

# The British Museum

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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# Trustees' and Accounting Officer's Annual Report

## Chair's Foreword

The British Museum is entering an exciting new era with our long-term masterplan to revitalise our estate and tell the story of our common humanity. This will improve how visitors experience the collection – physically and virtually – in London, across the UK, and around the world.

The first phase of our masterplan is complete and we have started to move objects from Blythe House storage facility to the British Museum's impressive new Archaeological Research Collection near Reading. The centre, known as BM\_ARC, has been specifically designed to allow study and comparison across ancient world collections.

BM\_ARC is the first completely independent building created for the British Museum since Sir Robert Smirke's neo-classical design was completed in Bloomsbury in 1852.

This marks the first step in an intellectual as well as physical redistribution of the collection – to support cross-Museum and interdisciplinary research. Supporting research in this way generates wider social, cultural and economic benefits due to the quality of physical access that will be provided to researchers. I can't wait until next year when BM\_ARC opens to the public. It is a tribute to incredible museum staff whose input fed into its careful design, and I am grateful to them.

While BM\_ARC is expanding as a centre of excellence for science, arts, culture and heritage, more practically, its transport links to the M4 and Heathrow give the Museum a new logistics hub to prepare, pack and ship objects for national and international loans.

Those international loans are a key component of our global reach, but by no means the only way we work with partners from Iraq to Tahiti to Nigeria. The connections we have with partners across the globe are what define us as a modern museum of deep history. We're not just a museum for the world. We're a museum in the world, and of the world: a museum that speaks to our common humanity. Our curators protected Ukrainian heritage and our galleries showcased Ukrainian treasures. Our conservators pieced ancient glass vessels back together after the horrific explosion in Beirut.

The British Museum is far more than its iconic building in London. I'm delighted that millions of visitors have stepped into our majestic Great Court over the past year to see stellar exhibitions – Stonehenge, Feminine Power, and Hieroglyphs – and our collection. But I'm just as glad to see nearly 2,000 objects from the Museum travelling to partner venues the length and breadth of the UK, reaching millions of visitors outside London.

Our partnership with the Manchester Museum on their new South Asia Gallery provides a model that we can all learn from: a model of co-curation that brought together the many different communities from South Asia to tell their stories. Partnerships like this, with museums at the forefront, are among the things that bind us together, at a time when things can seek to divide us.

We couldn't do this without a great deal of support from government financing, which of course comes from the taxpayer. We also receive generous support from a range of sponsors, patrons, donors and the visitors who come to our exhibitions in their many thousands. Nothing we do could happen without the support and considerable skills of our magnificent staff.

In the year ahead, we'll publish the masterplan, launch the architecture competition for our Bloomsbury site and expand our cultural presence. It's a year of action.

*George Osborne CH*  
Chair of the Trustees

## Structure, governance and management

### Constitution and operating environment

The British Museum (BM) was founded in 1753. Its aim is to hold for the benefit and education of humanity a collection representative of world cultures (“the collection”), and ensure that the collection is housed in safety, conserved, curated, researched and exhibited<sup>1</sup>.

The BM is now governed in accordance with the British Museum Act 1963 and Museums and Galleries Act 1992. The BM is an exempt charity under schedule 3 of the Charities Act 2011. The Secretary of State for the Department for Culture, Media and Sport (DCMS) is the principal regulator under the Charities Act 2011.

The BM is also an executive Non-Departmental Public Body funded by a combination of grant-in-aid allocated by DCMS and income secured through commercial, fundraising, sponsored and charging activities.

It has a wide range of stakeholders, including DCMS, HM Treasury, Camden Borough Council, Historic England, national and international visitors, other London museums, regional museums, international museums, universities, sponsors, donors and people and communities from current and future generations across the globe.

### Subsidiaries

The main retailing, off-site trading and publishing activities of the BM are carried out by the British Museum Company Limited (BMCo, company number 1079888), a company wholly owned by the Trustees, together with its subsidiary, British Museum Ventures Limited (BMV, company number 1442912).

Commercial hire, education and other income generating activities are carried out by the British Museum Great Court Limited (BMGC, company number 4098945), also a company wholly owned by the Trustees.

