2,836,499	208,720
Additions	-	5,594	5,594	-
Disposals	-	(30,775)	(30,775)	-
At 31 st March 2018	1,500,000	1,311,318	2,811,318	208,720
Closing Balance				
At 31 st March 2018	1,500,000	1,311,318	2,811,318	208,720
At 1 st April 2017	1,500,000	1,336,499	2,836,499	208,720

The entire collection was valued by Christie's in 1990 and the pictures, watercolours and prints were re-valued by Christie's in 1996.

The museum's collection of objects, library and archive material has been built up since 1914. Acquisitions are made according to a Collections Development Policy, last agreed by the Trustees in 2014 and reviewed every 5 years. A policy of preventive conservation is in place, with careful monitoring of conditions, routine cleaning and checking for pest infestation. Active conservation is only undertaken when deemed necessary to prevent further deterioration, loss or damage. A collections review has been ongoing over the last four years, leading to a number of disposals where criteria are met and with the approval of the Trustees

In accordance with FRS102, a summary of the heritage assets acquired at cost and assets donated to the museum, for the current year and the previous four accounting periods and disclosed on the balance sheet comprise:

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	Acquisitions (Disposal) £	Donations £
1 st April 2013	2,527,596	208,720
Additions:		
31 March 2014	78,580	-
31 March 2015	57,207	-
31 March 2016	112,628	-
31 March 2017	60,488	-
31 March 2018	5,594	-
31 March 2018	(30,775)	-
	<u>2,811,318</u>	<u>208,720</u>

All assets are considered to be used for charitable activities. Additions to the collection were funded by Grant in Aid and supplemented by additional grants and donations. For the years 1991-2018 £1,342,093 (1991-2017: £1,336,499) has been spent on additions to the collection and has been stated at historic cost.

7 FINANCIAL INSTRUMENTS

The museum's financial assets comprise of trade and other debtors which have fixed or determinable payments that are not quoted in an active market. The museum has no intention of trading these. Trade, other creditors and accruals are recorded at their carrying value.

8 DEBTORS

	<u>2018</u> £	<u>2017</u> £
Trade debtors	24,048	38,096
Other debtors	97,211	43,416
Prepayments and accrued income	424,940	23,114
	<u>546,199</u>	<u>104,626</u>

9 CREDITORS

	<u>2018</u> £	<u>2017</u> £
Amounts falling due within one year:		
Trade creditors	192,023	159,995
Accruals and deferred income	233,704	67,177
Taxation and social security costs	34,824	42,472
	<u>460,551</u>	<u>269,644</u>
Amounts falling due after one year:		
DCMS loan:	<u>240,000</u>	<u>150,000</u>

The total agreed loan facility is £300,000 of which £240,000 has been draw down to date. The loan capital is repayable in equal instalments over a period of ten years, with the first repayment scheduled for April 2019 and the final on April 2028. Interest on the principal is payable annually and is calculated at fixed rates. Interest is calculated on each tranche of drawdown of the loan and ranged from 0.40% to 2.18% during the financial year. Interest charged for the year was £1,813 (2016-17: £1,295)

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**10 STATEMENT OF CASH
 FLOWS - RECONCILIATION**

Reconciliation of net income / (expenditure) to net cashflow from operating activities

	<u>2018</u>	<u>2017</u>
	£	£
Net income / (expenditure) after other gains and losses for the reporting period	3,431,295	489,196
Adjustments for:		
Depreciation for the year	32,388	46,187
Dividends, interest and rents from investments	(2,236)	(853)
(Increase) / Decrease in Stock	20,833	2,940
(Increase) / decrease in debtors	(441,573)	78,584
Increase / (decrease) in creditors	190,907	(128,121)
Increase / (decrease) in net defined pension liability	(121,000)	84,000
Loss / (Profit) on sale of Fixed asset	(1,420,009)	-
Loss/(Profit) on disposal of Heritage asset	30,775	-
	1,721,380	571,933

