



Annual Report and Accounts 2021–22

VISIT US AT:
IWM LONDON
IWM NORTH
IWM DUXFORD
CHURCHILL WAR ROOM
HMS BELFAST
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Imperial War Museum

Annual report and accounts 2021-2022

For the period 1 April 2021 to 31 March 2022

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

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Contents

Annual Report

1. Executive Summary	4
2. Introduction	6
3. Strategic Objectives	7
4. Achievements and Performance	8
5. Deliver effective stewardship of our collections	11
6. Prioritising our audiences	14
7. Building our brand	15
8. Increasing our financial sustainability	17
9. Future strategic direction	19
10. Key supporters in 2021-22	20
11. Financial Review	23
12. Staff Report	25
13. Environmental Sustainability Report	29
14. Reference and Administrative Details of the Charity, the Trustees and Advisers	36
15. Remuneration Report	41
16. Statement of Trustees' and Accounting Officer's Responsibilities	499
17. Governance Statement	50
The Certificate and Report of the Comptroller and Auditor General to the House of Parliament	60
Consolidated statement of financial activities	65
The statement of financial activities	66
Consolidated and Museum balance sheets	67
Consolidated cash flow statement	68
Notes to the financial statements	69

1. Executive Summary

Imperial War Museum is a national museum and charity with five branches: IWM London, IWM North, IWM Duxford, Churchill War Rooms and HMS Belfast. The 2021-22 financial year began with our doors closed to visitors again. We were able to open four of our five branches in May when Covid restrictions eased. HMS Belfast reopened in July 2021 after an extensive period of reinterpretation and conservation activity. Despite these challenges we had a hugely successful year, most significantly with the opening of our new permanent Second World War and Holocaust Galleries at IWM London, the re-opening of the ship and the installation of the Poppies at IWM North. Other highlights are outlined in our Annual Report below.

When closed in compliance with Covid restrictions all of our branches were secured and available for essential work and staff who were able to operate from home continued to do so. Throughout this year, we have had to re-budget to ensure we ended the year in a balanced position. We achieved this with welcome support from government and the incredible effort our teams put into adapting plans, innovating our programmes, and ensuring the safety of our staff and visitors.

This has meant cutting costs, reducing staffing, rescheduling activities and developing new income streams where possible. We have been supported very well by the Department for Digital, Culture, Media and Sport (DCMS) with additional recovery funding and use of the Government's Coronavirus Job Retention Scheme. The last two years has placed an even greater dependence on an ever-smaller team of dedicated staff, complemented by volunteers and outsourced providers. We continue with a period of recovery as we reflect upon the uncertainty and challenges in which we are operating.

We have a Digital Transformation programme in which we have invested as much as is feasible to date. This work will enable us to engage with a wider, more global audience, it will enhance our visitor and customer experience and support our income generation. We continue to implement the strategy to accelerate and expand our plans. Integral to this is our Digital Content Strategy. We grew our YouTube subscriber base by 791 per cent in 2021-22 to over 200,000 subscribers to increase engagement, encourage visitors to our branches and generate income.

In building our recovery financially we have adopted an agile business model. We now have a more flexible approach to resourcing, keeping fixed costs to a minimum level and adapting to changing circumstances more readily. It is critical that we continue to build and diversify our commercial income and grow other income streams to support a more robust financial model. There will be a specific focus on increasing our support from unrestricted fundraising.

Our new Second World War and Holocaust Galleries opened to positive reviews. In his review for Museums Journal, Oliver Green said the Galleries 'offer the most comprehensive and wide-ranging museum presentation of what it rightly calls the most significant event of the 20th century'. The review concludes that the Galleries are 'quite the best new permanent displays I have seen in any UK museum for many years (perhaps since the IWM's First World War Galleries in 2014).'

With agile thinking we have developed new ways of increasing audience and income. For example, our Spitfires exhibit at IWM Duxford was highly successful, generating over £0.5 million additional income.

Despite the challenges IWM has risen to the occasion throughout the year and delivered extraordinary work in unprecedented times.

2. Introduction

Who we are

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

Our vision

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

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

What we stand for

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

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

3. Strategic Objectives

We aim to:

- **Deliver effective stewardship of our collections**

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

- **Prioritise our audiences**

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

- **Build our brand**

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

- **Increase our financial sustainability**

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

4. Achievements and Performance

Notwithstanding the many challenges faced over the last financial year IWM has continued to deliver progress on its strategic objectives and implement priorities as set out in its Corporate Plan. Our key performance indicators, social impacts and progress against our objectives are outlined below.

4.1. Key Performance Indicators

The results reported below represent the Key Performance Indicators based on our Management Agreement with the Department for Digital, Culture, Media and Sport (DCMS).

Performance Indicator ('000s)	2021-22	2020-21	% change
Number of visits to IWM (excluding corporate hospitality guests and virtual visitors)	1,113	269	314%
Number of unique website visits	18,044	12,664	42%
Number of visits to IWM by children under 16	187	56	234%
Number of overseas visitors	78	13	500%
Number of facilitated and self-directed visits to IWM by children under 18 in formal education	24	0	-
Number of instances of children under 18 in onsite organised activities	93	12	227%
Percentage of visitors who would recommend a visit	96%	95%	1%
Admissions income (gross)	£6,485	£1,338	384%
Trading net profit	£1,956	-£316	718%
Fundraising income	£3,642	£5,417	-32%
Number of UK loan venues (<i>exact number reported</i>)	69	69	0%

Note: The number of physical visits has been adversely impacted by the periods of museum closure throughout the year to comply with governmental lockdown requirements. The financial returns from admissions income and the trading net profit generated from physical visits, specifically from retail, catering and air shows, has been affected similarly.

4.2. Social Impact

The IWM Social Impact Framework has been developed to enable ongoing assessment of how IWM's vision and values translate into social impact at a local, national, and international level. The framework aims to strengthen IWM's reputation as a national asset and global leader.

We are embedding this framework as we evaluate activities throughout the organisation, including at all five branches, online and at offsite activities. Some initial findings from our partnership and public programmes include:

1. War and Conflict Subject Specialist Network: Connecting, Sharing, Learning

The Connecting, Sharing, Learning project ran from July 2020 to June 2021 and focused on sustaining relationships between collections and older communities who were greatly impacted by increased isolation brought about by the pandemic. The project used the framework to focus on “improving wellbeing through connectivity,” with the aims of:

- Connecting communities and organisations to our collections
- Sharing our collections with audiences despite barriers and
- Learning new ways of working and encouraging others to engage in life-long learning.

The framework was instrumental in successfully obtaining funding from the Esmeé Fairbairn Foundation with their particular interest in social impact and wellbeing. There were over 300 participants in the first phase of the project which focused on the Battle of Britain 80th Anniversary.

Qualitative feedback included accounts of how the activities triggered memories for the participants as well as creating talking points to keep them engaged for the rest of the day. This feedback was collected through informal interviews before and after the visit with care staff, and participants were provided with evaluation postcards. Care home staff reported feeling greater levels of connectedness with their patients. In one case, a younger staff member expressed gratitude for the resources, as they allowed them to better relate to their patients and their lived experiences.

2. Second World War and Holocaust Partnership Programme

The Second World War and Holocaust Partnership Programme (SWWHPP) is a Partnership between IWM and eight cultural heritage Partners across the UK.

Alongside the opening of IWM's new Second World War and Holocaust Galleries in 2021, SWWHPP aims to support Partners to engage with new audiences and to share lesser-known local stories. Key components of the Partnership are a Digital Internship programme, skills development and sharing amongst the Partners, access to loans from IWM's collection and the development of a co-created digital installation which will tour between the Partners.

The project focused on improving wellbeing through connectivity and providing leadership. While the partnership is ongoing, an evaluation in July 2021 highlighted:

- Keep Learning: Most Partners felt that they had enhanced skills and capacity, both individually and institutionally, as a result of SWWHPP
- Connectivity: Partners noted there was a significant sense of energy and engagement in the programme due to the flexibility and opportunity for learning throughout the process
- Enabling Others: IWM was seen to add considerable value to the Partnership and to individual institutions through its brand, potential access to collections and ability to bring in expert speakers.

3. Whose Land? By Meduulla, part of Refugee Season

In June 2021, IWM, in partnership with mandla rae and Counterpoints Arts, released an original rap created by Meduulla, an emerging Zimbabwean-born artist, poet and rapper who was raised

in Manchester. The digital work, *Whose Land?* explored the themes of conflict, land reform and mass migration in relation to Zimbabwe. Meduulla's piece considered the inner conflict migrants faced once they had left Zimbabwe and the ongoing legacy of this conflict on young people today.

Social Impact was measured amongst the participants, the partner and the audience. Various methods were employed to capture this including an online questionnaire for the audience and interviews with Meduulla, mandla rae and Counterpoint Arts. The evaluation highlighted that IWM provided a national reach for the artists and a good working model for supporting the artists which will inform their future work. It consolidated IWM's position as a relevant place to shed light on lesser-known conflicts and a platform for "other people's" voices and stories.

4. IWM Institute

The IWM Institute for the Public Understanding of War and Conflict was founded in response to research conducted by IWM in 2016. The study looked at public perception of war today, investigating our audiences' knowledge of recent complex conflicts and other factors such as the presentation of war in the news cycle. Their guiding principles include many opportunities to use the Framework, particularly their focus on thought leadership, public connection and academic partnerships.

The IWM Institute have worked to include the Social Impact Framework throughout their evaluations in 2021-2022:

- **Leading Debate and Discussion:** The *Conflict of Interest* podcast, which launched in 2021 seeks to build understanding and the confidence to have these conversations among members of the public. The average follower listened to more than three-quarters of the podcast and 60 per cent of listeners were between 23 and 34 years of age.
- **Influence and Research:** IWM Institute champions ground-breaking research projects which push the boundaries of our understanding of war and conflict and enable us to better understand our collections
- **Providing Leadership:** The podcast gave IWM the opportunity to shift the narrative around war and conflict
- **Improving Wellbeing through Connectivity:** The IWM Associates program, encompassing 40 leading thinkers across art, media, technology and academia collaborate with IWM staff across exhibitions, live events, research projects and digital content
- **Supporting Communities and Placemaking:** The Research Room opened in May 2021. The Institute continued work to diversify the collection and expand access to IWM's collections to more than 300 unique visitors and create a community to support readers from an array of backgrounds.

5. Deliver effective stewardship of our collections

5.1. Collecting Strategies

Our Collections Information is the raw material through which we tell stories, uncover histories, make connections between the past and present, offer digital content, prepare public programmes, engage audiences, serve commercial customers and preserve and manage our collections over the long-term.

During the course of the year staff have been engaged in developing the Collections Information Strategy. This will be implemented from April 2022 across four strands:

- Information for Access and Inclusion, to open up our collections: so our audiences can feel the scope, scale and impact of our collections and care about the stories we tell
- Information for Knowledge Management: in order for our staff to have the information they need to work with the collections and work with the data confidently
- Information for Commercial use: so our customers can easily select content from our website and know how to use it
- Information for Governance and Stewardship: for our stakeholders to see the outcome of our stewardship activity.

In 2021-22 our documentation work has achieved major milestones including the completion and inventory of just over one million records published online. Of these, some 350,000 records had digital assets that were available for immediate, free of charge, use and reuse.

As an organisation we want to improve diversity, access and inclusion. Our work will ensure that our collections represent our audiences and tell the diverse stories they want to hear. We will achieve this through realising our Collections Development Strategies.

Our Collecting Strategies inform our collections priorities. These strategies cover respectively the First World War and Early Twentieth Century Conflict, the Second World War and Mid-Twentieth Century Conflict, Cold War and Decolonisation and Contemporary Conflict. The strategies are tailored to suit the needs of each collection although they all share common values.

5.2. Digital Futures

Digital Futures is a five-year project digitising 2.1 million items across our photographic, film and sound collections. This mass preservation project informs the digitising of some of our most vulnerable media from the Cold War era, aligning preservation priorities with the Digital Transformation Strategy. In 2021-22 over 400,000 photographic negatives, 1,000 videotape and 852 film reels were digitised as well as 30,000 pages of the War Artist Archive. At IWM Duxford the interior of a Grade II listed former Motor Transport Shed has been transformed to state-of-the-art cold and frozen storage for our film and photographic collections. Improved storage will halt the degradation of 6.8 million items by freezing, isolating or refrigerating them. This high quality, low energy facility optimises storage space by providing 4,880 linear meters of shelving. To reduce energy demand and consumption the four units are highly insulated and are air and vapour tight.

5.3. Collections Management

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

We have made progress with the conservation of the Victor aircraft which IWM acquired in June 1976 on its retirement from service. The Victor was moved into the Conservation Hall in AirSpace for its final six weeks of conservation works, allowing our visitors to see conservation in action, including the reattachment of the wings to return the Victor to its full 110-foot wingspan. The permanent redisplay of the Victor from May 2022 onwards draws to a close one of the largest ever restoration and conservation projects undertaken by IWM, which was supported by a fundraising campaign that raised over £25,000 in donations from individuals. During the process, the bomb bay doors were treated for corrosion, the paint was stripped from the aft fuselage and some parts were removed altogether with new parts fabricated. Some of IWM Duxford's specialist conservators, machinists and conservation volunteers will be giving talks and tours describing how their team went about conserving the jet.

Both the Estates and Collections Storage strategies are integral in the caring for our vast collection. We constantly monitor environmental conditions and regularly conduct suspension checks. We keep effective inventory of our collections and their condition.

5.4. Notable acquisitions

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

Below are some acquisitions of note from 2021-22:

The Private Papers of Major J L Mitchell

This is a collection of 60 letters written between 1911 until his death in action on the Western Front in 1916, by a Diplomatic Attaché to the British Army in Japan to his 'girlfriend' (whom he recognised as his wife), Toyoko, and, latterly, also his daughter from that relationship, Michiko. Written in Japanese (but accompanied by a full English language translation) the letters document an Anglo-Japanese love story that endured, despite long physical separation. There is nothing comparable in IWM's collection.

Sadly, only a few months after Mitchell was killed in action in February 1916, Toyoko also died. His letters were carefully preserved by their daughter Michiko's guardian and then Michiko herself, surviving both the Allied bombing of Tokyo in 1945 and the tsunami that struck North-East Japan as a result of a typhoon in 1948. The account of Mitchell's grandson, (Michiko's son) of both fleeing Tokyo to escape Allied bombing in April 1945 and then, the terrifying experience of a tidal wave engulfing his home in 1948, are an integral part of the collection's narrative and offer an exceptionally well written and thoughtful meditation on these events, as seen through the eyes of a small boy.

Suzanne Plunkett photograph collection

This is a collection of born-digital photographs taken by photojournalist Suzanne Plunkett from 2002 to 2003 in Afghanistan after the US-led invasion. The photographs help to illustrate her time in the country where she was reporting on the war and meeting with local Afghan civilians in and around Kabul. The photographs feature her interpreter, the Associated Press building where she stayed and her encounters with ISAF soldiers - all of which are discussed in her oral history interview already held in the collection. Together with her photographs taken on 9/11 and her private papers, this collection provides an illustration of her personal experience at the time. The photographs provide opportunities for IWM to explore the early stages of the War in Afghanistan from the perspective of a female photojournalist.

Locket and Spitfire Brooch

The locket and Spitfire brooch were made by an RAF technician, Leonard Price, as gifts for his sweetheart, Betty - who became his wife. These love tokens tell a story of war affecting two lives. As such, they are emblematic of the myriad objects with an intensely personal meaning.

Leonard made the locket from Perspex he salvaged from a Wellington aircraft damaged in the 'thousand bomber raid' on Cologne (1942). The locket serves as a small, yet deeply emotional example of one person making "a sword into a ploughshare". Military aircraft designers were quick to realise the weight, visibility and safety advantages of Perspex over glass. An example of war spurring scientific and technical innovation.

The fashioning of the Spitfire brooch is evidence of the emotional connection to this iconic aircraft, felt by everyday people during the war and which resonates with IWM's audience. Whilst Leonard was turning a single penny into a representative Spitfire, at a societal level, millions of pennies were given to fund production of the innovative fighter.

Purple Heart, complete with presentation box and medal ribband, awarded to William Connel McGinley (OMD 8907)

The Purple Heart was awarded by the US War Department to Staff Sergeant William 'Bill' Connel McGinley, a tail gunner of the 392nd Bomb Group in March 1944 after he had mistakenly been reported as killed in action. McGinley's B-24 Liberator was shot down in January 1944, and he evaded capture in Belgium until September 1944. The medal symbolises the varied experiences faced by American heavy bomber crewmen, and the challenges of establishing death in the midst of conflict.

Yamaha electric keyboard damaged by ISIS militants in c.2014 (EPH 11788)

This electric keyboard, owned and played by Waseem Faris, was recovered from his home near Mosul after his brother returned there following its liberation from ISIS in 2017. The keyboard was damaged by ISIS militants in their attempts to destroy it. Under ISIS, like other Sunni Islamist and extremist groups, owning musical instruments was forbidden. Their destruction and punishments for owning such instruments feature in ISIS' social media propaganda.

This object, together with the owner's powerful story, is an illustration of the consequences of conflict and the impact it has on people's lives. It supports key themes and events identified by the IWM's Counter-ISIS Collecting Project and their Advisory Group.

5.5. Collection Access and Research Library

Demand for access continues to be strong, despite the challenges of Covid. At the beginning of the year the Archive and Research Room was open two days a week and this expanded to three days in July. Through the year we recorded 428 unique visits, and visitors often had to book three months in advance.

During the year we were able to increase the number of items which researchers can order from five to ten. A pilot to provide access to 3D objects was approved in March. We reviewed the Library acquisition procedures and introduced proper protocols to enable this work. Work is underway to clear the backlog of donations that accumulated during the pandemic. Purchases of new material have been made to support the development of future seasons on topics including Cyber War, environmental history and War, and mental health.

6. Prioritising our audiences

6.1. Our audiences

Throughout the period we found new ways to reach our audiences through our digital programming and digital channels. Our website had an increased reach to over 18 million visitors. Our in-branch experiences continued where possible, and we worked to adjust our programme to maximise visitor numbers.