### Friends’ organisations

The work of the BM is supported by two ‘friends’ associations. The British Museum Friends (BMF) is a registered charity (charity number 1086080) and a company (company number 4133346) limited by guarantee that provides grants to the BM out of the surplus it generates from membership subscriptions, fundraising, and members’ activities. The Trustees of the BM are also the Trustees and the company law directors of the Friends. BMF’s results are consolidated within these accounts.

The American Friends of the British Museum (AFBM) supports the BM’s development by raising funds in the United States. It is separately administered and independent of the BM, and therefore not consolidated within these accounts.

## Strategic direction and performance against objectives

### Strategic context

The Annual Report and Accounts for 2022/23 summarises activity undertaken by the British Museum across the past financial year.

Recovering from the impact of the COVID-19 pandemic has remained a challenge. Visitor numbers have continued to grow following the end of pandemic-related restrictions in the UK, reaching 4.5 million for the financial year as whole. This represents around three quarters of our pre-pandemic visit numbers, with slow recovery of international tourism accounting for a significant part of the shortfall.

As we move into the new financial year, the Museum will remain responsive to the needs of our visitors and continue to chart a course which supports our long-term strategic vision. The 2023/24 financial year will present a new opportunity for strategic development and we look forward to taking the next steps in the Museum’s journey.

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<sup>1</sup> This statement represents a modern expression of the objectives of the BM set out in the British Museum Act 1753.

### *The Masterplan*

We are developing a strategic masterplan to transform the British Museum for the future. It will involve actively renovating our historic buildings and estate, including our infrastructure and galleries.

The new British Museum Archaeological Research Collection (BM\_ARC) is the first phase of the masterplan – a project grounded in our partnership with the University of Reading. The development of the BM\_ARC will see a new state-of-the-art facility to house some of the most fascinating parts of our collection. It will enable greater access to these objects for academics, researchers and the public alike. Our decant from Blythe House has created an exciting period of rediscovery of the collection and we have been able to use advances in research techniques on key objects such as the horn antler and stone axes which featured in *The world of Stonehenge* exhibition.

During the year we have made progress with the development of our plans for refurbishment of the Museum's energy infrastructure, a vital step towards a lower carbon future.

The *Reimagining the British Museum* project is an exciting and complex project to place global collaboration at the heart of the Museum's masterplan. The project will explore and develop new curatorial approaches that will underpin a comprehensive redisplay of the permanent galleries, delivering pilot projects such as displays, and digital or other public programmes, to test and evaluate different collaborative methods and approaches.

## Our work

### *Exhibitions*

Our exhibitions continue to attract visitors from London, across the UK and overseas. The 2022/23 free and paid-for programme in Bloomsbury profiled the Museum's diversity, offering experiences focusing on ancient history to those contemplating concerns of the present day. Exhibitions are generously supported by a range of sponsors and philanthropic donors.

The Citi-sponsored exhibition *Feminine power: the divine to the demonic* opened on 19 May 2022 in the Joseph Hotung Great Court Gallery. The exhibition took a cross-cultural look at the profound influence of female spiritual beings within global religion and faith. Bringing together sculptures, sacred objects and artworks from the ancient world to today, and from six continents, the exhibition highlighted the many faces of feminine power – ferocious, beautiful, creative or hell-bent. The Museum worked closely with contemporary worshippers and faith communities to better understand and interpret key objects in the exhibition and invited high-profile collaborators Bonnie Greer, Mary Beard, Elizabeth Day, Rabia Siddique and Deborah Frances-White to consider the influence of female spiritual power and what femininity means today. The exhibition attracted around 97,000 visitors, who also shared their thoughts on feminine power within the exhibition.

The exhibition *Hieroglyphs: unlocking ancient Egypt*, supported by BP, opened on 13 October 2022 in the Sainsbury Exhibitions Gallery. Marking 200 years since the decipherment of Egyptian hieroglyphs, this major exhibition took visitors through the trials and hard work that preceded, and the revelations that followed, the ground-breaking moment the Rosetta stone was decoded. The exhibition received excellent reviews, with visitors (of which there were more than 136,000) praising the story-telling and dramatic design of the show. Ilona Regulski, the exhibition's curator, explores what the stone actually says in a short film on the Museum's YouTube channel, which has received more than 1.1 million views from a global audience. Exceptional loans to the exhibition included the mummy bandage of Aberuait from the Musée du Louvre, Paris, never before shown in the UK, personal notes by Champollion from the Bibliothèque nationale de France and a 3,000-year-old measuring rod from the Museo Egizio in Turin.