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**11 STATEMENT
OF FUNDS**

	<u>1 April</u> <u>2017</u>	<u>Income</u>	<u>Expenditure</u>	<u>Pension</u> <u>Revaluation</u> <u>n</u>	<u>Transfer</u>	<u>31 March</u> <u>2018</u>
Unrestricted funds						
Designated funds:						
Funds designated for collection purposes	78,901	25,000	-	-	(5,594)	98,307
Donated asset fund	208,720	-	-	-		208,720
Total designated funds	<u>287,621</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>(5,594)</u>	<u>307,027</u>
General Funds	11,034,069	3,266,505	(2,247,275)	327,000	1,468,673	13,848,972
Total unrestricted funds	<u>11,321,690</u>	<u>3,291,505</u>	<u>(2,247,275)</u>	<u>327,000</u>	<u>1,463,079</u>	<u>14,155,999</u>
Restricted income funds						
<i>Unlocking the Geffrye</i> - HLF	-	932,439	(19,125)	-	(913,314)	-
<i>Unlocking the Geffrye</i> – other	95,650	976,371	-	-	(349,765)	722,256
DCMS	-	200,000	-	-	(200,000)	-
Arts Council England	23,227	25,247	(48,474)	-	-	-
City Bridge	6,393	30,000	(36,393)	-	-	-
Total restricted income funds	<u>125,270</u>	<u>2,164,057</u>	<u>(103,992)</u>	<u>-</u>	<u>(1,463,079)</u>	<u>722,256</u>
Total funds	<u>11,446,960</u>	<u>5,455,562</u>	<u>(2,351,267)</u>	<u>327,000</u>	<u>-</u>	<u>14,878,255</u>

Transfer

The transfers between reserves reflect where there has been expenditure from one reserve on capital assets that by their nature form part of a different reserve.

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Restricted Income Funds

These funds are to be used for the specific purposes declared by the donors. In some cases, funds are receivable after the expenditure has been declared.

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Total fixed assets	14,250,977	-	14,250,977
Current assets	2,094,573	722,256	2,816,829
Current liabilities	(460,551)	-	(460,551)
Long term liabilities	(240,000)	-	(240,000)
Provision for pension liability	(1,489,000)	-	(1,489,000)
Total net assets	14,155,999	722,256	14,878,255

13 PENSIONS

The Trust operates a pension scheme providing benefits based upon career average pensionable salary. The assets of the scheme are held separately from those of the Trust, being administered as part of the London Pensions Fund Authority (LPFA) Fund.

Current rates during the year were employer's contribution 12.87% of pensionable salary, employees' contributions were at a varying rate between 5.5% and 9.9% of pensionable salary.

The Trust participates in the LPFA Fund on a "pooled experience" basis. Contributions to the LPFA Fund are determined by Barnett Waddingham on the basis of triennial valuations using the projected unit funding method. The most recent valuation was March 2016. This showed the market value of the asset share in relation to the Geffrye Museum Trust's employees was £4.155 million as at 31 March 2016. At the valuation date the fund's assets were insufficient to cover the value of members' accrued benefits. The assumptions which have the most significant effect on the results of the valuation include the movement on the discount rate; those relating to the rate of return on equities and 3.6% on cash per annum and that salary increases would average 4.2% per annum. A rate of 12.87% (previously 14.3%) of the total pensionable salaries was recommended to meet the cost of accruing liabilities. The decrease in the discount rate from 2.8% to 2.55% has given rise to the decrease in pension liability this year as the expectation of salary increase assumptions has decreased from 4.2% to 3.8%. The FRS 102 analysis is intended to be a relatively objective market based measurement but can lead to considerable volatility. The LPFA Pension Fund's assets are invested in a range of investment classes so they will move in a certain way depending on equity markets but the liabilities for FRS102 purposes are based on corporate bonds and a small change in the discount rate can produce considerable increases in the net liability.

The required pension contribution to the LPFA for the year was £93,000 (2016-17: £134,000) with contributions payable of £3,960 (2016-17: £4,002) included in creditors at the balance sheet date. This figure includes £nil (2016-17: £40,405) of additional contributions to help reduce the pension deficit as agreed in the 2016 triennial valuation.

In 2019, the LPFA will carry out the next triennial valuation which will have an impact on future contribution levels. The museum has a strategy to ensure these are fair and affordable but which also help to mitigate the long term pension deficit.