6.2. 9/11 A Global Story

We marked the anniversary of 9/11 by engaging digitally with our audience with a microsite: *9/11: A Global Story*, inviting members of the public to share their stories and memories of 9/11 as part of our *9/11 Twenty Years On* campaign to mark the 20th anniversary of the four coordinated attacks on 11 September 2001, which claimed almost 3,000 lives.

At IWM London we exhibited *Wim Wenders: Photographing Ground Zero*. In November 2001, the Oscar-nominated filmmaker Wim Wenders visited Ground Zero to capture the devastation caused by the 9/11 terror attacks and the huge recovery operation being undertaken.

6.3. Generations: Portraits of Holocaust Survivors

This poignant exhibition opened at IWM London on 6 August 2021. In partnership with the Royal Photographic Society (RPS), Jewish News, the Holocaust Memorial Day Trust and Dangoor Education, the exhibition showcased new works from 13 contemporary photographers alongside photography by RPS patron, Her Royal Highness, The Duchess of Cambridge.

These photographs captured the special connections between Holocaust survivors and the younger generations of their families.

6.4. Spitfires: Evolution of an Icon

This display opened at IWM Duxford on 27 December 2021 until 20 February 2022. It was a world first, with all 12 models of the Spitfire being uniquely brought together in a display. The exhibition explored how the Supermarine Spitfire became one of the most famous aircraft of all time. The iconic aircraft were displayed alongside interpretive panels and a large-scale projection. The display provided a boost to visitor numbers in a normally quiet period, generating

over £500,000 in additional income compared to the same period in 2019-20 with over 17,000 additional visits.

6.5. New Holocaust Learning Programme and Learning Spaces

Alongside the new learning centre at IWM London, the Clore Learning Centre on Level 1 and the Taube Family Holocaust Learning Centre on Level 2, the new Holocaust Learning Programme was launched in November with accompanying digital learning resources for teachers. These learning spaces are connected to the galleries. The programme has been well received by schools and the sector. There are plans to expand the programme onsite and digitally.

6.6. Schools digital innovation

In partnership with Perception Codes, IWM launched a STEM digital learning resource '*Combustion and Propulsion in the Spitfire's Merlin Engine*' for Key Stage 3 students. The resource features IWM collections, a learning challenge and a link to a 'Holo-Museum' where students can explore in detail a 3D model of the Spitfire's Merlin Engine. Free 3D glasses are available to all secondary schools local to IWM Duxford in Cambridgeshire and Essex. The project featured in media coverage and at sector events including The Evening Standard, the MA Conference and MuseumsNext.

6.7. Adult and Youth

The Donkey Field, an art film installation by artist Sarah Dobai, was shown at in the new Learning Spaces at IWM London in October. As part of this project, we hosted an event for The Holocaust Educational Trust and their young Ambassadors.

IWM's annual Remembrance Discussion, *How do we define War?*, in partnership with BBC Radio 3's Free Thinking was broadcast on 9 November 2021 and made available on BBC Sounds and as a BBC Radio 3 Arts & Ideas podcast. The panel included Lincoln Jopp MC, Elif Shafak, Christina Lamb and IWM'S Senior Curator Hilary Roberts who explored the impact of the words we use to describe conflict.

7. Building our brand

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

7.1. Secrets of the Imperial War Museums on Channel 5

This year, IWM allowed a broadcaster unprecedented access to our sites and collections. The six-part documentary series *Secrets of the Imperial War Museum*, produced by Spring Films for Channel 5, gave behind-the-scenes insight into the development of IWM London's new Second World War and The Holocaust Galleries, the conservation and refresh of HMS Belfast, flying at IWM Duxford, as well as routine activities across all our branches. The series was filmed predominantly from February to June 2021 and involved staff and volunteers from a wide range of teams across the organisation. The first episode aired in November 2021 and concluded in

January 2022. Each episode reached an average of 757,000 viewings, including catchup, which is a 4.7 per cent share of the audience. The live TV viewing figures reached 3,660,000 for all six episodes.

7.2. IWM Institute

The Institute celebrated its first year anniversary in December 2021. To mark this milestone, we have published an IWM Institute Evaluation Report reflecting on the progress since the Institute's inception as well as measuring successes according to IWM's Social Impact Framework as outlined in the social impact section above.

With successful funding from the Swire Charitable Trust, a second series of *Conflict of Interest* podcast focusing on the Cold War was developed. This will take listeners back in time, given series one was contemporary conflict oriented. The podcast will be released in early 2022-23.

In March our second Annual Lecture took place with IWM Trustee and historian Professor Margaret MacMillan speaking on the topic of war and the human condition. The discussion had particular focus on the Second World War, to mark the opening of IWM's new Galleries, and took place at IWM London.

7.3. Awards

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

- Museum and Heritage awards (public vote), Covid Special Recognition Award, Nomination: Ngaire Bushall
- Museum and Heritage Awards, Pandemic Pivot Award, Nomination: *IWM for Victory*
- RIBA National Awards and RIBA East Regional Awards: Winner for our Duxford Paper Store
- Offsite Construction Awards: Winner, Commercial Project of the Year, for our new office accommodation, Parkside building
- London Heritage Volunteer Awards: Winner, Developing in a Role, Allen Cullen
- London Heritage Volunteer Awards: Highly Commended, Best Team, *We Were There* Team, IWM London and HMS Belfast
- London Heritage Volunteer Awards: Highly Commended, Supporting, Managing and Encouraging Others, Dara Howley, IWM London
- London Heritage Volunteer Awards: Highly Commended, Youth Award, Megan Ritchie, Churchill War Rooms
- London Heritage Volunteer Awards: Highly Commended, Unsung Hero Aidan Steer, Alan Cullen, Aliasger Bharmal, Cian Dowling, David Colbourne, Debra Wallace, Kevin Cox, Martin Olney, Peter Scott, Ross Partridge, Sarah Agnew, Tim Mansfield (IWM London, CWR, HMSB for delivering Lockdown Zoom talks)
- London Heritage Volunteer Awards: Runner-up, Going the Extra Mile, Runner-up: Eve Nicholson (IWM London and CWR), Kevin Cox (IWM London), Mark Rennison (HMSB)

8. Increasing our financial sustainability

8.1. Digital transformation

We are continuing to accelerate our digital transformation programme as fast as is feasible with current resources. Key systems within the scope of the plan include ticketing, e-mail marketing, commerce and finance. The overriding goal is to deliver new and integrated systems, creating more consistent offline and online experiences which aim for a clear, measurable impact on both revenue and customer satisfaction.

We have been working on growing our social media reach to engage with people online, highlighting our collection and encouraging visits. We have had success with YouTube with over 200,000 YouTube subscribers by the end of the year, a growth of 791 per cent, and increases across all other platforms, including Facebook, Twitter and Instagram.

8.2. Second World War and Holocaust Galleries: Transforming IWM London Phase 2

On 20 October 2021, after over six years of redevelopment, the new Second World War and Holocaust Galleries opened their doors to the public. IWM London is the first museum in the world to house and to connect such Galleries, which will change the way that we understand the past for generations to come.

The Second World War Galleries seek to help visitors understand the War as a truly global conflict. The galleries showcase items including the Tamzine, a small boat that helped in the evacuation of Dunkirk, as well as a piece of the Arizona battleship from Pearl Harbor, the first time this wreckage has been displayed outside of the United States.

The Holocaust Galleries show that the atrocity did not happen in the dark but in the real world. Individual stories from some of the six million Jewish people murdered in the Holocaust are told through over 2,000 photos, books, artworks and letters and personal objects ranging from jewellery and clothing to toys and musical instruments.

Our galleries opened to acclaimed reviews, including Daniel Finkelstein in The Times, saying that “the real triumph of the galleries is the use of everyday items and ordinary people to tell stories.”

The Daily Telegraph says that the “linkage [between the two Galleries] is brilliantly symbolised by the shared physical space which brings the two narratives together....it is a tremendous achievement.”

8.3. HMS Belfast

We were delighted to reopen HMS Belfast to the public on 8 July, following the completion of an interpretation refresh as well as major conservation restoration work across the full deck.

The new exhibition combines people stories with immersive interactive moments, rich use of our archives and audio-visual interpretation to give a sense of what it was like to live and work on the ship. A new welcome experience showcases significant locations from HMS Belfast's life and supports visitors to make sense of the ship's time periods once they arrive on the Quarterdeck.

New interactive experiences in the Galley, Gun Turret and Forward Steering Position bring a sense of excitement for family visitors in particular and the new pavilion offer enhances the visitor experience starting at the Queens Walk.

'A wonderful experience' – Military History Magazine

8.4. Managing our estates and infrastructure

With help from the Critical Infrastructure funds from government we have been able to make some significant progress on over 20 projects across the estate. These included remedial work on cladding at IWM North, replacement of oil-fired heating at IWM Duxford and other infrastructure work. We had allocated special funding for infrastructure improvements on HMS Belfast. Maintaining our estate is vital to our financial sustainability and ensures that our audiences and staff visit and work in a safe, well-maintained environment. Our Estates Strategy supports IWM's purpose and strategic objectives in keeping the estate in good stead for the future.

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

8.5. Duxford air shows

July saw the return of air shows to IWM Duxford, thanks to a team effort across IWM and our partners. Despite the challenges of the pandemic, we worked closely with Public Health England, allowing us to welcome large crowds once again. The programme showcased fantastic flying displays on both days and aircraft highlights included The Red Arrows and an RAF Typhoon.

In September IWM hosted the Battle of Britain Air Show at IWM Duxford. This featured aerial displays from Hurricanes, historic helicopters, Ravens and Spitfires as well as exciting activity on the ground, including eight living history groups.

8.6. Volunteers

Our Volunteer Engagement strategy is an important part of helping deliver the goals of IWM within a financially sustainable environment, and engaging our audiences in the most impactful way possible.

Our volunteer work is split into four key areas:

- Generalist: focused on delivering an enhanced, positive and consistent visitor experience
- Specialist: focused on changing the way people think and feel about conflict
- Technical: focused on the stewardship of our collection
- Digital: focused on our digital transformation and access

Our volunteers are deployed across this full range of activity. Even during the pandemic they contributed hours from home towards their learning and development, continuing to make an impact through the sharing of skills, experience and knowledge. The return to volunteering on site was purposefully phased from April 2021 to mirror staff return and the lifting of Covid protections.

We received the support of an average of 1,113 volunteers working across our five branches and digitally. This figure is up from an average 950 in 2020-21. Despite the more limited capacity for volunteering throughout the year (owing to the pandemic) their valuable contribution amounted to a total of 47,586 hours (22,585 hours in 2020-21), which equates to the time equivalent of around 26 full time posts (2020-21, 12.5 full time posts equivalent).

9. Future strategic direction

Our latest Corporate Plan (CP22), covering the five financial years April 2022 to March 2027, builds on the lessons we have learned over the past year – both the successes and the challenges we have faced – so we recover from the pandemic as a socially responsible, more financially resilient and sustainable organisation.

We have had to rethink our operating model so we can deliver both our recovery vision and our vision to 2030. This work is ongoing as we continue to move towards this new model, seeking to achieve even greater flexibility and responsiveness in the future.

The initial emphasis will be firmly on ensuring that we meet our compliance and statutory requirements as an organisation. We will invest in our IT systems to optimise our mitigation of the threat to our cyber security. We will invest in our estate and security to reduce risk and, with the help of critical infrastructure funding from DCMS, be able to make real progress in delivering our Asset Investment Plan. We will invest in the Collection Storage strategy to ensure that the risk to the most vulnerable items in the collection are reduced.

We will continue to grow IWM's reputation as a thought-leader for all issues around conflict. The IWM Institute will continue to commission research projects and programming that examine global issues in innovative ways. We will provide audiences with a trusted voice to navigate and be active in these challenging conversations and deliver our social impact agenda.

We continue to strive to deliver the best possible experience for audiences at all IWM branches and online. Opportunities for marketable change are more important than ever, to drive audience numbers and raise our profile as a relevant organisation. Through topics that connect broadly and with an approach that uses immersive design, striking object display, interactivity, and personal stories, we will aim to create sector-leading, memorable experiences for our audiences. In conjunction with this we will begin to implement and see the effects of our new plans for Digital Content through our Digital Engagement initiatives. These aim to grow our digital audiences and also encourage visits to our incredible branches.

We will maintain our Independent Research Organisation (IRO) status engaging fully with both regular and one-off opportunities offered by the Arts and Humanities Research Council (AHRC) and other research councils, to fund projects which nurture IWM staff's expertise and drive forward radical new ways of working. We will continue to expand and improve our research services, working to increase access to our collections, unlock IWM collections online, improve our Tracing your Family History offer, channel donations to the museum and again increase the opening hours of our Research Room.

We will need to ensure our collections represent our audiences and can tell the diverse stories they want to hear about. We'll achieve this through realising the Collections Development strategies.

We will develop the masterplan for IWM North. Initially we will upgrade and update the content and experience in the Main Exhibition Space in targeted ways to create change that appeals to local audiences. We will focus on replacing outdated silos with new research and stories, beginning with the Empire Silo. We will exploit the potential of the Big Picture Show fully so that we might push new boundaries.

At Churchill War Rooms we will ensure a world-class visitor experience is sustained through the future upgrading of experiences and spaces, including in the Churchill Museum and in Room 59. We will create digital interventions outside the Chief of Staff Rooms and provide more drama to the Transatlantic Telephone Room.

We will continue to improve the offer for core audiences on HMS Belfast and at IWM Duxford. In conjunction with the masterplans we will continue to reimagine the interpretation and develop new experiences. We will create change that enhances visitor engagement, especially for families, and develops the profile of both branches as must-see destinations and secure the status as a great day out. At IWM Duxford, the approach will build upon what we know has worked from the Battle of Britain and Operations Room project and from what evaluation has demonstrated is missing from the visitor offer. We will deliver a new sector-leading Playscape, with the help of external funding, as a first step of the 10-year Masterplan to develop the visitor offer and experience.

On HMS Belfast, we plan for the next phase of the interpretation refresh to involve new family friendly 'unmissable moments' that deliver immersive experiences. We will continue the approach to 'repopulate' the ship with stories of people who worked onboard and using the principle of 'in this place, at this time' to anchor the approach. These changes will improve the experience for our visitors, particularly for families.

We are dependent on staff to achieve our future objectives. We will be taking forward the initiatives outlined in our HR strategy which have necessarily been deferred for the last two years. We want to become an employer of choice. We will be focussing on how we can help our staff achieve their potential and develop within IWM.

10. Key supporters in 2021-22

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

Public Funders

- The Art Fund
- Arts and Humanities Research Council
- Embassy of the United States of America
- National Heritage Memorial Fund
- National Lottery Heritage Fund

Trusts and Foundations

- The Adrian Swire Charitable Trust
- Association for Jewish Refugees Charitable Trust
- The Bamford Charitable Foundation
- The Blavatnik Family Foundation
- The Briess Family Charitable Trust
- The Catherine Lewis Foundation
- The Charles Skey Charitable Trust
- The Chaya Charitable Trust
- The Clore Duffield Foundation
- The Daniel Falkner Charitable Trust
- The David Pearlman Charitable Foundation
- The Dorfman Foundation
- The Gerald and Gail Ronson Family Foundation
- The Hintze Family Charitable Foundation
- The Kusuma Trust UK
- The Laurence Misener Charitable Trust
- Moynitrust
- Old Possum's Practical Trust
- PBM Fund
- The Robert Gavron Charitable Trust
- The Wolfson Foundation
- The Zochonis Charitable Trust

Corporate

- Avalon Aero Ltd
- Bedfordshire Police Sports and Social Club
- Bloomberg Philanthropies
- Cambridge Police Federation
- Derbyshire Constabulary Sports and Social Club
- Essex Police Sports Association
- Herman Miller
- Hertfordshire Constabulary Sports and Social Club
- John Lewis Partnership
- Jotun Paints
- Little Greene Paint Company
- Marshall Sports and Social Club
- Nardello & Co
- Raleigh Motorcycle and Early Reliant Club
- Rebellion
- ZE Global

Individuals

- Mr Roman Abramovich
- Lord Black of Brentwood
- Mrs Tauba Biber
- Sir Harry Djanogly CBE
- Lieutenant General Andrew Figgures CB, CBE
- Mr Robert Finan
- The Duchess of Westminster
- Ms Yana Peel
- Sir William Purves CBE, DSO
- Julian Schild and Victoria Brahm Schild

- Mr Simon and Mrs Charlotte Warshaw
- Mr Ben Watson
- Mr David Wells
- Mr Rodney Williams - In memory of
- Mr Frederick Wills - In memory of
- Mr Robert Zarnegin

Chairman's Circle

- Ms Karen Cook
- Ms Leonie Schroder

Patrons

Exhibition Circle

- John and Susan Apletree
- Dr Stuart and Mrs Clair Blackie
- Mr Douglas Blausten
- The Hon Nigel Boardman
- Jeffrey and Elizabeth Boyling
- Mrs Rae Byrne
- David and Madeleine Cannon
- Sir Robert Crawford CBE
- Lord Duxford
- Ms Jane Frost CBE
- Mr Marc Hanson
- Mrs Clare Jakeman
- Dame Judith Mayhew Jonas DBE
- Commodore Jonathan Lett Royal Navy
- Mr Timothy Robertson
- Mrs Elisa Segrave
- Dr Hilary Spencer and Mr Geoff Dawson
- Mrs Ann Stanton
- Mrs Kathryn Uhde

Learning Circle

- Mr Ian Baggs
- Mr Brendan Finucane QC
- Mr Anthony and Mrs Maureen Hall
- Professor Margaret MacMillan
- Mr Callum and Mrs Lorian Mercer
- Dr Gary Pasternack and Michelle Pasternack

Conservation Circle

- Mr Romen Bose
- Sir Guy Weston

Curator's Circle

- Julian Schild and Victoria Brahm Schild

11. Financial Review

IWM's financial statements include the grant-in-aid received from government and the consolidation of the commercial and learning activities performed by the IWM Trading Company. The Consolidated Statement of Financial Activities is to be found on page 65.

The accounts are presented in accordance with the provisions of the Statement of Recommended Practice (SORP) 2019 and the Charities SORP. The movement in net resources for this year, after depreciation but before revaluation changes, is an inflow of 8.716 million, an increase of £6.433 million year-on-year. The previous year had seen funds decrease by a total of £3.035 million.