To commemorate the Queen's Platinum Jubilee year, the free Room 3 display series, supported by Asahi Shimbun, premiered the 2022 programme on 2 June with *Mary Gillick: modelling The Queen's portrait*. The display showcased Gillick's designs for new coinage released directly after the Queen's accession in 1952.

Following this, *Shattered glass of Beirut*, open on 25 August 2022, presented the work of a collaborative restoration project between the Archaeological Museum at the American University of Beirut and the British Museum. The display looked at the wake of the ammonium nitrate explosion in August 2020 by presenting eight glass vessels and their journey from Lebanon to the British Museum's World Conservation and Exhibitions Centre where they were pieced back together.

*Tutankhamun reimagined*, on display from 1 December 2022, marked 100 years since archaeologist Howard Carter first discovered the tomb of Tutankhamun. The display presented a statue of the young pharaoh from



about 1330 BC surrounded by commissioned work by the Egyptian graffiti artist Nofal O. Starting in Room 3, visitors could learn more about Tutankhamun's reign and legacy through a seven-stop trail staged across the Museum's iconic Egyptian sculpture gallery.

Opening on 23 February 2023, *The Bakor monoliths: endangered heritage* revealed the environmental, economic and cultural threats these national West African standing stone monuments are facing. The free displays attracted more than 160,000 visitors across the year.

The free Room 90 exhibition *Art on paper since 1960: the Hamish Parker collection* opened on 22 September 2022. Comprising over 100 prints and drawings, the show presented a selection from around 150 works of art donated by Hamish Parker, a long-term supporter of the British Museum. Judged to be pre-eminent, Parker's gift was accepted by the government under the Cultural Gifts Scheme and allocated to the Museum in 2020. This exhibition spanned a range of styles and techniques used in art on paper from 1960 to 2017 and included works by Lucien Freud, Avigdor Arikha, Alice Maher and Caroline Kryzecki.

### *New acquisitions*

The British Museum has continued to invest in and diversify the permanent collection through the acquisition of important contemporary and historic objects. Many of these acquisitions have only been possible due to the generosity of their owners who gave them to the Museum or made significant contributions. We are grateful to each of them.

The family of the late British artist, Lorna Selim, has donated 148 drawings of Baghdad made by her during the 1960s. The drawings capture details of Baghdad's vernacular architecture at a time when swathes of the old city were being demolished, creating a unique record of a vanished past.

The family of Sir Edwin Chapman-Andrews offered an Ethiopian oil painting on canvas, from the time of Emperor Haile Selassie's coronation in 1930, as a gift to the Museum, following a long-term loan since 2003. The painting was given to Sir Edwin Chapman-Andrews by the Crown Prince, Asfa Wossen, during a visit to Addis Ababa in 1971 to attend the 30th anniversary celebrations commemorating the liberation of Ethiopia from Italian occupation by British and Commonwealth forces. The painting is on display in the Sainsbury Africa Galleries.

### *Conservation and Collection Management*

The conservation team has been working at full capacity, with the focus on both conservation treatment work to support public programmes and collections care to preserve the collection.

The Amorepacific project for the conservation of Korean pictorial art was completed successfully. This year included an online seminar and a temporary display in the Korea gallery of conserved paintings completed as part of the project. A full report including treatment records and essays by contributors to the project was published through the Museum's digital repository. We distributed physical copies to the funders and other museums and institutions with Korean pictorial art collections across the world.

Work in support of the collection held by the Archaeological Museum at the American University of Beirut (AUB) was completed. Eight shattered vessels had been sent to the Museum's conservation team for treatment and reconstruction. A temporary display of the eight conserved glass vessels was held in Room 3 before the collection management team arranged for their return to Beirut.

Work to conserve Michelangelo's *Epifania* continues. The 19th-century backing of poor-quality brown paper is now being carefully removed by conservators to reveal the back of the cartoon. This is the first time since at least 1895 that the verso of the cartoon has been seen.