Barnett Waddingham updated the formal valuation of the scheme to 31 March 2018 for the purposes of presenting figures required by Financial Reporting Standard No.102 – Retirement Benefit Plans. The major assumptions used by the actuary were (in nominal terms):

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	<u>2018</u>	<u>2017</u>	<u>2016</u>
RPI Increases	3.30%	3.60 %	3.40%
CPI Increases	2.30%	2.70 %	2.50%
Salary Increases	3.80%	4.20 %	4.30%
Pension Increases	2.30%	2.70 %	2.50%
Discount rate	2.55%	2.80 %	3.80%

The approximate fair values of the assets and liabilities of the scheme at 31 March 2018 attributable to the Geffrye Museum are:

	2018	2017	2016	2015	2014
Fair value of assets	5,231,000	4,920,000	4,155,000	4,063,000	3,664,000
Present value of liabilities	(6,720,000)	(6,530,000)	(5,681,000)	(5,800,000)	(4,568,000)
Deficit at 31 March 2018	(1,489,000)	(1,610,000)	(1,526,000)	(1,737,000)	(904,000)

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13 PENSIONS (continued)

The approximate fair values of the assets and liabilities of the scheme as at 31 March 2018 attributable to the Geffrye museum are:

	2018 £	2017 £
Fair value of Scheme Assets	5,231,000	4,920,000
Present value of defined benefit obligation	<u>(6,720,000)</u>	<u>(6,530,000)</u>
	<u>(1,489,000)</u>	<u>(1,610,000)</u>

Amounts on the balance sheet are as follows:

Liabilities	<u>(1,489,000)</u>	<u>(1,610,000)</u>
	<u>(1,489,000)</u>	<u>(1,610,000)</u>

The amounts recognised in the SOFA are as follows:

Service cost	249,000	173,000
Net interest on defined liability (asset)	44,000	55,000
Administration costs	6,000	5,000
Total cost	<u>299,000</u>	<u>233,000</u>

Opening value of the defined obligation	6,530,000	5,681,000
Current service cost	243,000	173,000
Interest cost	182,000	211,000
Change in financial assumptions	(191,000)	1,203,000
Benefits paid	(102,000)	(298,000)
Contributions by scheme participants	52,000	48,000
Change in demographic assumptions	-	(73,000)
Past service cost	6,000	-
Experience loss(gain) on defined benefit obligation	<u>-</u>	<u>(415,000)</u>

Closing defined benefit obligation	<u>6,720,000</u>	<u>6,530,000</u>
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Opening value of Fund assets	4,920,000	4,155,000
Interest on Assets	132,000	151,000
Return on assets less interest	136,000	686,000
Contributions by employer	93,000	134,000
Contributions by scheme participants	52,000	48,000
Benefits paid	(102,000)	(298,000)
Other actuarial gains(losses)	-	44,000

Fair value of Fund assets at the end of the period:	<u>5,231,000</u>	<u>4,920,000</u>
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13 PENSIONS (continued)

History of experience gains and losses

	<u>2018</u> £	<u>2017</u> £	<u>2016</u> £	<u>2015</u> £	<u>2014</u> £
Difference between the expected and actual return on scheme assets					
Amount	n/a	n/a	n/a	7,000	(53,000)
Percentage of scheme assets				0.2%	-1.4%
Experience gains and losses on scheme liabilities	-	415,000			
Amount	-	-	-	-	630,000
Percentage of scheme liabilities	-	-	-	-	13.8%
Total actuarial gain/(loss)					
Amount	327,000	15,000	339,000	(833,000)	120,000
Percentage of scheme assets (liabilities)	4.86%	0.23%	5.97%	(14.4%)	2.6%

Pension Sensitivity Analysis

	£000's	£000's	£000's
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present Value of total obligation	6,582	6,720	6,861
Projected service cost	228	233	238
Adjustment to long term salary increase	0.1%	0.0%	-0.1%
Present Value of total obligation	6,727	6,720	6,713
Projected service cost	233	233	233
Adjustment to pension increases and deferred revaluation	0.1%	0.0%	-0.1%
Present Value of total obligation	6,854	6,720	6,589
Projected service cost	238	233	228
Adjustment to life expectancy assumptions	+ 1 year	None	- 1 year
Present Value of total obligation	6,968	6,720	6,481
Projected service cost	240	233	226

In addition to the LPFA pension scheme and following the introduction of auto enrolment in October 2014, the museum offers staff a defined contributions scheme, administered by Royal London. Employees' contributions are 3% and employer's contributions are 6%. In 2017-18 employer's contributions were £21,832 (2016-17: £23,309) and this is included in the pension cost in Note 5. An amount of contributions payable of £404 (2016-17: £782) is included in creditors at the balance sheet date.