The change in 2021-22 is made up of an increase in the net unrestricted funds of £7.077 million, after transfers, and a decrease in restricted funds of £1.406 million.

IWM claimed under the Coronavirus Job Retention Scheme (CJRS) grant to fund staff who were furloughed during the year. The total amount claimed through that scheme added to £0.482 million.

Income from unrestricted funds has increased by £18.320 million. Within this, income from admissions has risen by £5.147 million which is an increase over 384 per cent year-on-year. The major contributor is the reopening of all branches of IWM for most of the year while some restrictions remained in terms of number of visitors and protective equipment under Covid safety regulation. To compensate for the loss of income from the disruption to our consistent and reliable commercial income, IWM received additional unrestricted grant-in-aid from DCMS of £13.632 million.

Unrestricted expenditure has increase by £5.378 million compared to the previous year. This is as a result of resuming some activities on site for commercial events but also crucially the opening of the two new galleries at IWM London.

The net movement on restricted funds is attributable to income funding received in support of our IWM London Transformation project and the project coming to an end.

Overall, the level of funds carried forward at 31 March 2022 increased by 5.671 million in comparison to a decrease of £1.973 million in the previous year. The fixed assets revaluation has also recorded a loss of £3.045 million as assessed at 31 March 2022 (decrease of £4.256 million on the previous year).

11.1. Going concern

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

Alongside this, Trustees have reviewed the new five-year Corporate Plan for 2022-27. The trajectory of the Plan sees income levels begin to recover in 2022-23 but not reach pre-Covid levels before 2023-24. In response to this, we have devised a more agile operating model capable of withstanding delayed recovery in its income while protecting the collection. We have

reviewed our expenditure and developed a progressing model enabling our income generating activities to be flexed accordingly hence enabling us to sustain breakeven outcomes. Taking into account the government funding support, the new business model and its principal risks, IWM's Trustees have a reasonable expectation that IWM will continue in operation and meet its liabilities as they fall due over the next five-year period of this assessment.

11.2. Reserves policy

Objective

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

Contingency

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

- Building unrestricted income through increasing visits to our branches
- Creating a financial return from our increased engagement digitally
- Developing unrestricted fundraising
- Achieving a greater financial return from our estate and
- Maintaining control of our cost base to core levels with greater flexibility in our resourcing.

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

Reserves

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

In order to address the financial pressures arising from the impact of Covid, IWM will utilise unrestricted reserves to help meet any shortfall and provide the final element of any contingency as required. IWM budget modelling includes recovery of unrestricted reserves to the policy stated level by 31 March 2027. The plan set out to succeed in reaching this level of reserves is a combination of step changing improvements in our commercial offer providing a steady increase of our admission income from our visitors combined with benefits generated from our Digital Transformation programme.

11.3. Public sector payment policy

IWM has implemented the Confederation of British Industries' Prompt Payers Code. All suppliers are informed by standard letter of IWM's payment procedure and the system for addressing complaints and disputes. The percentage of invoices paid promptly within 30 days in 2021-22 was 84 per cent (81 per cent in 2020-21).

12. Staff Report

2021-22 has been another year of disruption and uncertainty which impacted business operations across IWM and tested our resilience and agility. We are immensely proud of and grateful for all the efforts our colleagues across IWM have made to help IWM navigate another turbulent year.

At IWM we have nearly 2,000 people working and volunteering for us. Our key focus has been to support them during another exceptional year so that in turn they can look after our visitors, customers, colleagues and collections.

We started 2021 in anticipation of post-pandemic recovery, refocusing our priorities to build on the lessons we learned during the previous year. Our approach remained cautious as we responded to ongoing uncertainty and flux. Until July 2021 we continued to implement the government's Covid Job Retention Scheme which provided nearly £0.5 million in 2021-22.

After the financial support package ended, we engaged in a strategic review and deployed additional mitigating measures, such as pausing the recruitment of all vacant posts except those deemed critical to business needs. Following the successful Voluntary Exit and Reduced Hours programme in 2020, we re-introduced the scheme in 2021.

Lockdowns and the furlough scheme led to a lower-than-average sickness absence level. Absence level overall for the year was lower than pre-pandemic level. 4.4 days were lost due to sickness absence per FTE (1.43 in 2020-21; 5.8 in 2019-20). For many, changes to the government's Covid measures and our phased return to the workplace programme in the second half of the year gave rise to feelings of uncertainty and unease. With staff wellbeing at the forefront of our people agenda, a wellbeing and ways of working survey was conducted in March 2021. Key deliverables included a revised and reformatted Learning and Development Prospectus, more targeted internal communications to further empower line managers to connect with their staff in times of uncertainty and change, implementing a 'return to workplace' programme which included revised policies, training and site re-orientation, and enhancing wellbeing information, offer and directory.

We responded to emerging needs of our staff for a more comprehensive support package, especially for mental health. We have sourced and implemented a new wide-ranging Employee Assistance Programme and an online wellbeing platform.

In the second half of the year we progress the Smarter Working programme at IWM and the creation of the Interim Working Policy to help our staff who have been working solely from home during lockdowns to gradually return to working at our offices. Following a Heads of Departments

smarter working questionnaire, which informed the ELT decision on a new hybrid working model to reinvigorate our sense of teamwork and collaboration, a Hybrid Working Policy was implemented in April 2022.

12.1. Training and development

During 2021-22 we continued to offer a comprehensive Learning and Development Prospectus. It is reviewed every six months, so we can continue to include development opportunities that are tailored to the identified needs of our staff and managers. This year we introduced 'Training Sets' which are clusters of training courses suggested for specific roles relevant to new starters and managers.

All training offered through the Prospectus continued to be successfully delivered online for most of the year. With Covid restrictions lifted in the latter part of the year we delivered several face-to-face sessions with small groups, teams and individual staff.

We focused our efforts on enhancing the range of training available via the Prospectus:

- Piloted a new 'Active Bystander' session reviewing the impact Active Bystanders can have on the workplace using the techniques of Direct Action, Distraction, Delegation and Delay
- developed a new 'Managing a Hybrid Team' session. With different working patterns emerging we have expanded on our 'Ready, Steady, Go' workshop to offer line managers support when managing a mixed team
- reintroduced the 'So you want to be a Manager' workshop. Given the recruitment constraints there has been an increasing need to grow our own management staff and this workshop is aimed at junior staff who want to make their first move into a management role
- developed specific sessions to support managers and 'buddies' of new staff employed under the Kickstart scheme
- developed and piloted a new training programme for Project Management, this was very well received and will be rolled out as part of the 2022 Prospectus.

In addition to the Prospectus, and in response to emerging specific requirements, we arranged facilitated team days focusing on building effective collaboration, understanding of accountabilities, ways of working and reviewing objectives. This approach was successfully trialled with three departments and will be rolled out across IWM during 2022-23.

Access to the Museums Association 2021 Conference for all staff was procured last year as a trial. We continued to support seven staff with higher education studies.

12.2. Staff composition

At the end of March 2022, staff turnover was at 26 per cent. This is including temporary fixed term contracts. It compares with 18 per cent in 2020-21 which was a year significantly impacted by COVID19 restrictions and when a large proportion of our staff was furloughed, and no temporary activities were taking place. In 2021-22, 54 per cent of IWM employees were women. Of the four Executive Leadership Team members in 2021-22, two were women. Across our workforce, including volunteers and contractors, those who identify themselves as men

represented 41 per cent, as women represented 23 per cent, and undeclared represented 36 per cent of the total.

At the end of 2021-22, 9 per cent of IWM employees declared ethnic background other than white (10 per cent in the previous year); 3 per cent of our staff declared disability (no change).

The majority of IWM employees are Millennials (also known as Generation Y – aged between 26 and 40), representing 45 per cent of the overall population. This is closely followed by Generation X (aged between 41 and 60) at 39 per cent. Generation Z (those aged 25 and below) represented 9 per cent and Baby Boomers (aged 61 to 76) are the smallest group at 7 per cent.

12.3. Recognition and reward

In 2021 we commissioned a strategic review of IWM's current reward and benefits offer to establish the best way to describe and promote the benefits package and total reward to staff and prospective applicants. We engaged external consultants to carry out the review using their market expertise. A set of recommendations from the review's findings will be implemented in the first quarter of 2022-23.

This work is linked to the recruitment plan (employer brand development) and to our wellbeing programme. Financial wellbeing, especially in the current economic downturn, forms a significant part of our wellbeing care.

The financial pressures on IWM due to the pandemic meant that we were not able to implement the annual pay increase in 2020 or 2021. The review of IWM's pay structure, intended to reduce pay range overlap and develop pay progression mechanisms, was paused. In line with our long-term commitment and agreement with our trade union colleagues, we implemented pay increases to match the new Real Living Wage rates as recommended by the Living Wage Foundation.

As part of our pension awareness campaign we have been promoting the pension benefits packages available under each contract. Throughout the year we have communicated updates and information related to our pension schemes, including reminders about the Civil Service Pensions online portal for access to information about individual pension accounts.

Aviva, our Group Pension provider for IWM Trading Company, launched their 'My Workplace App' to offer their members easier access to their accounts and pension information. Aviva offered IWM staff a series of financial education seminars

12.4. Inclusivity

We continued our work to improve inclusivity and diversity at IWM. Staff policies applied his year ensure that we;

- give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities
- continue to employ and arrange appropriate training for our employees who have become disabled during the period when they are employed by IWM
- Provide equal training, career development and promotion opportunities to disabled persons employed by IWM.

During the year we have rolled out new 'Active Bystander' training and increasing frequency for the well-established 'Access, Inclusion and Me' training. We supported the review into a diversity training provision for IWM Volunteers.

To support Access and Inclusion initiatives, we have partnered with Creative Access on selected vacancies and our Kickstart Scheme programme to attract candidates from non-traditional backgrounds to apply for IWM roles. 16 Kickstart Scheme participants joined IWM in the second half of the year. The Narrative and Content Team progressed hiring for an internship candidate through the Curating for Change programme. It is a fellowship and traineeship programme which includes fully funded paid work placements, with mentoring and training opportunities, for D/deaf, disabled and neurodivergent people wanting to pursue a career within museums.

13. Environmental Sustainability Report

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

Our consumption and travel costs increased in 2021-22 after lows because of the pandemic when we had long periods of closure and staff largely working from home. However, we continue to prioritise sustainability and these figures were lower than pre-pandemic.

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

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

Our Parkside building was built to meet BREEAM 'Excellent' standards which assesses several sustainability categories. For example, we have solar panels and a green roof. Parkside is a modular build which is meant to deliver 40 per cent less construction waste compared with a traditional build.

Making space for thriving plants and wildlife habitat, environment and ecology is considered with all activities across the estate. Trees are largely fully protected and, if any are removed, then they are replaced elsewhere.

13.1 Greenhouse gas emissions

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

Our emissions have risen slightly as our branches have re-opened and more staff have returned to work after the pandemic, however they are still below pre-pandemic levels. All electricity for the estate is sourced from low carbon sources. Our Passivhaus++ archive building at Duxford dramatically reduces energy requirements for collections care.

We have seen a great deal of infrastructure work at IWM Duxford and on-board HMS Belfast. We continue to replace lighting with LEDs across our estate. We have replaced our two main vehicles with electric cars in 2021-22. Travel emissions rose slightly in 2021-22 from 2020-21, when travel was limited owing to the pandemic, but overall it has fallen 76 per cent on 2019-20.

13.2 Estate management and masterplanning

The management of our estate is an area where we can make long-term, demonstrable improvement. The estate we manage is considerable, comprising 114 buildings, an operational

airfield dating back to the First World War, a Second World War cruiser and Churchill's wartime bunker beneath Whitehall. The nature of our estate and the age, condition and variety of the heritage buildings in our care present us with a considerable challenge in reducing our carbon footprint and operating costs. We are achieving energy savings in our permanent collections and temporary exhibitions through a continued, phased programme of replacing lighting with more efficient schemes.

13.3 Exhibition delivery

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

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

13.4 Performance review

Total scope 1 greenhouse gas emissions have increased this year by 30.9 per cent

Total scope 2 - total energy has decreased to zero as IWM moved to a fully renewable tariff on 1 April 2021.

Our emissions have risen as IWM re-opened and more staff have returned to our branches.

Our travel emissions rose from the previous year, when travel was largely not allowed. It was 76 per cent less than pre-pandemic. Staff have made use of remote working technology to continue to collaborate remotely and this will largely continue going forward.

Greenhouse gas emissions (actual)	2021-22 actual	2020-21 actual	% change year on year	2019-20 actual	2018-19 actual
Scope 1: total emissions (tCO ₂ e)	1,300	993	30.9%	1,657	1,520
Scope 1: emissions from gas consumption (tCO ₂ e)	613	423	44.9%	701	759
Scope 1: emissions from oil consumption (tCO ₂ e)	571	541	5.5%	802	738

Scope 1: emissions from fuel consumption (tCO ₂ e) ¹	0	29	-100%	154	23
Scope 2: Energy consumed electricity (tCO ₂ e)	0	1,755	-100%	2,903	3,639
Scope 2: Energy consumed (kWh) electricity, gas and oil consumption combined (<i>rounded up to nearest 000's</i>)	0	7,526	-100%	14,281	15,973
Scope 3: Domestic business travel (tCO ₂ e)	25	11	127.2%	107	111

Greenhouse gas emissions Financial expenditure '000s	2021-22	2020-21	% change year on year	2019-20	2018-19 actual
Carbon offset purchases	£0	£0	0%	£0	£0
Scope 1: expenditure of emissions from organisation-owned fleet vehicles (gross) ²	£8.90	£7.34	21.2%	£11.50	£11.96
Scope 2: expenditure of energy consumed (kWh) electricity, gas and oil consumption combined ³	£1,447	£1,142	26.7%	£1,593	£1,564
Electricity expenditure	£1,198	£967	23.8%	£1,266	£1,308
Gas expenditure	£234	£170	37.6%	£246	£256
Scope 3: Total expenditure of official business travel (subdivided below)	£89	£30	196.6%	£380	£429
Air travel	£0.9	£0	9%	£18	£20
Rail and underground	£57	£12	375%	£225	£255
Bus or coach	£0.1	£0	1%	£7	£8

¹ Previous year totals have been restated as they were based on fuel consumption solely from IWM owned vehicles. This has been adjusted to include emissions from all vehicles used in our operations (including leased vehicles).

² Previous year totals have been restated as they were based on fuel consumption solely from IWM owned vehicles. This has been adjusted to include emissions from all vehicles used in our operations (including leased vehicles).

³ expenditure now also includes aircraft fuel for improved accuracy.

Hire car or taxi	£12	£5	140%	£38	£43
Private vehicle	£19	£12	58.3%	£91	£103

13.5 Waste management and minimisation

We have seen a 73 per cent overall increase of waste disposal on last year. Our waste contractor, Servest, actively avoids sending any waste to landfill, instead ensuring that waste that cannot be recycled or reused is incinerated through waste-to energy schemes, where energy created from remaining waste is channelled back into the National Grid.

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

Our IT Department continue to adopt policies that promote sustainable practice. We have a 'one device' strategy, which has reduced our number of devices and wastage. We have completed our new staff accommodation project, Parkside, which is our first completely agile workspace. Hot-desking and remote working reduces our stock of hardware and the disposal of obsolete devices. We continue to move more services to the cloud, following the migration of our Intranet (SharePoint) to a cloud-based service. This saves on power consumption data centre cooling, and physical hardware replacement and related waste.

Waste minimisation	2021-22	2020-21 actual	% change year on year	2019-20 actual	2018-19 actual
Total waste disposed (tonnes)*	465	267	74.1%	519	592
Hazardous waste disposed	0	0	0%	11	12
Waste sent to landfill (tonnes)*	0	0	0%	0	0
Waste recycled or reused (tonnes)*	212	105	101.9%	250	271
Composted waste (tonnes)*	0	0	0%	0	18

Percentage of waste recycled and composted*	46%	39%	17.9%	49%	28%
Waste incinerated to convert to energy (tonnes)*	250	162	54.3%	268	445
Average waste produced per annum per visitor and full time equivalent staff (kilograms)	0.42	1.02	-58%	0.25	0.26
Average waste recycled, reused or composted per annum per visitor and full time equivalent staff (kilograms)	0.19	0.4	-52.9%	0.12	0.09

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

Waste minimisation Financial expenditure '000s	2021-22 actual	2020-21 actual	% change year on year	2019-20 actual	2018-19 actual
Total expenditure on waste disposal	£115	£153	-24.8%	£210	£185
Expenditure on waste sent to landfill	£0	£0	0%	£0	£0
Expenditure on waste recycled/reused	£62	£61	1.6%	£101	£84
Expenditure on waste incinerated	£62	£0	62%	£0	£0
Expenditure on waste converted to energy	£62	£93	-33%	£109	£100

13.6 Finite resource consumption

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

Our overall print usage last year was 605 reams of paper. This was an increase on the previous year, when many staff were at home during the pandemic, but much less than previous years (1,335 reams in 2019-20). Our PaperCut print management system ensures that we avoid

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

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

Finite resource consumption	2021-22 actual	2020-21 actual	% change year on year	2019-20 actual	2018-19 actual
Finite resources, water (in cubic metres/m ³)*. <i>Rounded up to nearest 000's</i>	16	27	-70.5%	92	100
Paper consumption - A4 (reams of paper). <i>Actual number reported</i>	605	305	-77%	1,335	1,983
Paper consumption - A3 (reams of paper). <i>Actual number reported</i>	0	6	-88%	50	155

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

Finite resource consumption Financial expenditure '000s	2021-22 actual	2020-21 actual	% change year on year	2019-20 actual	2018-19 actual
Expenditure on water supplied	£130	£128	-32.6%	£190	£193
Expenditure on paper A4 & A3 (not in £'000)	£1.4	£0.7	-76.5%	£3	£5

13. 7 Future plans

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

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

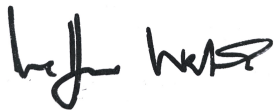
- Decarbonisation of the estate
- Responsible consumption

- Local impact
- Building the conversation
- Protections of heritage against changing climate
- Information intelligence

The strategy aims to do far more than just deal with environment and ecology throughout IWM. Sustainability is led through our Estates Infrastructure Board, and largely managed with our Estates team. There is more to sustainability than our estate and we are doing this throughout the organisation, but we believe we can have the most impact through our vast estate and the potential to make it more sustainable. A Sustainability Action Group has been set up as a sub-group of the Estates and Infrastructure Board. The name of the group has been chosen to encourage action and deliver change within IWM.