Updated environment and lighting guidance for the collection has been issued, updating the 2006 guidance and based on recent research and advances in this field. The guidance provides advice about temperatures, relative humidity, vibration and pollutant control for the collection. This guidance will be used to support the Masterplan and other work related to care of the collection.

### *Research*

Research with international impact continues to underpin the British Museum's exhibitions and wider work.

### *External review of research*

The quality and impact of the Museum's research over the years 2017 to 2021 were reviewed by an external panel in October 2022. The review covered all aspects of the Museum's large research programme, including work to improve the Museum's catalogue and to support exhibitions.

- The panel was impressed with the extraordinary breadth, depth and quality of research undertaken by the Museum which they felt was worthy of a national institution.
- The funding portfolio for research was larger and had a healthier mix than comparable institutions, with a range of public and private funders.
- The doctoral programme and volume of external research collaborations were particularly commendable.
- The quality of the research for exhibitions and public outcomes was distinctive.

Here are some of the highlights of research projects currently being undertaken.

#### *INDUCE*

A six-year European Research Council-funded project on The Innovation, Dispersal and Use of Ceramics in North East Europe (INDUCE) concluded in February 2023. This research has changed understanding of how and when pottery was first used around the Baltic Sea, and what was cooked in this pottery. Once viewed as related to sedentary farming life in the Neolithic period, pottery is now known to have been adopted by hunter gatherers. The British Museum partnered with the University of York and the Centre for Baltic and Scandinavian Archaeology at Schleswig-Holstein State Museums.

#### *The Sloane Lab: looking back to build future shared collections*

Towards a National Collection is a five-year £18.9m investment in the UK's museums, archives, libraries and galleries through the Arts and Humanities Research Council (AHRC). As part of this programme, the Sloane Lab project, led by University College London (UCL), aims to bring together the substantial and unique collections of Sir Hans Sloane which are spread across the Natural History Museum, the British Library and the British Museum. The project will develop and test a new digital platform to allow researchers, curators and the public to explore digital records about Sloane's collection across the three organisations.

#### *Protecting objects from vibration during transport*

This important research aimed to increase understanding of the impact of shock and vibration to objects when they travel by lorry or plane. The project, carried out with a German engineer and the University of Southampton, has resulted in improvements to how museums can assess the potential damage caused by transporting objects as well as new packaging crates to protect objects better when on loan or moving to new stores.

#### *West African bronzes*

Research on the making and trading of bronze objects in West Africa continues with support from the Mellon Foundation for a post-doctoral research fellowship. How three English medieval bronze jugs reached Ghana is the focus of related research funded by a British Academy Wolfson Fellowship.

#### *History of the collection*

Initial research using quantitative analysis of how the Museum's collection grew and was acquired resulted in a major publication. This is part of a wider programme of research on the history of the British Museum collections that involves staff and collaborative doctoral students.

#### *Ashurbanipal's library*

The Assyrian king Ashurbanipal created one of the largest libraries in the ancient world more than 2,600 years ago. Two ongoing projects, funded by the Arts and Humanities Research Council/Deutsche Forschungsgemeinschaft with Munich University and the Wellcome Trust with UCL, are transforming our understanding of what was in the library and are helping reconstruct an Assyrian medical encyclopaedia.

### *Special Projects*

The Museum leads on many different special projects, of significant importance on either a national or international scale. The Girsu Project, a major excavation and training project in southern Iraq, continues to be one of the Museum's flagship projects, closely collaborating with Iraqi partners.

This year, excavations at the so-called Temple mound concluded after seven years of work and the ensuing, definitive academic publication entered production. While new excavations have commenced at the Palace area, site conservation work continues to be undertaken across the site. The 'Bridge' of Girsu underwent essential consolidation and a comprehensive site heritage plan has been deployed for the entire site.

New research has been undertaken both on site in Iraq, on the hydraulics of the 'Bridge' and the waterscapes of the city, and at the British Museum, on the Girsu collections held in London and its associated collecting practices. The project has also delivered two specialised training programmes for both professionals from the State Board of Antiquities and Heritage (SBAH) and students from universities across Iraq. The project co-organised two important events in Baghdad (in November 2022) and London (in February 2023) celebrating the international collaboration between the SBAH in Iraq, the British Museum and the J. Paul Getty Trust, for whose support the Museum is extremely grateful.