14 LIABILITY OF DIRECTORS

The Directors of the charitable company are its Trustees for the purposes of charity law and are listed on page 1. The company is limited by guarantee, has no share capital, and is a registered charity. The liability of the Directors of the company is limited to £1 per Director. At 31 March 2018 their total potential liability amounted to £13 (2016-17: £13).

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15 TAX STATUS

All the activities of the Geffrye Museum Trust, which is a registered charity, are undertaken in the pursuit of the museum's charitable purposes only. Each year the museum undertakes a review to establish whether the activities of the shop or the restaurant have resulted in a financial result that might establish a corporation tax liability for the year. The current review shows that no liability to corporation tax has arisen for the year to 31 March 2018 and therefore the museum intends to submit a nil return. (2016-17: Nil).

16 CAPITAL COMMITMENTS

The museum had £77,689 capital commitments as at 31 March 2018 (2016-17: None).

17 RELATED PARTY EVENTS

The Department for Digital, Culture, Media and Sport (DCMS) is the parent department for the Geffrye museum and is regarded as a related party. During the year the museum had various transactions with other entities for which the DCMS is also regarded as the parent Department and received grants and donations as:

	<u>Income for</u> <u>the year</u> <u>ended 31</u> <u>March 2018</u>	<u>Debtor</u> <u>balance as at</u> <u>31 March</u> <u>2018</u>	<u>Expenditure</u> <u>to 31 March</u> <u>2018</u>	<u>Creditor</u> <u>balance as at</u> <u>31 March</u> <u>2018</u>
	£	£	£	£
Heritage Lottery Fund	932,439	395,760	-	-
Arts Council England	25,247	-	-	-
Friends of the Geffrye museum	10,000	-	-	-

Details of these transactions are given within these accounts in Note 2. A total of £3,850 was received from Trustees as donations towards *Unlocking the Geffrye* and patrons scheme. None of the remaining Trustees or key managerial staff has undertaken any material transaction with the museum during the year.

18 CONTINGENT ASSET

The Geffrye is a residual beneficiary of an estate for which probate was granted in 2017-18. £66,000 was recognised in 2017-18 but significant uncertainty exists around the measurement of the remainder of the estate.

19 CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 March 2018. (2016-17: None)

20 POST BALANCE SHEET EVENTS

There were no other post balance sheet events up to the date the report and accounts were authorised for issue. The authorised for issue date is the date of certification by the Comptroller and Auditor General.

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21 ACKNOWLEDGEMENT

The Geffrye Museum would like to thank all of its supporters during the financial year 2017-18 for their generous support and to acknowledge the following:

Heritage Lottery Fund

Arts Council England

Trusts and Foundations

The Big Give

William Brake Charitable Trust

City Bridge Trust

CHK Charities Limited

The Childhood Trust

The Worshipful Company of Grocers

The Headley Trust

The Ironmongers' Company

29th May 1961 Charitable Trust

The Mercers' Company

The Pennycress Trust

The Sackler Trust

Swire Charitable Trust

Sylvia Waddilove Foundation UK

Garfield Weston Foundation

Companies

Leafi

Individuals

Graham and Joanna Barker

Jacque Cox

John Forrester

Brian and Cindy King

Philip and Charman Robinson

Edwina Sassoon

Patrons

The Artisa Foundation

Claire Gapper

Christine and Bill Hanway

Richard Hunting CBE

Chris Kneale

Alex and Elinor Sainsbury

Sir Roy Strong

John and Anna Tomlins

Sylvie Watts

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The Friends of the Geffrye

Unlocking the Geffrye Founding Partners

The Loveday Charitable Trust

Unlocking the Geffrye Benefactors' Circle

Zeev Aram

Consuelo and Anthony Brooke Charitable Trust

Unlocking the Geffrye Partners' Circle

The Hochhauser Foundation

The Ruddock Foundation for the Arts

Graham and Virginia Spooner

Sarah Wood



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