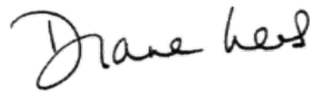
The first draft of the IWM Sustainability Strategy was produced in late 2021 with main board approval expected later in 2022. The Sustainability Action Group will develop a standalone Decarbonisation Plan which will align with and support both the Sustainability Strategy and the Sustainable Development Policy Statement.

We planted trees at Duxford for the Jubilee and to improve the area around the American Air Museum memorial at Duxford.



Matthew Westerman Chair of
the Trustees

Date 13 July 2022



Dame Diane Lees DBE
Director-General and Accounting
Officer

Date 13 July 2022

14. Reference and Administrative Details of the Charity, the Trustees and Advisers

14. 1 Addresses

IWM London

Lambeth Road
London SE1 6HZ

IWM North

The Quays
Trafford Wharf Road
Manchester M17 1TZ

IWM Duxford

Cambridgeshire CB22 4QR

Churchill War Rooms

Clive Steps
King Charles Street
London SW1A 2AQ

HMS Belfast

The Queen's Walk
London SE1 2JH

Website

iwm.org.uk

14.2 Principal advisors

Solicitors

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

Principal bankers

Barclays Bank
Level 12
1 Churchill Place
London E14 5HP

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

14.3 Audit

Under statute, the Comptroller and Auditor General is the principal auditor of IWM's consolidated accounts for the year ended 2021-22. The audit fee in respect of this work was £52,000.

Auditors

Consolidated accounts

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

Imperial War Museum Trading Company Limited

Moore Kingston Smith LLP
Chartered Accountants
6th Floor
9 Appold Street
London
EC2A 2AP

Imperial War Museum Film Production Limited

Moore Kingston Smith LLP
Chartered Accountants
6th Floor
9 Appold Street
London
EC2A 2AP

Internal audit

MHA MacIntyre Hudson
2 London Wall Place
London EC2Y 5AU

14.3 The Imperial War Museum Trading Company

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

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

The Directors of the Imperial War Museum Trading Company

Sir Guy Weston (Chair wef March 2020)
Keith Cameron (until November 2021)

Jon Card ACA
Dame Diane Lees DBE
Carlos Mistry (wef July 2021)
Tamsin Todd (Chair to March 2020)

14.4 The Imperial War Museum Film Production Limited

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

14.5 Director General and Accounting Officer

The Director-General and Accounting Officer for IWM is Dame Diane Lees DBE

14.6 Members of the Board of Trustees of the Imperial War Museum

President

His Royal Highness The Duke of Kent KG GCMG GCVO

Vice President and Chair

Matthew Westerman

Deputy Chair

Tim Marlow OBE

Board Members

Sherin Aminossehe (wef March 2022)
Desmond Bowen CB CMG
Hugh Bullock
Lieutenant General Andrew Figgures CB CBE
Angus Lapsley (until July 2021)
Professor Margaret MacMillan CC CH DPhil
Suzanne Raine
Air Marshal Edward Stringer CB CBE
Tamsin Todd
Mark Urban
Rear Admiral Mike Utley CB OBE
Sir Guy Weston

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

His Excellency Ralph Goodale (High Commissioner for Canada)

Her Excellency Gaitri Issar Kumar (High Commissioner for India)

His Excellency Bede Corry (High Commissioner for New Zealand)

His Excellency Moazzam Ahmad Khan (High Commissioner for Pakistan)

Her Excellency Ms Nomatamba Tambo (High Commissioner for South Africa)

Her Excellency Saroja Sirisena (High Commissioner for Sri Lanka)

14.7 Board of Trustees Committee Members

Audit Committee

Lieutenant General Andrew Figgures CB CBE (Chair)

Suzanne Raine

Air Marshal Edward Stringer CB CBE

Brigid Sutcliffe ACA

Estates Advisory Committee

Hugh Bullock (Chair)

Desmond Bowen CB CMG

David Godden

Mike Griffiths

Air Marshal Edward Stringer CB CBE (wef December 2021)

Rear Admiral Mike Utley CB OBE

Beth West

Dave Worthington (wef March 2022)

Art Commissions Committee

Tim Marlow OBE

Fiona Bradley

Ekow Eshun (wef July 2021)

Vikki Heywood

Jennifer Higgin

Paul Seawright (until August 2021)

Jenny Waldman CBE

Nominations Committee

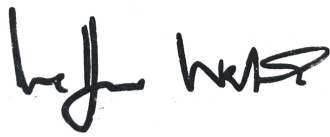
Matthew Westerman

Remuneration Committee

Matthew Westerman

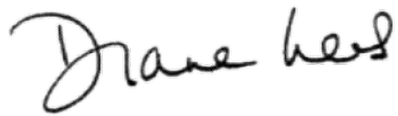
Tim Marlow OBE

Lieutenant General Andrew Figgures CB CBE



Matthew Westerman
Chair of the Trustees

Date 13 July 2022



Dame Diane Lees DBE
Director-General and Accounting
Officer

Date 13 July 2022

15. Remuneration Report

15.1 Remuneration Committee and policy

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

During 2020/21, in response to the COVID-19 crisis, the Director General and the three Executive Directors agreed to a pay reduction of 20% for May to July of 2020, at the beginning of the Pandemic. No bonus (2020-21 nil) was paid to the Director-General. No other bonuses were paid to the three members of the Executive Leadership Team listed below during 2021-22 or 2020-21. There were no pay rises in either 2021/22 or 2020/21.

The pay of the Director-General and of the Executive Directors is subject to benchmarking on a periodic basis.

15.2 Remuneration (including salary) and pension entitlements

The salary and pension entitlements, subject to audit, of senior staff with corporate responsibilities as at 31 March 2022 were as follows:

Single total figure of remuneration										
	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (£1,000)		Total (£1,000)	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
D Lees Director General	155 – 160	145 – 150 (155-160)	Nil	nil	nil	Nil	26	66	180 - 185	215-220 (220-225)
J Card Executive Director of Collections and Governance	115 – 120	110 – 115 (115 – 120)	Nil	nil	nil	Nil	4	21	120 - 125	130-135 (135-140)
G Webber Executive Director of Content and Programmes	100 – 105	95-100 (100-105)	Nil	nil	nil	Nil	35	38	135 - 140	135 - 140 (140-145)
J Brown Executive Director Commercial	95-100	95-100 (100-105)	Nil	nil	nil	Nil	36	38	125 - 130	135 - 140

Services and Operations (until 22/02/22)	(100-105)								(135 - 140)	(140-145)
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The figures for 2020-21, and for J Brown 2021/22 above show the bands for the actual remuneration paid to each member of ELT, which includes the 20% pay reduction that the team took in the three months of May June and July 2020, in response to the Covid-19 pandemic. The full salary equivalent of the range in which their remuneration would have fallen if they had received full salary, is shown in brackets, underneath each team member.

For 2021-22 Ms Lees was provided with an accommodation allowance of £14,560 (2020-21, £14,560), the amount of which is included in the salary figures above.

Mr Brown's final day of employment with Imperial War Museums was 22 February 2022. He was paid an amount for outstanding leave of £2,360. This amount is not included in the salary figures above. No other Executive Director was paid any allowance in 2021-22 (2020-21, £nil).

The Director-General and Executive Directors have permanent contracts of employment with notice periods of three months.

No compensation payments were made to any senior staff (2020-21, £nil). In the event of early termination of employment the provisions of the Civil Service Pension Scheme are to be followed.

The Chairman and Board of Trustees received no remuneration for their services during 2021-22 or 2020-21. Travel and subsistence expenses paid to Trustees amounted to £nil (this was £nil in 2020-21).

15.3 Pay multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce. These figures are subject to audit.

	2021-22	2020-21	
	£'000	£'000	% change
Band of highest paid director's total remuneration	155-160	155-160	0%
Lower quartile			
Total Remuneration	£22,720	£23,970	-5%
Ratio	6.93	6.57	6%
Median			
Total Remuneration	£29,100	£29,646	-2%
Ratio	5.41	5.31	2%
Upper quartile			
Total Remuneration	£38,840	£38,826	0%
Ratio	4.06	4.06	0%

The banded remuneration of the highest-paid director in IWM in the financial year was £155,000 – £160,000 (2020-21, £155,000 – £160,000).

This was 6.93 times (2020-21, 6.57) the lower quartile remuneration of the workforce, which was £22,720 (2020-21, £23,970). This remuneration was 5% less than the lower quartile remuneration in 2021-22 and the ratio increased by 6%.

This was 5.41 times (2020–21, 5.31) the median remuneration of the workforce, which was £29,100 (2020–21, £29,646), a decrease in the ratio of 5% and increase in the remuneration of 5%.

This was 4.06 times (2020-21, 4.06) the upper quartile remuneration of the workforce, which was £38,826 (2020-21, £38,826).

The reduction in the remuneration figures for the lower quartile and median is because of the reduction of the lowest remuneration figure in 2021-22 which was £15,500 (2020-21 £17,500). The increase in the ratio for the lower quartile and the median, is because the total staff included in the range decreased by 8 to 460 in 2021-22 (2020-21, 468).

In 2021-22, no employees (2020-21, nil) received remuneration in excess of the highest-paid director. Remuneration ranged from £15,500 to £160,000 (2020-21, £17,500 to £160,000).

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

15.4 Pension Benefits

(subject to audit)

	Accrued pension at pension age as at 31/3/22 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/22	CETV at 31/3/21	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
D Lees Director General	65 – 70 plus a lump sum of 40 - 45	0 – 2.5 plus a lump sum of nil	1,340	1,256	7	Nil
J Card Executive Director of Collections and Governance	35 – 40 plus lump sum of 115 - 120	0 – 2.5 plus a lump sum of 0 -2.5	859	841	3	Nil

G Webber Executive Director Contents and Programmes	20 - 25	0 – 2.5 plus a lump sum of nil	407	363*	21	Nil
J Brown Executive Director of Commercial Services and Operations (until 22/02/22)	10 – 15 plus lump sum of nil	0 – 2.5 plus a lump sum of nil	183	147	25	Nil

**Note; The figure for CETV at 31/03/21 for G Webber has been updated to include PCSPS Premium benefits which were not included in the return for 2020/21 as these are linked to current final pensionable earnings.*

15.5 Civil Service Pensions

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

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

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of

final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during the period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3 percent of their pensionable earnings in that scheme year and the accrued pension is uprated in line with the Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

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

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

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

15.6 Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies.

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

15.7 Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation figures for the start and end of the period.

15.8 Reporting of civil service and other compensation schemes – exit packages *(subject to audit)*

(Comparative data is shown in brackets for previous years)

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	3 (nil)	2 (14)	5 (14)
£10,000–£25,000	3 (2)	4 (10)	7 (12)
£25,000–£50,000	1 (nil)	nil (4)	1 (4)
£50,000-£100,000	nil (nil)	nil (4)	nil (4)
Total number of exit packages	7 (2)	6 (32)	13 (34)
Total resource cost / £	£83,421 (£34,450)	£82,889 (£635,040)	£166,311 (£674,024)

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of the early departures being agreed. Where the IWM has agreed early retirements, the additional costs are met by the IWM and not by the Civil Service pension scheme. Ill-health retirement costs are met by pension scheme and are not included in the table. Included in the exit costs above are redundancy compensation, top-up compensation to buy out the actuarial reduction on pension, PILON (Payment In Lieu Of Notice, salary part) and CILON (Compensation In Lieu Of Notice, pension part). Prior year comparative figures have been restated to split the total number of exit packages between number of compulsory redundancies and the number of other departures.

15.9 Off-payroll Engagements

For 2021-22 there were no (2020-21, nil) off-payroll engagements in the scope of IR35.

The tables below set out the off-payroll arrangements that IWM has utilised during the year in the format required by HM Treasury:

Table 1: Highly paid off-payroll worker engagements as at 31 March 2022, earning £245 per day or greater.	
	Number
No. of existing engagements as of 31 March 2022	3
Of which...	
No. that have existed for less than one year at time of reporting.	0
No. that have existed for between one and two years at time of reporting.	1
No. that have existed for between two and three years at time of reporting.	0
No. that have existed for between three and four years at time of reporting.	2
No. that have existed for four or more years at time of reporting.	0

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2022, earning £245 per day or greater.	
	Number
No. of new engagements, between 1 April 2021 and 31 March 2022	0
Of which...	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
No. of engagements reassessed for compliance or assurance purposes during the year	0
Of which: no. of engagements that saw a change to IR35 status following review.	0

The Trade Union (Facility Time Publication Requirements) Regulations 2017

1 Relevant union officials

The total number of the employees of Imperial War Museum who were union officials during 2021-22. Comparative data for 2020-21 is shown in brackets.

Number of employees who were relevant union officials during 2021-22	Full-time equivalent employee number
9 (11)	9 (11)

2 Percentage of time spent on facility time

The number of employees of Imperial War Museum who were relevant union officials employed during 2021-22, and the percentage of their time spent on facility time. Comparative data for 2020-21 is shown in brackets.

Percentage of time	Number of employees
0%	nil (nil)
1%-50%	9 (11)
51%-99%	nil (nil)
100%	nil (nil)

3 Percentage of pay bill spent on facility time

The percentage of the total pay bill of Imperial War Museum spent on paying employees who were relevant union officials for facility time for 2021-22. Comparative data for 2020-21 is shown in brackets.

First Column	Figures
Total cost of facility time	£7,738 (£11,069)
Total cost of Imperial War Museum pay bill	£19,074,286 (£20,627,207)
The percentage of Imperial War Museum's pay bill spent on facility time	0.04% (0.05%)

4 Paid trade union activities

How many hours spent by employees, who were relevant union officials during 2021-22, on paid trade union activities. Comparative data for 2020-21 is shown in brackets.

Time spent on paid trade union activities as a percentage of total paid facility time hours	5% (4%)
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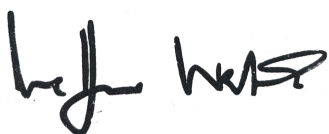
16. Statement of Trustees' and Accounting Officer's Responsibilities

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

In preparing IWM's accounts the Board of Trustees and the Accounting Officer is required to comply with the requirements of FReM and in particular to:

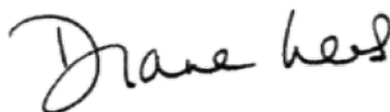
1. Observe the accounts direction issued by the Secretary of State and the Government Financial Reporting Manual, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
2. Make judgements and estimates on a reasonable basis
3. State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

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



Matthew Westerman
Chair of the Trustees

Date 13 July 2022



Dame Diane Lees DBE
Director-General and Accounting
Officer

Date 13 July 2022

17 Governance Statement

17.1 Introduction

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

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

IWM is now governed by a Board of Trustees acting on the authority of the Imperial War Museum Acts 1920 and 1955, the Museums and Galleries Act 1992 and other relevant legislation. The IWM is a non-departmental public body (NDPB) sponsored by the Department for Digital, Culture, Media and Sport (DCMS) and has charity exempt status. In reviewing and setting IWM's aims, objectives and corporate plan, the Trustees have had due regard for the Charity Commission's guidance on public benefit guidance (in accordance with section 17 of the Charities Act 2011)

17.2 Corporate Governance Framework

The IWM Code of Corporate Governance, last revised in 2020 and compliant with the latest guidance, Corporate Governance in Central Government Departments Code of Good Practice, July 2005, details the corporate governance framework for the IWM.

17.2.1 Scope of Responsibility

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

17.2.2 Board of Trustees

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

Membership

The Imperial War Museum Acts of 1920 and 1955, as amended by the Museum and Galleries Act 1992, determine the constitution of the Board and the broad means by which the

appointments are made. All Board Appointments, except for the Commonwealth Government appointments, are made by Ministers in accordance with the IWM Acts and guidance issued by the Commissioner for Public Appointments through DCMS. The Board of Trustees consists of 22 members, including the President, who is appointed by the Sovereign. The remaining members of the Board are appointed as follows by:

- The Prime Minister 10
- The Secretary of State for Foreign, Commonwealth and Development 2
- The Secretary of State for Digital, Culture, Media and Sport 1
- The Secretary of State for Defence 1
- The seven Commonwealth Governments of Australia, Canada, India, New Zealand, Pakistan, South Africa and Sri Lanka appoint their High Commissioners.

Trustees are appointed in the first instance for a term of up to four years. The Vice-President and Chairman of the Board is elected – in accordance with the provisions of the Imperial War Museum Act 1920 – by the Trustees from among their number to lead Board meetings and to represent the Board and interests of IWM.

The tenure of the Public Engagement and Learning Trustee appointed by the Secretary of State Digital Media Culture and Sport expired in November 2020. A replacement is currently undergoing recruitment. Hugh Bullock, Lt Gen Andrew Figgures and Mark Urban have been reappointed after one term as Trustees. In December, Desmond Bowen and Suzanne Raine's terms were extended by nine months pending a decision from the Foreign, Commonwealth and Development Secretary. In March, the Secretary of State for Defence appointed Sherin Aminossehe as the MOD Trustee.

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

Role

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

17.2.3 Committees

- The Audit Committee advises the Director-General and the Board of Trustees on the adequacy of audit arrangements, risk management and internal control. It regularly reviews risk management. The Board of Trustees in turn reviews the effectiveness of our risk management process on an annual basis. The Committee recommends the Annual Report and Accounts for approval to the main Board and is responsible for policy review. It reviews internal and external audit reports and agrees an Internal Audit Strategy that is responsive to our strategic and key operational risks. The Committee receives annual reports from IWM Duxford's Flight Safety Committee and IWM's Health and Safety Committee.

- The Estates Advisory Committee provides assurance to the Board that adequate processes of estate strategic planning and asset management are in place and working effectively. The Committee reviews and advises on the range and sequence of projects to be brought forward to deliver the strategy. It monitors the development and implementation of specific masterplans and makes recommendations to the Board and the Executive Leadership Team as appropriate. Key property related risks are monitored and reported to the Board and the Trustees' Audit Committee.
- The Art Commissions Committee is empowered by the Trustees to select and agree terms with artists for the commission of works relating to all aspects of British and Commonwealth Forces' activities, including their role as part of UN military, humanitarian or civilian operations. It agrees interpretative or retrospective commissions which relate specifically to IWM's remit. The Committee holds responsibility for the IWM 14-18 NOW Legacy Fund, through which IWM will be making £2 million available for over 20 new fully funded art commissions. Revised terms of reference and membership of the ACC were agreed in March 2020 to reflect this legacy fund which will enable IWM to expand and extend the way it supports the creation of new artwork relating to heritage.
- The Remuneration Committee oversees the review of the Director-General's pay and performance.
- The Nominations Committee leads on Trustee appointments.

17.2.4 Board Effectiveness Review

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

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

Owing to Covid restrictions, the 2020 review took place later than usual in December 2020 and therefore a review did not take place in 2021. The main considerations and discussion points at a review in 2022 were with regard to:

- the (re)appointment of Trustees and the significant delays in government. The Chairman encouraged the Board and sub-Committees to consider any skills gaps and look at the potential for the Committees to co-opt more members
- lengthening the duration of Board meetings to allow sufficient time for discussion
- looking at how risk is communicated throughout the organisation, and
- a reframing of the reporting to Trustees to highlight risks, successes, and areas for improvement across IWM.

Quality of data provided to the Board

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

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

17.2.5 Board and Committee attendance

The Board of Trustees' record of attendance is considered to be important and the ability to attend meetings is a key criterion in the appointment of Trustees. The Board meets four times a year. Attendance has been monitored over the past year with Board attendance averaging at 78 per cent. Trustee attendance is covered within their performance assessment when cases for re-appointment are put to Ministers. The Board currently holds one vacancy.

Individual attendances are recorded as follows:

Trustee	Attendance
Sherin Aminossehe	100% (1/1)
Desmond Bowen CB CMG	100%
HE The Hon George Brandis QC (or representative)	100%
Hugh Bullock	75%
HE Bede Corry (or representative)	50%
Lt Gen Andrew Figgures CB CBE	100%
HE Ralph Goodale (or representative)	75%
HE Moazzam Ahmad Khan (or representative)	75%
HE Gaitri Issar Kumar (or representative)	50%
Angus Lapsley	100% (1/1)
Professor Margaret MacMillan CC CH DPhil	100%
Tim Marlow OBE	75%
Suzanne Raine	100%
HE Saroja Sirisena (or representative)	75%
Air Marshal Edward Stringer CB CBE	100%
HE Ms Nomatamba Tambo (or representative)	0%

Tamsin Todd	100%
Mark Urban	50%
Rear Admiral Mike Utley CB OBE	25%
Matthew Westerman (Chair)	100%
Sir Guy Weston	100%

The Audit Committee met four times this year and attendance is reported to the Board via an annual report to the Board and in accordance with HM Treasury guidelines for best practice. Attendance over the past year has been 94 per cent.

Committee Member	Attendance
Lt Gen Andrew Figgures CB CBE (Chair)	100%
Suzanne Raine	100%
Air Marshal Edward Stringer CB OBE	100%
Brigid Sutcliffe ACA	75%

The Estates Advisory Committee met five times during the year. Attendance was 80 per cent.

Committee Member	Attendance
Desmond Bowen CB CMG	100%
Hugh Bullock (Chair)	100%
David Godden	100%
Mike Griffiths	60%
Air Marshal Edward Stringer CB OBE	100% (1/1)
Rear Admiral Mike Utley CB OBE	20%
Beth West	80%

The Art Commissions Committee met five times this year. Attendance was 76 per cent.

Committee Member	Attendance
Fiona Bradley	80%
Ekow Eshun	75% (3/4)

Vikki Heywood	100%
Jennifer Higgle	80%
Tim Marlow OBE (Chair)	100%
Paul Seawright	0% (0/1)
Jenny Waldman CBE	100%

IWM's Corporate Governance Code was revised and approved by the Board of Trustees during 2020 when Trustees also agreed a revised Conflict of Interest Policy which clearly aligns to the IWM's Anti-Bribery policy. Over the past year, there has been no departure from the Corporate Governance Code⁴.

17.3 Risk Management

IWM's internal control system is designed to manage risk to a level judged to be acceptable commensurate with the probability and impact on IWM's corporate objectives. Risk management overall is viewed as a dynamic process which actively seeks to incorporate good practice. It is responsive and is managed through regular review of both internal developments and external factors – the political, social, economic, demographic, technological, environmental and legal developments that may influence our exposure to risks or opportunities.

In 2021-22 the Executive Leadership Team and Audit Committee regularly reviewed and revised IWM's strategic risk register. The process identified the risks to the corporate objectives and informed the management action required to reduce the probability of them arising so in the event they became issues.

The strategic risk register contains eight strategic risks some of which are unique, even within the sector. The eight strategic risks are: Culture, Financial Sustainability, Relevance, Reputation, Assets, Operations Safety and Security, Business Continuity Plan, Technology and Digitisation. These include operational and safety risks associated with flying and air show operations at IWM Duxford and the sensitive nature of our subject matter and the collections and stories that we hold. The strategic risk register has been updated to reflect the ongoing impact of Covid to operations and sustainability.

The approach to risk management and the process for implementation are outlined in IWM's Risk Management Strategy. The strategy and risk management systems it informs has been in place for the year under review and up to the approval date of our annual report and accounts.

As a Non-Departmental Public Body (NDPB) IWM has a low risk appetite in relation to compliance and regulation. In areas where the IWM aims to be relevant and influential, calculated risks are judged to be acceptable for programming and content and in developing new income streams.

⁴ IWM's Corporate Governance Code brings together the powers and responsibilities recorded in legislation and regulations laid down by Parliament, HM Treasury (HMT), the Department for Digital, Culture, Media and Sport and the Charity Commissioners, together with current applicable elements of recommended good practice from HMT's Corporate Governance Code.

17.3.1 Risk Profile

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

IWM remains in a period of recovery from Covid and the financial effects are long lasting. Owing to rapidly changing conditions throughout the year as a result of the pandemic, the majority of the strategic risks have been classified as High or Medium and in a declining or static position. While some remain High, others have improved over time. The key risks throughout the year are outlined below.

- The risk rating for financial sustainability has remained High, owing to the challenging financial position caused by the closure of the museum and wider economic and social factors. The rate of recovery from the pandemic is slower than had been anticipated. The return of visitors physically to our branches was below original expectations causing further strain on already stretched expenditure budgets. Inflation and supply chain issues further compounded this. In light of this, the corporate planning process this year has been adjusted to provide a two-phase approach to allow a more conservative approach to planning and to be better able to respond to the changeable environment. The plan includes prudent visitor figure forecasts with the intention to focus on recovery, delivering compliance and concentrating resources on activities which will make the biggest difference first. Funding from government to help with the impact of Covid is very welcome and it is expected to finish the financial year in a stronger position than previously anticipated
- The risk rating for culture has moved from Medium to High throughout the course of the year. There was an increasing understanding of the impact of the pandemic on staff wellbeing. The Interim Working Policy, introduced at the end of furlough, supported the staff returning to work in offices. A recruitment freeze, however, further impacted already high workloads and reduced capacity to manage them. This, alongside staff already being fatigued from the long duration of the pandemic and the impact of issues such as inflation, the fuel crisis and supply issues, adversely affected staff in their personal and professional lives. IWM staff were also subject to a real pay cut because of a pay freeze and the effect of inflation over the past two years. It is assessed that the end of the freeze on recruitment and the reorganisation of teams across the branches (as staff return to working on site rather than at home) will reduce the probability of the possible impact on culture.
- The other strategic risks remained at Medium throughout the year. DCMS made a grant-of-funds towards some critical infrastructure which enabled progress to be made on some key Security and Estate Infrastructure projects. These areas have been at particular risk because of low maintenance budgets. This risk has been mitigated as far as possible within the available resources. Work on key projects was made possible by critical infrastructure funding. HMS Belfast was successfully reopened after the internal display was overhauled and the new Second World War and the Holocaust Galleries at IWM London were opened, and celebrated with the receipt of national awards.

The strategic risk register and the trends of the strategic risks are monitored at regular intervals by SMT, ELT and the Audit Committee to ensure that emerging threats and opportunities are identified and managed, that management actions are being carried out and that the identified controls are effective. It is proposed to further develop the approach to risk management with input from the Audit Committee with the aim of creating a culture where risk management is embedded in corporate and operational implementation.

17.3.2 Managing Information Security Risk, Cyber Security and Data Protection

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

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

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

IWM was first awarded Cyber Essentials accreditation in January 2018. This was temporarily lost from the start of July 2021 owing to stretched resources and complications brought about by remote working. Cyber Essentials remains a priority project and it is planned to rectify this later in 2022. The annual cyber security maturity review carried out by consultants NCC Group was reported to the Audit Committee in October. IWM's overall score has dropped since the previous year largely owing to the standard changing. The review raised some key areas which are to be addressed to continue building the level of maturity.

17.3.3 Response to Challenges

IWM has been widely affected by the global pandemic. It has disrupted the way IWM traditionally engages its audience, generates income and manages its collections and estate.

The physical closure of branches for the greater part of the last two years, and then operating under limited and restricted conditions when open, has tested the financial sustainability of the organisation to its limits. To survive these difficult conditions costs have been cut, staff numbers reduced, activities rescheduled and new income streams developed.

In building the financial recovery, a more agile business model is planned over the coming years. This will mean that there will be a more flexible approach to resourcing, minimising fixed costs and being able to adapt to changing circumstances. It is critical that we continue to build and diversify commercial income and grow other income streams to support a robust financial model. There will be a specific focus on increasing support from unrestricted fundraising.

There is still much uncertainty about the return of the visitor market physically for the next year. International visitors are not expected to return to the same level of 2019-20 until at least 2023-24. Plans have been made to reflect this, and the need to operate more effectively in the digital world. To further this a Digital Transformation plan is in place which is funded within current

constraints. This will soon be supported by a Digital Content Strategy. This will enable engagement with a wider, global audience, it will provide excellent visitor and customer experience and support income generation.

The unfolding war in Ukraine will impact IWM with increased risks in numerous areas, as well as expectations from audiences to provide context on that conflict.

IWM's success will be dependent on building financial sustainability, developing engagement with audiences and supporting staff and their diverse range of skills. In future IWMs' ability to achieve its corporate objectives is sensitive to the economic impacts of the war, in particular the potential loss of overseas visitors, the impact on energy prices, supply chains and fundraising. There will be an increased risk of terrorism and cyber security attacks.

17.4 Whistleblowing Policy

IWM is committed to the highest possible standards of openness, probity and accountability in the delivery of its services. The IWM whistleblowing policy complies with the Public Interest Disclosure Act 1998, which reflects article 10 of the European Convention of Human Rights in providing the right to freedom of expression. IWM staff have a right and duty to raise concerns about malpractice, abuse or wrongdoing at an early stage and in the right way, without fear of victimisation, subsequent discrimination or disadvantage. IWM's whistleblowing policy encourages staff with serious concerns to come forward and voice those concerns, while procedures are in place to enable them to do so. The Audit Committee agreed the latest version of the policy and procedures in February 2022, available to staff via our policy management system.

17.5 Internal Audit Assessment

At the start of the financial year IWM's Audit Committee approved the 2021-22 internal audit plan. IWM's internal auditors, MHA MacIntyre Hudson, have carried out audits of the following:

- Payroll and pension
- Volunteer management
- Stock valuation management
- GDPR compliance
- Key financial controls

The internal auditors were asked to undertake a review of the *Breaking The Silence* Remembrance event at IWM London, following some negative press articles and an internal follow-up investigation reported to the Audit Committee and Board of Trustees. The recommendations from the review covered revisions to internal governance and escalation procedures and risk management. All recommendations were agreed by management and are being implemented.

Interim reports and an annual report on progress against the internal audit plan for 2021-22 were issued over the course of the year. The reports include the internal auditors' independent opinion of whether there is an adequate level of assurance presented by the controls in place within the relevant business area audited. Recommendations for improvement are agreed with ELT and management, who work to an agreed timetable wherein they are actioned. Progress on implementing audit recommendations is monitored by ELT and the Audit Committee.

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

17.6 Parliamentary Accountability and Audit Report

The information in this report is subject to audit.

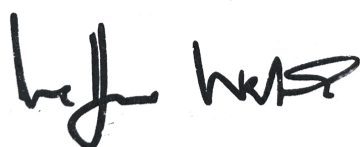
Regularity of Expenditure – The Museum has considered all of its activities during the year and confirm they are in accordance with the legislation authorising them.

The Museum incurred no losses, special payments or gifts totalling more than £300,000 in the year.

Long term expenditure trends – refer to the performance analysis section of our Performance Report for details of our performance to date.

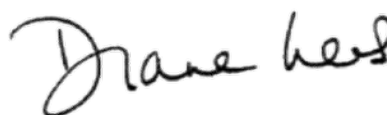
17.7 Assurance Statement by the Audit Committee

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



Matthew Westerman
Chair of the Trustees

Date 13 July 2022



Dame Diane Lees DBE
Director-General and Accounting
Officer

Date 13 July 2022

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

Opinion on financial statements

I certify that I have audited the financial statements of the Imperial War Museum and its Group for the year ended 31 March 2022 under the Museums and Galleries Act 1992.

The financial statements comprise: the Imperial War Museum and its Group's:

- Balance sheet as at 31 March 2022;
- Statement of Financial Activities, Consolidated Statement of Cash Flows; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the Imperial War Museum and its Group's affairs as at 31 March 2022 and its net income for the year then ended;
- have been properly prepared in accordance with the Museums and Galleries Act 1992 and Secretary of State directions issued thereunder.

Opinion on regularity

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

Basis for opinions

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

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

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements nor my auditor's certificate report. The Trustees and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Museums and Galleries Act 1992.

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

- those parts of the Annual Report subject to audit have been properly prepared in accordance with Secretary of State directions issued under the Museums and Galleries Act 1992; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

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

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

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the Imperial War Museum or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Annual Report, subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the Charities Act 2011 have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Trustees and Accounting Officer for the financial statements

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

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Trustees and the Accounting Officer determine are necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the Imperial War Museum and its Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and the Accounting Officer either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

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 Museum and Galleries Act 1992.

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

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the Imperial War Museum and its Group's accounting policies and key performance indicators.
- Inquiring of management, the Imperial War Museum's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Imperial War Museum and its Group's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Imperial War Museum and its Group's controls relating to its compliance with the Museums and Galleries Act 1992, the Imperial War Museum Acts 1920 and 1955, Charities Act 2011 and Managing Public Money;
- discussing among the engagement team including significant component audit teams and involving relevant internal specialists, including land and building valuation specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Imperial War Museum and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the Imperial War Museum and Group's framework of authority as well as other legal and regulatory frameworks in which the Imperial War Museum and Group operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Imperial War Museum and its Group. The key laws and regulations I considered in this context included, the Museum and Galleries Act 1992, the Imperial War Museum Acts 1920 and 1955, the Charities Act 2011, Managing Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management, the Audit Committee and legal counsel concerning actual and potential litigation and claims;

- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- in addressing the risk of fraud through revenue recognition, evaluating the design and implementation of controls; testing income to corroborating evidence; assessing the completeness of revenue streams; and testing the appropriateness of significant estimates made at year-end; and
- in addressing the risk of misstatement in land and building valuation, evaluating the design and implementation of controls; assessing the competence, objectivity and independence of valuers; testing the inputs and methodology used in the valuation; and evaluating the outputs of the valuation.

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

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

Other auditor's responsibilities

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

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

Report

I have no observations to make on these financial statements.

Gareth Davies

Date 15 July 2022

Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

IMPERIAL WAR MUSEUM ACCOUNT 2021-22

Consolidated Statement of Financial Activities for the year ended 31 March 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
Income and endowments from:							
<i>Donations and legacies</i>							
Grant-in-Aid	2a	32,431	6,010	38,441	24,919	8,359	33,278
External funds	2b	1,304	2,315	3,619	505	4,515	5,020
Lottery funding	2c	-	535	535	-	1,130	1,130
Donated objects and services	2d	-	23	23	-	397	397
		33,735	8,883	42,618	25,424	14,401	39,825
<i>Other trading activities</i>							
Income from commercial activities	3a	5,102	-	5,102	1,317	-	1,317
Fees	3b	3,094	479	3,573	1,978	630	2,608
Royalties	3c	340	-	340	241	-	241
Disposals of assets	3d	-	-	-	1	-	1
		8,536	479	9,015	3,537	630	4,167
<i>Investments</i>							
	4a	64	-	64	201	-	201
<i>Charitable activities</i>							
Admissions	4b	6,485	-	6,485	1,338	-	1,338
Government grants	4c	-	482	482	-	2,908	2,908
		6,485	482	6,967	1,338	2,908	4,246
Total income and endowments		48,820	9,844	58,664	30,500	17,939	48,439
Expenditure on:							
<i>Raising funds</i>							
Fundraising and publicity		2,498	101	2,599	2,181	136	2,317
Commercial costs	15	5,059	165	5,224	3,193	684	3,877
		7,557	266	7,823	5,374	820	6,194
<i>Charitable activities</i>							
Education, exhibitions and visitor services		16,465	2,100	18,565	14,969	3,652	18,621
Building care and preservation		8,907	6,698	15,605	7,276	6,124	13,400
Collections management and conservation		7,220	593	7,813	7,123	490	7,613
Grants	16	-	124	124	29	281	310
Purchases for the collection		18	-	18	18	-	18
		32,610	9,515	42,125	29,415	10,547	39,962
Total expenditure	6	40,167	9,781	49,948	34,789	11,367	46,156
Net income/(expenditure)	5	8,653	63	8,716	(4,289)	6,572	2,283
Transfers between funds		(745)	745	-	317	(317)	-
Other recognised gains							
(Loss) on revaluation of fixed assets		(831)	(2,214)	(3,045)	(1,095)	(3,161)	(4,256)
Net movement in funds		7,077	(1,406)	5,671	(5,067)	3,094	(1,973)
Reconciliation of funds:							
Total fund balances brought forward at 1 April 2021		39,402	231,708	271,110	44,469	228,614	273,083
Total fund balances carried forward at 31 March 2022	20a	46,479	230,302	276,781	39,402	231,708	271,110

All income and expenditure is due to continuing activities.

The notes on pages 69 to 92 form part of these accounts.

IMPERIAL WAR MUSEUM ACCOUNT 2021-22

Museum Statement of Financial Activities for the year ended 31 March 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
Income and endowments from:							
Donations and legacies							
Grant-in-Aid	2a	32,431	6,010	38,441	24,919	8,359	33,278
External funds	2b	2,947	2,208	5,155	491	4,413	4,904
Lottery funding	2c	-	535	535	-	1,131	1,131
Donated objects and services	2d	-	23	23	-	397	397
		35,378	8,776	44,154	25,410	14,300	39,710
Other trading activities							
Income from commercial activities	3a	4	-	4	27	-	27
Fees	3b	1,642	479	2,121	788	630	1,418
Disposals of assets	3d	-	-	-	1	-	1
		1,646	479	2,125	816	630	1,446
Investments							
	4a	64	-	64	200	-	200
Charitable activities							
Admissions	4b	6,485	-	6,485	1,338	-	1,338
Government grants	4c	-	317	317	-	2,224	2,224
		6,485	317	6,802	1,338	2,224	3,562
Total income and endowments		43,573	9,572	53,145	27,764	17,154	44,918
Expenditure on:							
Raising funds							
Fundraising and publicity		2,502	101	2,603	2,181	136	2,317
Commercial costs		8	-	8	8	-	8
		2,510	101	2,611	2,189	136	2,325
Charitable activities							
Education, exhibitions and visitor services		15,539	2,025	17,564	14,107	3,746	17,853
Building care and preservation		8,910	6,697	15,607	7,276	6,124	13,400
Collections management and conservation		7,219	592	7,811	7,123	490	7,613
Grants		1,000	124	1,124	829	281	1,110
Purchases for the collection		18	-	18	18	-	18
		32,686	9,438	42,124	29,353	10,641	39,994
Total expenditure		35,196	9,539	44,735	31,542	10,777	42,319
Net income/(expenditure)		8,377	33	8,410	(3,778)	6,377	2,599
Transfers between funds		(745)	745	-	145	(145)	-
Other recognised gains							
(Loss) on revaluation of fixed assets		(831)	(2,214)	(3,045)	(1,095)	(3,161)	(4,256)
Net movement in funds		6,801	(1,436)	5,365	(4,728)	3,071	(1,657)
Reconciliation of funds:							
Total fund balances brought forward at 1 April 2021		40,024	231,392	271,416	44,752	228,321	273,073
Total fund balances carried forward at 31 March 2022	20b	46,825	229,956	276,781	40,024	231,392	271,416

All income and expenditure is due to continuing activities.

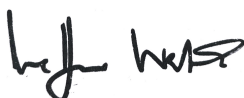
The notes on pages 69 to 92 form part of these accounts.

IMPERIAL WAR MUSEUM ACCOUNT 2021-22

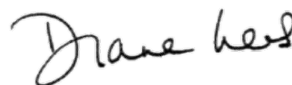
Consolidated and IWM Balance Sheets as at 31 March 2022

	Notes	<u>Consolidated</u> 2022 £'000	<u>Consolidated</u> 2021 £'000	<u>IWM</u> 2022 £'000	<u>IWM</u> 2021 £'000
Non-current assets					
Fixed assets					
Intangible assets	8a	2,263	1,951	2,263	1,951
Tangible assets	8b	252,495	253,445	252,495	253,445
Heritage assets	9a	9,110	8,975	9,110	8,975
Lease receivables	10	834	834	834	834
Investments	15	-	-	600	600
		<u>264,702</u>	<u>265,205</u>	<u>265,302</u>	<u>265,805</u>
Current assets					
Stock	11	467	534	-	-
Debtors	12	3,600	7,028	3,935	7,095
Cash at bank and in hand	13	22,995	12,868	21,431	12,649
		<u>27,062</u>	<u>20,430</u>	<u>25,366</u>	<u>19,744</u>
Current liabilities					
Creditors: amounts falling due within one year	14a	(6,491)	(4,670)	(5,395)	(4,278)
Short-term loan	14f	(1,000)	(1,000)	(1,000)	(1,000)
		<u>(7,491)</u>	<u>(5,670)</u>	<u>(6,395)</u>	<u>(5,278)</u>
Net current assets		19,571	14,760	18,971	14,466
Total assets less current liabilities		284,273	279,965	284,273	280,271
Creditors: amounts falling due after more than one year	14b	(4,492)	(4,855)	(4,492)	(4,855)
Long-term loan	14f	(3,000)	(4,000)	(3,000)	(4,000)
		<u>(7,492)</u>	<u>(8,855)</u>	<u>(7,492)</u>	<u>(8,855)</u>
Net assets		276,781	271,110	276,781	271,416
Represented by:					
Restricted funds					
Restricted funds	20	166,827	163,206	166,481	162,890
Restricted funds buildings revaluation		63,475	68,502	63,475	68,502
		<u>230,302</u>	<u>231,708</u>	<u>229,956</u>	<u>231,392</u>
Unrestricted funds:					
Designated funds	20	19,837	20,711	19,870	20,745
Designated funds buildings revaluation		18,765	19,842	18,765	19,842
		<u>38,602</u>	<u>40,553</u>	<u>38,635</u>	<u>40,587</u>
General funds	20	13,654	4,377	13,966	4,965
Finance lease reserve		(5,777)	(5,528)	(5,776)	(5,528)
		<u>7,877</u>	<u>(1,151)</u>	<u>8,190</u>	<u>(563)</u>
Total funds		276,781	271,110	276,781	271,416

The financial statements on pages 69 to 92 were approved by the Director and the Chair.



Matthew Westerman
Chair of the Trustees



Dame Diane Lees DBE FMA FRSA
Director-General and Accounting Officer

Date 13 July 2022

The financial statements were authorised for issue by the Accounting Officer and Board of Trustees on the date shown on the audit certificate

The notes on pages 69 to 92 form part of these accounts.

IMPERIAL WAR MUSEUM ACCOUNT 2021-22

Consolidated statement of cash flows for the year ended 31 March 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities:			
Net cash provided by operating activities	22a	23,194	19,495
Cash flows from investing activities:			
Interest received	4	64	201
Purchase of fixed assets		(11,818)	(24,954)
Net cash (used in) investing activities		(11,754)	(24,753)
Cash flows from financing activities:			
Interest element of loan payments		(8)	(7)
Interest element of finance lease rental payments		(226)	(273)
Repayment of capital element of finance lease rental		(79)	(195)
Cash (outflows)/inflows from Loans		(1,000)	3,000
Net cash provided by financing activities		(1,313)	2,525
Change in cash and cash equivalents in the reporting period	22b	10,127	(2,733)
Cash and cash equivalents at the beginning of the reporting period	22c	12,868	15,601
Cash and cash equivalents at the end of the reporting period	13	22,995	12,868

The Museum has taken the exemption under FRS 102 from displaying a separate cashflow statement

The notes on pages 69 to 92 form part of these accounts.

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

The Imperial War Museum is a non-departmental public body, sponsored by the Department for Digital, Culture, Media & Sport (DCMS). The Group is an exempt charity as listed in Schedule 3 of the Charities Act 2011.

The financial statements are prepared in accordance with the Museums and Galleries Act 1992 Accounts Direction given by the Secretary of State for Digital, Culture, Media and Sport, with the approval of HM Treasury. The accounts comply with the requirements of the Financial Reporting Standard 102, Statement of Recommended Practice "Accounting and Reporting by Charities", the Treasury's Financial Reporting Manual (FRoM), the Charities Act 2011 and applicable accounting standards. The particular accounting policies adopted by the Trustees are described below.

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

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

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

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

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

(b) Going concern status

The accounts have been prepared on the going concern basis and no material uncertainties have been identified. Under Section 2 of the Imperial War Museum Acts, 1920 and 1955, the Museum has a statutory responsibility for keeping its collections and making them available for inspection by the public, and the Trustees and Accounting Officer have assumed in making the going concern assessment that sufficient Government funding support will continue to be made available to fulfil this responsibility.

Trustees reviewed and approved the new Corporate Plan for 5 years starting on 1 April 2022. The 2022-23 revenue expectation has been set conservatively with income from visitors at 60% of 2019-20 actual level. IWM assumed for 2023-24 some recovery in the whole of its commercial sector with ultimately a growth in 2024-25. The progressive model developed during COVID confinement has provided some flexibility in monitoring our costs and with the last of the COVID government support, IWM's trustees have a safe and comfortable expectation that IWM will continue in operation and meets its liabilities as they fall due over the next five year period of this assessment.

(c) Funds

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

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

(d) Income and endowments

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

The following accounting policies are applied to Income:

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

This is shown in the SOFA in the year the funding relates.

External funds

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

National Lottery income

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

Donated objects and services

Items of a value above £10,000, given to IWM free of charge are recognised as incoming resources at their estimated market value, when receivable. The market value is estimated by in-house curators as set out in note 9(e). If the items are not capitalised they are expensed. Services are recognised as incoming resources at the value IWM would be prepared to pay for an equivalent service if it was procured on the open market with an equivalent amount recognised as an expense.

Other Trading income

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

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

Fees are recognised in line with the period to which the funding relates.

Investment Income

Investment income is recognised in line with the period to which the funding relates.

Incoming resources from charitable activities

Admissions are recognised in line with the period to which the funding relates..

Government Grants - Coronavirus Job Retention Scheme (CJRS)

Government Grants are recognised on a receivable in line with the period to which the funding relates.

(e) Expenditure

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

Allocation of costs

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

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

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

Charitable activities

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

Costs of raising funds

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

(f) Heritage assets*Purchased heritage assets*

All heritage assets purchased by IWM since 2001, with a cost above £2,000, are capitalised in the balance sheet, in line with their purchased cost. Heritage assets purchased by IWM with a cost of under £2,000 are expensed on the SOFA.

Donated heritage assets

Donated heritage assets are valued by IWM, by in-house curators as set out in note 9€, when regarded as having a market value of £10,000 or above are capitalised, and recognised on the balance sheet at the valued amount.

Depreciation and revaluation of heritage assets

Both purchased and donated heritage assets are not depreciated as they have indefinite lives. Heritage assets are revalued when there is evidence of impairment.

Heritage assets not on the balance sheet

Heritage assets that were acquired by IWM before 2001 have not been capitalised on the balance sheet. IWM considers that the cost of obtaining valuation for the collection of assets held, which is the majority of IWM's works of Art, objects and records, is significant, and is not commensurate with the benefit obtained by including additional capitalised value in the financial statements.

(g) Intangible fixed assets

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

Customer Relationship Management system - 4 years.

(h) Tangible fixed assets

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

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

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

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

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

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

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

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

(i) Lease receivables

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

(j) Stocks

Stocks are stated at cost price or net realisable value, whichever is the lower. Cost price is determined based on the amount the stock was purchased at by the IWM Trading Company. A stock assessment of valuation can lead to a provision being made against slow moving and obsolete stock.

(k) Leases

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

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

(l) Permanent exhibitions

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

(m) Imperial War Museum Trading Company Limited

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

(n) Foreign currencies

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

(o) Pension schemes

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

(p) Financial instruments

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

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

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

(q) Cash and liquid resources

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

(r) Imperial War Museum Film Production Company Limited

IWM Film Production Company Limited is a wholly owned subsidiary of the Trustees of the Imperial War Museum. The company was incorporated on 28 May 2015. The authorised share capital of the company is 1 share of £1 each. The IWM Film Production Company has been dormant during 2021-22.

(s) Key judgements and estimates

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

The following judgments have had the most significant effect on amounts recognised in the financial statements.

Finance Leases

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

The following estimates have had the most significant effect on amounts recognised in the financial statements.

Revenue recognition - grant income

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

Revenue recognition - Fees

Fees are recognised in the period to which the funding relates. The debtor from Warner Brothers regarding "They Shall Not Grow Old", has been estimated at £450,000.

Valuation of property, plant and equipment

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

2a Grant in Aid

£38,441K of Grant-in-Aid (from the Department for Digital, Culture, Media and Sport) has been received during the year (2020-21 £33,278K). This represents 77% of the annual expenditure in running the organisation. The balance of funding needs, including most capital improvements, is delivered from resources that are self-generated. £6,010K (2020-21 £8,359K) of the Grant-in-Aid was restricted for critical maintenance work, refurbishment and renewals of buildings, plant and equipment and the digitisation programme. £13,632K (2020-21 £6,120K) was a Covid support package.

IMPERIAL WAR MUSEUM ACCOUNT 2021-22

	Group	Group	IWM	IWM
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
2b Donations and legacies				
Grants and donations	3,561	4,821	5,152	4,880
Sponsorship	55	175	-	-
Legacies	3	24	3	24
	<u>3,619</u>	<u>5,020</u>	<u>5,155</u>	<u>4,904</u>

The total of £3,619K is split between the IWM (£3,506K) and the Imperial War Museum Trading Company (£113K), after intercompany transactions of £1,649K.

	Group	Group	IWM	IWM
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
2c Lottery funding				
Lottery funding	535	1,130	535	1,131
	<u>535</u>	<u>1,130</u>	<u>535</u>	<u>1,131</u>

	Group	Group	IWM	IWM
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
2d Donated objects and services				
Donated objects and services	23	397	23	397
	<u>23</u>	<u>397</u>	<u>23</u>	<u>397</u>

	Group	Group	IWM	IWM
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
3a Income from commercial activities				
Income from Commercial activities	5,102	1,317	4	27
	<u>5,102</u>	<u>1,317</u>	<u>4</u>	<u>27</u>

The total of £5,102K is split between the IWM (£4K) and the Imperial War Museum Trading Company (£5,098K).

	Group	Group	IWM	IWM
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
3b Fees				
Fees	3,573	2,608	2,121	1,418
	<u>3,573</u>	<u>2,608</u>	<u>2,121</u>	<u>1,418</u>

The total of £3,573K is split between the IWM (£974K) and the Imperial War Museum Trading Company (£2,599K), after intercompany transactions of £1,147K.

	Group	Group	IWM	IWM
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
3c Royalties				
Royalties	340	241	-	-
	<u>340</u>	<u>241</u>	<u>-</u>	<u>-</u>

	Group	Group	IWM	IWM
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
3d Disposals of assets				
Disposals of assets	-	1	-	1
	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>

IMPERIAL WAR MUSEUM ACCOUNT 2021-22

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
4a Investment income				
Interest receivable	4	9	4	8
Lease interest	60	192	60	192
	64	201	64	200

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

The interest receivable is split between the IWM (£4K) and the Imperial War Museum Trading Company (£NIL). The lease interest relates to IWM.

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
4b Admissions				
Admissions	6,485	1,338	6,485	1,338
	6,485	1,338	6,485	1,338

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
4c Government grants				
Government grants - CJRS	482	2,908	317	2,224
	482	2,908	317	2,224

The total of £482K is split between the IWM (£317K) and the Imperial War Museum Trading Company (£162K).

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
4d Income from charitable activities by charitable expenditure				
Education, exhibitions and visitor services	3,518	2,161	3,234	1,712
Building care and preservation	1,903	1,051	1,854	883
Collections management and conservation	1,542	1,029	1,502	865
Grants	-	4	208	101
Purchases for the collection	4	1	4	1
	6,967	4,246	6,802	3,562

Group income from charitable activities £6,967K includes admissions £6,485K and government grants £482K

	2022 £'000	2021 £'000
5 Net income/(expenditure)		
Net income of £8,716K, (2020-21 £2.283K) before transfers, are stated after charging:		
Auditors remuneration		
National Audit Office - IWM consolidated accounts	52	47
National Audit Office - additional fee for prior year	-	10
Moore Kingston Smith LLP - Imperial War Museum Trading Company	21	18
Moore Kingston Smith LLP - additional fee for prior year	3	6
Other Services - Moore Kingston Smith LLP, preparation of corporation tax return in relation to Imperial War Museum Trading Company	1	1
Hire purchase on equipment	79	73
Operating leases - equipment	88	77
Operating leases - land and buildings	299	315
Interest payable on finance lease	226	273
Interest payable on loan	8	7
Depreciation and amortisation of owned assets	9,311	7,565
Depreciation of assets held under finance leases	346	259
(Decrease) in provision for bad debts	(6)	-

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

6 Total expenditure	Staff costs £'000	Other costs £'000	Depreciation, amortisation & impairment £'000	2022 Total £'000
Raising Funds				
Fundraising and publicity	1,423	1,125	51	2,599
Commercial costs	3,540	1,677	7	5,224
	<u>4,963</u>	<u>2,802</u>	<u>58</u>	<u>7,823</u>
Charitable activities				
Education, exhibitions and visitor services	8,006	9,182	1,377	18,565
Building care & preservation	570	7,519	7,516	15,605
Collections management and conservation	5,535	1,918	360	7,813
Other grants	-	124	-	124
Purchases for the collection	-	18	-	18
	<u>14,111</u>	<u>18,761</u>	<u>9,253</u>	<u>42,125</u>
<i>Total resources expended</i>	<u>19,074</u>	<u>21,563</u>	<u>9,311</u>	<u>49,948</u>

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

Resources expended are shown after eliminations on consolidation of transactions between IWM and the Imperial War Museum Trading Company of £3,879K (2020-21 £933K).

6a Division of direct and indirect expenditure	Direct costs £'000	Allocated support costs £'000	2022 Total £'000	Direct Costs £'000	Allocated support costs £'000	2021 Total £'000
Raising funds						
Fundraising and publicity	2,025	574	2,599	1,637	680	2,317
Commercial costs	5,224	-	5,224	3,877	-	3,877
	<u>7,249</u>	<u>574</u>	<u>7,823</u>	<u>5,514</u>	<u>680</u>	<u>6,194</u>
Charitable activities						
Education, exhibitions and visitor services	9,149	9,416	18,565	8,906	9,715	18,621
Building care and preservation	15,173	432	15,605	13,145	255	13,400
Collections management and conservation	5,306	2,507	7,813	4,880	2,733	7,613
Other grants (Note 15)	124	-	124	310	-	310
Purchases for the collection	18	-	18	18	-	18
	<u>29,770</u>	<u>12,355</u>	<u>42,125</u>	<u>27,259</u>	<u>12,703</u>	<u>39,962</u>
<i>Total resources expended</i>	<u>37,019</u>	<u>12,929</u>	<u>49,948</u>	<u>32,773</u>	<u>13,383</u>	<u>46,156</u>

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

	Directorate & office services £'000	Human resources £'000	Finance and planning £'000	IT and commun- ication £'000
6b Allocation of support				
Raising funds				
Fundraising and publicity	1	19	45	140
	<u>1</u>	<u>19</u>	<u>45</u>	<u>140</u>
Charitable activities				
Education, exhibitions and visitor services	9	122	761	1,092
Building care and preservation	1	7	16	52
Collections management and conservation	6	86	214	636
	<u>16</u>	<u>215</u>	<u>991</u>	<u>1,780</u>
	<u>17</u>	<u>234</u>	<u>1,036</u>	<u>1,920</u>

	Facilities management £'000	Depreciation & amortisation £'000	Support salary costs £'000	Allocated Support costs Total 2022 £'000
6b Allocation of support (continued)				
Raising funds				
Fundraising and publicity	-	52	317	574
	<u>-</u>	<u>52</u>	<u>317</u>	<u>574</u>
Charitable activities				
Education, exhibitions and visitor services	5,289	269	1,874	9,416
Building care and preservation	232	19	105	432
Collections management and conservation	-	259	1,306	2,507
	<u>5,521</u>	<u>547</u>	<u>3,285</u>	<u>12,355</u>
	<u>5,521</u>	<u>599</u>	<u>3,602</u>	<u>12,929</u>

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

	Facilities management £'000	Depreciation & amortisation £'000	Support salary costs £'000	Allocated Support costs Total 2021 £'000
6b Allocation of support (continued)				
Raising funds				
Fundraising and publicity	-	54	405	680
	<u>-</u>	<u>54</u>	<u>405</u>	<u>680</u>
Charitable activities				
Education, exhibitions and visitor services	4,702	277	2,380	9,715
Building care and preservation	-	20	150	255
Collections management and conservation	-	267	1,542	2,733
	<u>4,702</u>	<u>564</u>	<u>4,072</u>	<u>12,703</u>
	<u>4,702</u>	<u>618</u>	<u>4,477</u>	<u>13,383</u>

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

	2022	2021
7 Staff costs	£'000	£'000
Salaries and wages	14,577	15,111
Temporary / agency staff	85	259
National Insurance	1,408	1,478
Superannuation	2,779	3,041
Early retirement and early exit costs	166	674
Apprenticeship Levy	59	64
	19,074	20,627

In addition £446K (including £60K for Superannuation) of staff costs relating to staff working exclusively on capital projects was capitalised in 2021-22 (2020-21 £911K).

Pensions

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

For 2021-22, employers' contributions of £2,444K were payable to the PCSPS (2020-21 £2,798K) at one of four rates in the range 26.6% to 30.3% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2020-21 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees may opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of **£36K** were paid to one or more of a panel of appointed stakeholder pension providers (2020-21 £44K). Employer contributions are age-related and range from 8% and 14.75%. Employers also match employee contributions up to 3% of pensionable pay. In addition employer contributions of 0.5% of pensionable salary were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were **£3K** (2020-21 £3K). Contributions prepaid at that date were nil.

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

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

Employer's contributions of **£359k** were paid in 2021-22 (£319k in 2020-21). Contributions due to Aviva at the balance sheet were **£32k** (2020-21 £27k).

Number of employees

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

	2022	2021
	No	No
£60,001 - £70,000	7	6
£70,001 - £80,000	1	2
£80,001 - £90,000	6	3
£90,001 - £100,000	1	4
£100,001 - £110,000	1	-
£110,001 - £120,000	1	1
£140,001 - £150,000	1	1
	18	17

The number of staff paid above £60K (2020-21, 5; Legal and General, 1, £10,783; Aviva, 4, £32,812) to whom retirement benefits are accruing under defined contribution schemes is 7 (Legal and General, 1, £10,783; Aviva, 6, £37,695) and under defined benefit schemes is 11; Classic, 1, £35,301; Alpha, 10, £242,175 (2020-21, 11, Classic, 2, £50,276; Alpha, 9, £222,944).

Please see the Remuneration report on page 41 of the Annual Report for more details of senior staff costs.

Total remuneration of Managerial staff was £1,907K (2020-21, £1,889K).

7 Staff costs (continued)

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

				2022	2021
	Permanent staff	Temporary Staff	Managerial staff	Total No of staff	Total No of staff
Education, exhibitions and visitor services	170	3	6	179	201
Building care & preservation	8	-	2	10	12
Collections management and conservation	119	1	4	124	127
Trading / commercial	84	-	2	86	93
Fundraising and publicity	24	-	3	27	31
	405	4	17	426	464

In addition to the above, there were 6 full time equivalent of members of staff directly employed to work on capital projects and their costs have been capitalised.

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

Trustees

The Chairman and Board of Trustees received no remuneration for their services during 2021-22 (2020-21 £Nil). Travel, subsistence and entertainment expenses paid to Trustees amounted to £Nil (2020-21 £Nil).

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

Volunteers

An average of 1,113 volunteers (2020-21, 950) worked across the five branches, and digitally, equating to a total of 47,586 hours (2020-21, 22,585) at an estimated average cost, calculated at the average cost of living wage across the branches, of £10.18/hr (2020-21 £10.03/hr), of £484,188 (2020-21 - £226,4155). This equates to around 26 full time equivalent posts (2020-21 12.5 full time equivalent posts). The increase between the two years is due to onsite volunteering opportunities being fewer during 2020-21 because of the Pandemic.

Ex-gratia payments

During the year the IWM made no ex-gratia payments (2020-21 £Nil).

	Assets under development	Customer Relationship Management System	Total
	£'000	£'000	£'000
8a Consolidated intangible fixed assets			
Cost at 1 April 2021	1,605	1,384	2,989
Additions	658	-	658
Value at 31 March 2022	2,263	1,384	3,647
Amortisation at 1 April 2021	-	1,038	1,038
Provided in year	-	346	346
Amortisation at 31 March 2022	-	1,384	1,384
Net book value at 31 March 2022	2,263	-	2,263
Net book value at 1 April 2021	1,605	346	1,951

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

8b Consolidated tangible fixed assets	Land freehold and leasehold £'000	Structure £'000	Plant and machinery £'000	Fit-out £'000	Assets under construction £'000
Cost/valuation at 1 April 2021	34,967	129,897	45,813	20,316	28,400
Additions	-	3,717	679	3,015	2,154
Transfers between categories	-	7,870	8,910	6,330	(27,613)
Transfer out to current	-	-	-	-	(11)
Revaluation	6,633	(251)	(10,125)	(8,977)	-
Disposals	-	-	-	-	-
Value at 31 March 2022	<u>41,600</u>	<u>141,233</u>	<u>45,277</u>	<u>20,684</u>	<u>2,930</u>
Depreciation at 1 April 2021	-	5,948	5,860	3,048	-
Provided in year	-	2,672	2,696	1,880	-
Depreciation due to revaluation	-	(3,251)	(3,804)	(2,514)	-
Disposals	-	-	-	-	-
Depreciation at 31 March 2022	<u>-</u>	<u>5,369</u>	<u>4,752</u>	<u>2,414</u>	<u>-</u>
Net book value at 31 March 2022	<u>41,600</u>	<u>135,864</u>	<u>40,525</u>	<u>18,270</u>	<u>2,930</u>
Net book value at 1 April 2021	<u>34,967</u>	<u>123,949</u>	<u>39,953</u>	<u>17,268</u>	<u>28,400</u>

Consolidated tangible fixed assets (continued)	Exhibitions £'000	Equipment £'000	Assets held under finance lease £'000	Total £'000
Cost/valuation at 1 April 2021	30,995	7,319	5,427	303,134
Additions	1,111	395	-	11,071
Transfers between categories	4,503	-	-	-
Transfer out to current	-	-	-	(11)
Revaluation	-	-	141	(12,579)
Disposals	(4,745)	(560)	-	(5,305)
Value at 31 March 2022	<u>31,864</u>	<u>7,154</u>	<u>5,568</u>	<u>296,310</u>
Depreciation at 1 April 2021	26,046	6,592	2,195	49,689
Provided in year	1,040	428	249	8,965
Depreciation due to revaluation	-	-	35	(9,534)
Disposals	(4,745)	(560)	-	(5,305)
Depreciation at 31 March 2022	<u>22,341</u>	<u>6,460</u>	<u>2,479</u>	<u>43,815</u>
Net book value at 31 March 2022	<u>9,523</u>	<u>694</u>	<u>3,089</u>	<u>252,495</u>
Net book value at 1 April 2021	<u>4,949</u>	<u>727</u>	<u>3,232</u>	<u>253,445</u>

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

IWM London was valued on 31 March 2022. The new Parkside Building was valued on 31 March 2021, IWM Duxford was revalued on 31 March 2019. All other sites were revalued on 31 March 2018. There will be a full valuation of all sites as at 31 March 2023. All valuations were by external professional valuers Gerald Eve LLP, in accordance with the Royal Institute of Chartered Surveyors guidance notes. All sites except IWM London have been revalued using prices indices. Land, structure and fit-out have been revalued using the U0004802 - Build Cost indexation adjusted by the location factor. Plant and Machinery have been revalued using the Office of National Statistics - EW7J Machining Services.

The historical cost basis of valuation is not known given the unique nature of the assets.

All tangible fixed assets are used for charitable activities.

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

8b Consolidated tangible fixed assets (continued)

Property	Title	Net book value	Net book value	Basis of valuation
		at 31 March 2022 £'000	at 1 April 2021 £'000	
IWM London, Lambeth Road, London SE1 including Gate Lodge, Lambeth Road, London SE1	Long leasehold Freehold	96,200	84,426	Depreciated replacement cost Depreciated replacement cost
Parkside Building , Austral Street London SE11	Freehold	7,390	7,180	Fair Value
Duxford Airfield, Cambridgeshire	Freehold	90,723	85,291	Depreciated replacement cost
Ickleton Film Store, Cambridgeshire	Long Leasehold	4,454	4,476	Depreciated replacement cost
IWM North, Manchester	Long Leasehold	30,068	28,771	Depreciated replacement cost
HMS Belfast, London SE1	Long Leasehold	5,425	3,847	Existing use
Churchill War Museum, London SW1	Long Leasehold	5,092	5,382	Depreciated replacement cost

	Acquisition at historic costs £'000	Donated assets at valuation £'000	Total £'000
9a Heritage assets			
Valuation at 1 April 2021	4,912	4,063	8,975
Additions	115	20	135
Value at 31 March 2022	<u>5,027</u>	<u>4,083</u>	<u>9,110</u>

IWM acquires donated objects by gift, bequest and from the translation of long term loans for the collections into permanent acquisitions. Objects wholly or partially donated to the IWM in 2021-22 were valued at £27k comprising assets and equipment capitalised in the IWM's Balance Sheet (2020-21 £372K). Values were assessed by relevant experts and other information, including valuations for tax purposes. Historical cost is not know given the unique nature of the assets.

No capitalised collection objects were disposed of during the year.

9b Five year financial summary of heritage asset transactions

	2021-22 £'000	2020-21 £'000	2019-20 £'000	2018-19 £'000	2017-18 £'000
Additions					
Purchases	115	4	76	331	29
Donations	20	372	1,200	85	93
Total additions	<u>135</u>	<u>376</u>	<u>1,276</u>	<u>416</u>	<u>122</u>

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

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

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

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

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

Artworks: IWM holds a large and world-class collection of modern British art. The core is paintings, prints and drawings commissioned or purchased during the First and Second World Wars, added to by the acquisition of historical and contemporary works of art. The collection includes digital and mixed media artworks, sculptures, cartoons and camouflage designs and almost 20,000 international posters.	94,658 items
Objects: IWM holds a diverse range of three dimensional material, covering the full spectrum of objects associated with modern warfare. These include vehicles, aircraft and aero engines, uniforms, medals, models, currency and equipment. IWM is the repository of the National Collection of modern firearms. HMS <i>Belfast</i> is included as a heritage asset and is subject to ongoing conservation assessment and treatment.	152,113 items
Sound Recordings: Our collection of sound recordings includes personal interviews, speeches and sound effects totalling many thousands of hours, and is one of the largest of its kind in the world.	35,200 items
Film: IWM is one of the oldest national film archives and is the official repository for relevant film under the terms of the Public Records Act 1958.	49,874 titles
Maps: IWM holds trench maps and other maps relating to conflicts we cover, particularly the First World War	63,031 items
Proclamations: These notices, decrees and posters cover the First World War and later conflicts, from the Home Front and global theatres of war.	31,991 items

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

Documents: IWM is among the world's leading repositories for the private papers of those involved in warfare since 1914. We hold an extensive series of records from Germany, Japan and Italy during the Second World War, deposited at IWM as captured enemy documents under the Public Records Act 1958.	Estimated 22 million items, managed under 26,908 collections
Photographs: We hold approximately 11 million images from official, press agency and private photographers. IWM is the official repository for relevant photographs under the terms of the Public Records Act 1958.	Estimated 11 million images, managed under 19,735 collections

Reference Library: The reference collection includes over 150,000 books as well as significant reference collections of printed ephemera, pamphlets and periodicals. The collection covers all nations involved in war and conflict from 1914 to the present with a particular focus on social, economic, political, literary, artistic, and military history.	250,330 items
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Changes to the figures since last year:

Category	20-21 figures	21-22 figures	Change	Reason for Change
Artworks	94,613	94,658	+45	Acquiring new items for the collection
Objects	151,795	152,113	+318	Acquiring new items for the collection
Sound	35,120	35,200	+80	Acquiring new items for the collection
Film	49,819	49,874	+55	Acquiring new items for the collection
Maps	62,859	63,031	+172	More detailed cataloguing
Proclamations	31,991	31,991	No change	No change
Documents	26,817	26,908	+91	Acquiring new items for the collection
Photographs	19,701	19,735	+34	Acquiring new items for the collection
Reference Library	249,679	250,330	+651	Acquiring new items for the collection

9d Collections Development Policy

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

9d Collections Development Policy (continued)

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

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

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

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

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

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

9e Collections management policies and procedures

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

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

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

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

Documentation

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

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

IWM is committed to the protection of vital records and information about the collections. Paper records are archived in line with the *Code of Practice on Archives for Museums and Galleries in the United Kingdom (3rd ed., 2002)*. Electronic collection records and digital collections are maintained by IWM's IT department. Digital assets are copied daily to tape (in multiple copies) and the tape is itself backed up weekly. Collections information held in Axiell Collections, our system of record, is backed up in full every night, with database changes backed up hourly.

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

Access

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

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

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

Collections care

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

9e Collections management policies and procedures (continued)

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

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

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

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

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

Specific IWM legislation

Imperial War Museum Act, 1920
Imperial War Museum Act, 1955

IWM's policies and procedures relating to acquisition, preservation, management and disposal

Collections Development Policy (2020)
Collections Management Policy (2019)
Due Diligence Policy (2015)
Collections management in Practice procedures and policy for developing our collections (Entry, Acquisition and accession, Exit, Deaccession and disposal); managing our collections (Inventory, Labelling and marking, Location and movement, Cataloguing, Condition checking, Condition reporting, Conservation, Risk management, Valuation, Audit, Rights management, Use of collections), responding when things go wrong (Loss, Reporting Damage) and lending and borrowing (Loans in, Loans Out, Insurance and indemnity).

9f Obstacles to a meaningful valuation of the Collection

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

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

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

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

10 Lease receivables

The following table sets out the maturity analysis of lease receivables, showing the undiscounted lease payments to be received after 31 March 2022.

	2022	2021
	Land and other buildings £'000	Land and other buildings £'000
Finance leases which expire:		
Within one year	60	60
In the second to fifth years inclusive	240	240
Over five years	6,816	6,876
	7,116	7,176
Unearned finance income	(6,282)	(6,342)
Net investment in the lease	834	834
Within one year	-	-
In the second to fifth years inclusive	-	-
Over five years	834	834
	834	834

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

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
11 Stock				
Stock consists of retail goods and IWM Publications. There is an insignificant difference between stocks existing value and its replacement cost.	467	534	-	-

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
12a Debtors				
Amounts falling due within one year				
Trade debtors	426	173	15	-
Other debtors	3	10	3	10
Amount owed by Imperial War Museum Trading Company Ltd	-	-	395	213
VAT debtor	639	1,213	1,083	1,441
Prepayments	422	318	385	257
Accrued income	1,788	4,905	1,728	4,755
Provision for bad debts	(5)	(11)	(1)	(1)
Total debtors falling due within one year	3,273	6,608	3,608	6,675
Amounts falling due after more than one year				
Accrued Income	327	420	327	420
Total Debtors	3,600	7,028	3,935	7,095

On the amount owed by the Imperial War Museum Trading Company Ltd, no interest is charged (2020-21 none). The amount is repayable on demand.

Group - Accrued income includes £400K from the Clore Duffield Foundation and £450K from Warner Brothers, (2020-21 £1,620K from DCMS; £500K from the Bamford Charitable Foundation; £600K from the Clore Duffield Foundation and £900K from Warner Brothers).

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
12b Intra-Government debtor balances				
Balances with other central government bodies	1,279	3,723	1,722	3,865
Balances with bodies external to government	2,321	3,305	2,213	3,230
Total debtors	3,600	7,028	3,935	7,095

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
13 Cash at bank and in hand				
Cash at bank and in hand	22,995	12,868	21,431	12,649
	22,995	12,868	21,431	12,649

The total of £22,995K is split between the IWM (£21,431K) and the Imperial War Museum Trading Company (£1,564K).

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
14a Creditors				
Amounts falling due within one year				
Trade creditors	1,606	1,004	1,569	1,000
Other creditors	144	163	282	292
Taxation and social security creditor	360	393	222	264
Obligations under finance lease	328	79	328	79
Accruals	2,876	2,716	2,660	2,578
Deferred income	1,177	315	334	65
Total creditors falling due within one year	6,491	4,670	5,395	4,278
14b Amounts falling due after more than one year				
Obligations under finance lease	3,917	4,245	3,917	4,245
Deferred income	575	610	575	610
Total creditors falling due after more than one year	4,492	4,855	4,492	4,855
Total creditors	10,983	9,525	9,887	9,133

Included in deferred income is £575K (2020-21 £610K) which represents funds given to the Museum by the Airborne Forces in relation to its occupation of certain office and gallery spaces in the Museum. An amount representing an annual rental payment is released each year. Of the £575K, £438K is due after more than five years.

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
14c Intra-Government creditor balances				
Balances with other central government bodies	583	661	445	532
Balances with bodies external to government	10,400	8,864	9,442	8,601
Total creditors	10,983	9,525	9,887	9,133

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
14d Deferred income				
Deferred income brought forward	925	1,480	675	713
Released in year	(314)	(835)	(64)	(68)
Deferred in year	1,142	280	299	30
Deferred income carried forward	1,753	925	910	675

	2022 £'000	2022 £'000	2021 £'000
14e Obligations under finance leases			
At 31 March 2022 IWM had commitments under finance leases as set out below:	Exhibitions	Total	Total
Finance lease obligations: payments due			
Within one year	328	328	79
in the second to fifth year	1,729	1,729	1,586
in more than five years	2,188	2,188	2,659
	4,245	4,245	4,324

	Group 2022 £'000	Group 2021 £'000	IWM 2022 £'000	IWM 2021 £'000
14f Loans				
Amounts falling due within one year				
Short term loan	1,000	1,000	1,000	1,000
Amounts falling due after more than one year				
Long term loan	3,000	4,000	3,000	4,000
	4,000	5,000	4,000	5,000

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

15(a) IWM Trading Company Limited

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

	2022 £'000	2021 £'000
Profit and loss account		
Turnover	8,119	2,914
Cost of goods sold	(6,295)	(4,831)
Gross profit	1,824	(1,917)
Other operating income	1,278	1,600
Administrative expenses	(1,147)	-
Operating profit/ (loss)	1,955	(317)
Interest receivable	1	1
Profit/ (loss)	1,956	(316)
Amount paid to IWM under gift-aid	(1,649)	-
Profit/(Loss) on ordinary activities after gift-aid	307	(316)

Reconciliation of results of the trading company to the Consolidated SOFA

Turnover	8,119	2,914
Intercompany transactions	(82)	(22)
Included in trading income per SOFA	5,098	1,290
Included in fees income per SOFA	2,599	1,361
Included in royalties per SOFA	340	241
External funds	1,278	1,600
Intercompany transactions	(1,000)	(800)
Included in external funds per SOFA	113	116
Included in government grants per SOFA	165	684
Cost of goods sold	6,295	4,831
Intercompany transactions	(77)	(22)
Included in commercial costs (£5,216K) and education (£1,001K) per SOFA	6,218	4,809
Indirect costs	1,147	-
Intercompany transactions	(1,147)	-
	-	-
Interest receivable	1	1
Included in investment income per SOFA	1	1

	2022 £'000	2021 £'000
Balance sheet		
Current assets	2,536	1,127
Current liabilities	(1,936)	(834)
Net assets	600	293
Called up share capital	600	600
Profit and loss account	-	(307)
Capital and reserves	600	293

The authorised share capital of the Company is 600,000 shares of £1 each.
The future plans of the Company forecast longer term growth.
The Financial Statements of the IWM Trading company have been prepared on a going concern basis.

15(b) IWM Film Production Company Limited

The IWM Film Production Company has been dormant during 2021-22 and 2020-21.

16 Other grants

Other grants are split between 14 -18 NOW WW1 Centenary Art Commissions (£40k) and the Second World War and Holocaust Partnership Programme (£84K).

14 -18 NOW WW1 Centenary Art Commissions, was an independent programme hosted within Imperial War Museum and received public funding from the National Lottery and Arts Council England, during the year 14 -18 NOW paid out co-commission grants of £40K (2020-21 £54K).

IWM leads the Second World War and Holocaust Partnership Programme, a collaboration with eight cultural organisations across the UK to uncover new stories of, and engage new audiences with, the Second World War and the Holocaust. IWM received public funding from the National Lottery Heritage Fund to deliver the programme, as part of the creation of new Second World War and the Holocaust Galleries at IWM London. As agreed with NLHF, grants totalling £39K - £20K per-partner minus £1K which had been awarded to one partner, the Manchester Jewish Museum, for development work in 2020-21 - for the two partners who formally began their activity plans in 2021-22 were distributed, to enable partners' activity on-site and with audiences. Grants totalling £42,903.73 were distributed to six partners to establish and further develop their Digital Intern placements, each employed by the partner organisations (2020-21 £256k).

In 2021-2022 IWM lead the Battle of Britain 80 Partnership Loans Programme. IWM worked with four partners to share art from our collections and explore different perspectives on the Second World War, to mark the 80th anniversary of the Battle of Britain. IWM received public funding from the Art Fund to enable this programme. As part of our agreement with the Art Fund, grants of £750 were distributed to three of the four partners, to deliver audience engagement and development activity, alongside the displays of the artworks.

17 Capital commitments

At the balance sheet date, the IWM had outstanding tangible commitments, authorised by the Board of Trustees but not yet contracted of £27,995K (2020-21 £4,403K) and outstanding tangible commitments contracted but not provided of £1,676K, (2020-21 £3,422K).

At the balance sheet date, the IWM had outstanding intangible commitments, authorised by the Board of Trustees but not yet contracted of £775K (2020-21 £500K).

18a Commitments under operating leases

At 31 March 2022 IWM had annual commitments under non cancellable operating leases as set out below:

	2022 Land and other buildings £'000	2021 Land and other buildings £'000	2022 Equipment £'000	2021 Equipment £'000
Operating leases which expire:				
Within one year	472	317	99	88
In the second to fifth years inclusive	1,717	1,560	16	115
Over five years	6,900	7,010	-	-
	9,089	8,887	115	203

18b Commitments under hire agreements

At 31 March 2022 IWM had annual commitments under non cancellable hire agreements as set out below:

	2022 Equipment £'000	2021 Equipment £'000
Hire agreements which expire:		
Within one year	76	74
In the second to fifth years inclusive	145	181
Over five years	-	-
	221	255

19 Contingent liabilities

There are no contingent liabilities (2020-21 £Nil).

20a Consolidated statement of funds	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Revaluations/ capital restructure £'000	Transfers £'000	At 31 March 2022 £'000
Unrestricted funds						
<i>Designated funds:</i>						
Buildings, collections, equipment and exhibitions	20,711	-	(874)	-	-	19,837
Buildings revaluations	19,842	-	(246)	(831)	-	18,765
Total designated funds	40,553	-	(1,120)	(831)	-	38,602
General funds	4,684	48,820	(38,798)	-	(1,052)	13,654
Finance lease reserve	(5,528)	-	(249)	-	-	(5,777)
IWM Trading Company reserve	(307)	-	-	-	307	-
	(1,151)	48,820	(39,047)	-	(745)	7,877
Total unrestricted funds	39,402	48,820	(40,167)	(831)	(745)	46,479
Restricted funds						
Buildings, collections, donated objects equipment and exhibitions	152,918	8,628	(5,294)	-	3,284	159,536
Buildings revaluations	68,502	-	(2,813)	(2,214)	-	63,475
CJRS	-	482	(482)	-	-	-
Tied funds	10,288	734	(1,192)	-	(2,539)	7,291
Total restricted funds	231,708	9,844	(9,781)	(2,214)	745	230,302
Total funds	271,110	58,664	(49,948)	(3,045)	-	276,781

The tied funds (£7,291K) (2020-21 £10,288K) comprise funds donated for the application to specific projects. These include TIWML 3 Art Galleries (£649K) (2020-21 £NIL); (2020-21 TIWML 2 £3,149K); £14-18 NOW Legacy (£2,958K) (2020-21 £2,554K); Aircraft Restoration (£250K) (2020-21 £NIL); the AirSpace at IWM Duxford (£152K) (2020-21 £236K); the VCGC Gallery at IWM London (£70K) (2020-21 £129K) and the Holocaust exhibition at IWM London (£220K) (2020-21 £220K).

No funds (2020-21 £172K) have been transferred from restricted funds to unrestricted funds to cover eliminations on consolidation of transactions.

Funds of £652K (2020-21 £262K) have been transferred from general funds to restricted buildings, collections, donated objects equipment and exhibition.

Funds of £93K (2020-21 £NIL) have been transferred from general funds to tied funds to cover payments

Funds of £2,779K (2020-21 £8,709K) have been transferred from tied funds to cover Transforming IWM London costs and £502K (2020-21 £459K) to buildings, collections, donated objects equipment and exhibitions for capital projects.

Funds of £649K (2020-21 £293K) have been transferred to tied funds to cover future cost of buildings, collections, donated objects equipment and exhibitions for capital projects.

No funds (2020-21 £408K) have been transferred from tied funds to general funds to cover payments.

The unrestricted buildings, collections, equipment and exhibitions funds of £19,837K, the buildings revaluation of £18,765K, the restricted buildings, collections, donated objects, equipment and exhibitions funds of £159,536K, the buildings revaluation of £63,475K, together represent the net book value of the intangible fixed assets, tangible fixed assets and heritage assets less the assets held under finance leases £261,620K.

20b Museum statement of funds	At 1 April 2021	Income	Expenditure	Revaluations/ capital	Transfers	At 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds						
<i>Designated funds:</i>						
Buildings, collections, equipment and exhibitions	20,745	-	(874)	-	-	19,871
Buildings revaluations	19,842	-	(246)	(831)	-	18,765
Collections	-	-	-	-	-	-
Total designated funds	40,587	-	(1,120)	(831)	-	38,636
General funds	4,965	43,573	(33,827)	-	(745)	13,966
Finance lease reserve	(5,528)	-	(249)	-	-	(5,777)
	(563)	43,573	(34,076)	-	(745)	8,189
Total unrestricted funds	40,024	43,573	(35,196)	(831)	(745)	46,825
Restricted funds						
Buildings, collections, donated objects equipment and exhibitions	152,884	8,628	(5,294)	-	3,284	159,502
Buildings revaluations	68,502	-	(2,813)	(2,214)	-	63,475
CJRS	-	317	(317)	-	-	-
Tied funds	10,006	627	(1,115)	-	(2,539)	6,979
Total restricted funds	231,392	9,572	(9,539)	(2,214)	745	229,956
Total funds	271,416	53,145	(44,735)	(3,045)	-	276,781

Building revaluations increased/(decreased) IWM London by £(9,779)K; IWM North by £1,914K; IWM Duxford by £4,214K; HMS Belfast by £44K; Ickleton by £170K; Churchill War Museum by £14K; Parkside by £272K and the finance lease by £106K.

21 Analysis of group net assets between funds	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Fund balances at 31 March 2022 are represented by:			
Fixed assets	41,691	223,011	264,702
Net current assets	11,705	7,866	19,571
Long-term creditors	(6,917)	(575)	(7,492)
Total net assets	46,479	230,302	276,781

22 Cash flow information

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

	2022 £'000	2021 £'000
Net income for the reporting period (as per the SOFA)	8,716	2,283
Decrease in Lease Receivables	-	1,832
Investment Income	(64)	(201)
Interest element of finance lease rental payments	226	273
Interest element of loan payments	8	7
Loss on disposal of tangible fixed assets	-	570
Reclassification from capital costs to revenue costs	11	-
Depreciation and impairment charge for the year	9,311	7,824
Decrease/(increase) in stocks	67	(71)
Decrease in debtors	3,428	4,337
Increase in creditors	1,491	2,641
Net cash provided by operating activities	23,194	19,495

(b) Analysis of cash flows

Increase/(decrease) in cash in the year	10,127	(2,733)
Cash flow arising from decrease in finance lease	79	195
Movement in net debt in the year	10,206	(2,538)
Net funds at 1 April 2021	8,543	11,081
Net funds at 31 March 2022	18,749	8,543

22 Cash flow information (continued)

(c) <i>Changes in net debt/funds</i>	1 April 2021 £'000	Cash flow £'000	31 March 2022 £'000
Cash at bank and in hand	12,868	10,127	22,995
Finance lease	(4,325)	79	(4,246)
Net funds	8,543	10,206	18,749

23 The role of financial instruments

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

The following disclosures relate to the whole group.

Credit, liquidity or market risk

Grant-In-Aid from the Department for Digital, Culture, Media and Sport comprises 72% of total incoming resources. The remaining amount is funded via self generated income, which tends to fluctuate around historically predictable performance. The majority of financial instruments relate to contracts to buy non-financial items in line with IWM's expected purchase and usage requirements. As a result, IWM is exposed to some credit, liquidity or market risk.

IWM is exposed to credit risk of £426K of trade debtors - however this risk is not considered significant as major customers are familiar to IWM. Bad and doubtful debts are provided for on an individual basis.

IWM has sufficient unrestricted funds to cover its current liabilities.

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

Interest rate risk

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

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

Interest rate profile	Fixed rate financial assets £'000	Non- interest bearing financial assets £'000
As 31 March 2022		
Sterling	22,995	-
	22,995	-
As 31 March 2021		
Sterling	12,868	-
	12,868	-

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

Foreign currency risk

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

24 Related party transactions

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

	Amount Purchased	Amount Sold	Donations / Grants Received	Donations / Grants Given	Year End Balance
	£'000	£'000	£'000	£'000	£'000
American Air Museum in Britain (AAMiB)	-	-	71	-	265
IWM Foundation	-	3	-	-	12
IWM Development Trust	38	-	-	-	2
Bletchley Park	-	1	-	-	-
The Shuttleworth Collection	7	-	-	-	-
The Union Jack Club	0	-	-	-	-
Goldman Sachs	-	-	50	-	-
Commonwealth War Graves Commission	-	1	-	-	-
Gerald Eve LLP	11	-	-	-	-
Amazon	24	-	-	-	-
BP	0	-	-	-	-
Design Museum	-	0	-	-	-
Ministry of Defence	39	0	-	-	-
BBC	-	17	-	-	-
British Film Institute	83	4	-	-	-
British Library	0	0	-	-	-
Historic England	0	-	-	-	-
National Heritage Memorial Fund	-	-	30	-	-
National Lottery Heritage Fund	-	-	535	-	-
National Maritime Museum	14	-	-	-	-
Science Museum	0	1	-	-	-
Victoria & Albert Museum	-	1	-	-	-
	217	28	686	-	279

The nature of these related parties is as follows:

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

£38K paid to IWMDT relating to Ickleton rent. A total of £2K (2020-21 £2k) is due from the IWM Development Trust in service charges as per the operating agreement.

The IWM Foundation is charged with raising funds to support the redevelopment of Imperial War Museum's permanent galleries. £6K (2020-21 £5K) is due from the Foundation for payments made on its behalf in 2021-22.

IWM Executive Director, **Jon Card** is also a trustee for Bletchley Park. £780 (2020-21 £0) was received by IWM for the use of IWM film and licensing agreements.

Former IWM Executive Director, **John Brown**, is a Trustee for The Shuttleworth Collection. £7K (2020-21 £0) was paid for the hire of a spitfire for the September air show display. He is also a Trustee for the Union Jack Club. £45 (2020-21 £0) paid for travel and subsistence.

IWM Executive Director, **Gill Webber**, is a Member of The General Assembly University of Manchester. £80 (2020-21 £0) was received by IWM for image sales.

IWM Trustee **Matthew Westerman** has financial interests in Goldman Sachs. IWM received a total of £50K (2020-21 £220K) in donations from Goldman Sachs employees through the *Goldman Sachs Gives* programme.

IWM Trustees **HE Bede Corry**, **HE Ralph Goodale**, and **HE The Hon George Brandis QC** are Commissioners for Commonwealth War Graves Commission. £1K was received by IWM (£1K 2020-21) for the use of IWM film and licensing agreements.

IWM Trustee **Hugh Bullock**, is a Non-Executive Adviser of Gerald Eve LLP. £11K (2020-21 £12K) was paid relating to year end revaluations of IWM sites and project legal advice.

Former IWM Trustee **Angus Lapsley** was a member of the Ministry of Defence. £39K (2020-21 £0) was paid for flying displays. £40 (2020-21 £1K) was received from the Ministry of Defence for image sales.

IWM Trustee **Mark Urban** holds shares in Amazon. £24K (2020-21 £8K) was paid to Amazon for items and services purchased through their website.

IWM Trustee **Mark Urban** holds shares in BP. £67 (2020-21 £0) was paid to BP for subsistence for both staff and external consultants.

IWM Trustee **Tim Marlow** is a Director of the Design Museum. £51 (2020-21 £0) was received by IWM for the use of IWM film and licensing agreements.

IWM Trustee **Tim Marlow's wife, Tanya Hudson** is an Executive Producer at the BBC. £17K (2020-21 £41K) was received by IWM for the use of IWM film, images and licensing agreements.

24 Related party transactions (continued)

£83K (2020-21 £71K) was paid to the DCMS funded **British Film Institute** for the transport and storage of cellulose nitrate films. £4K (2020-21 £1K) was received for digitisation and licensing.

£39 (2020-21 £0) was paid to the DCMS funded **British Library** for digitisation services. £351 (2020-21 £0) was received for image sales and panel participation.

£300 (2020-21 £0) was paid to DCMS funded **Historic England** for advisory services.

£30K (2020-21 £0) was received from the DCMS funded **National Heritage Memorial Fund** to aid the purchase of a heritage asset.

£296K (2020-21 £670K) was received from the DCMS funded **National Lottery Heritage Fund** as Capital Grants towards the Transforming IWML Phase 2.

£239K (2020-21 £232K) was received to fund the *Ordinary People Extraordinary Lives* Second World War project.

£14K (2020-21 £14K) was paid to the DCMS funded **National Maritime Museum** for rental and storage services.

A payment of £90 (2020-21 £9K) was made to the DCMS funded **Science Museum Group** for services associated with an object loan. £1K was received for image sales and for conservation services provided (2020-21 £3K).

£1K (2020-21 £1K) was received from DCMS funded **Victoria & Albert Museum** as payment for conservation services provided.

25 Losses, special payments and gifts

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

26 Post balance sheet events

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