The British Museum is working in partnership with the Edo Museum of West African Art (EMOWAA) Trust to deliver a major 5-year archaeological project in Benin City, Nigeria, scheduled to run until end 2025. The project aims to enhance understanding of the urban development of Benin City, and to investigate the development, chronology and origins of Edo material culture traditions. The joint Nigerian-British project team is working in close collaboration with the Nigerian National Commission for Museums and Monuments (NCMM) to deliver pre-construction archaeology linked to the development of a new Creative District at the heart of the city. The new district includes areas which were previously part of the historic royal palace destroyed by British forces in 1897. The EMOWAA Archaeology project scope covers research, fieldwork and finds analysis, public engagement activities focused on the local community and in particular schools and young people, and the development of archaeological expertise through training and practical experience. The archaeological fieldwork delivered by the project in 2022/23 is the most significant archaeological research undertaken in Benin City since the 1960s. It has been made possible through close collaboration with the NCMM and other key stakeholders in Nigeria, and support from the Cambridge Archaeological Unit and Wessex Archaeology in the UK.

#### *The Portable Antiquities Scheme*

The [Portable Antiquities Scheme](#) (PAS) is a key part of the Museum's national activity, recording archaeological finds made by the public to advance knowledge. To date, more than 1.6 million items have been recorded on the [PAS database](#) since it started in 1997. The PAS is also fundamental to the delivery of the Treasure Act 1996, by which the most important finds end up in museums. More than 6,000 finds have been acquired by more than 220 museums across England, Wales and Northern Ireland (the areas covered by the Act).

The PAS is a partnership project involving 100 national and local partners across England and Wales, supported by DCMS. At its heart are locally based archaeologists, Finds Liaison Officers (FLOs), who liaise with the public and record their finds. This work was highlighted at the Museum by the Minister for Arts and Heritage, Lord Parkinson of Whitley Bay. This year we publicised a gold heart-shaped pendant and chain from Warwickshire associated with Henry VIII and Katherine of Aragon, which bears the monograms 'H' and 'K' as well as their symbols, a rose and a pomegranate.

February and March 2023 have seen proposals to reform the Treasure Act 1996 pass through Parliament. This brings in a new definition to make sure that metal items more than 200 years old that are of 'outstanding national or local archaeological, cultural or historical significance' are protected by law and may be acquired by museums. Examples of past finds that might have met this definition include the Ryedale Hoard, an assemblage of bronze Roman objects that only ended up in a museum collection – on this occasion, the Yorkshire Museum – by good fortune. The new legislation also revised the Treasure Act Code of Practice, which provides guidance for all parties involved with the Treasure process.

Following the 2021 Spending Review, more resources were made available by DCMS for the PAS and Treasure. The PAS also benefits from the support of Graham and Joanna Barker, as well as the Headley Trust which is funding interns to work alongside FLOs. The Headley Trust internship is aimed at people who might not otherwise have the chance to work in archaeology.

More information on the work of the PAS can be found in the [PAS annual report 2021](#).

#### *Loans*

The Museum's loans and exhibitions programme returned to full strength in 2022/23. Many of those exhibition projects planned at other institutions that have been postponed over the past three years have now been

scheduled so we are discharging long-held obligations. At the same time, new requests have increased steadily. Over the past year the team again delivered a full programme of touring exhibitions.

Loans remain a critical part of a public programme that seeks to deliver an inspiring and enlightening experience. They enable institutions to interpret their own collections in new ways by placing objects in different contexts and juxtapositions. Particularly notable in 2022/23 are:

*Afghanistan, shadows and legends. 100 years of French archaeological research in Afghanistan*

The National Museum of Asian Arts-Guimet, Paris

26 October 2022 – 6 February 2023

The Museum made a loan of a reliquary and complete contents, in parallel with a loan to *Splendeurs des Oasis d'Ouzbékistan* at the Musée du Louvre (24 November 2022 – 6 March 2023).

*Il MANN e Picasso*

Museo Archeologico Nazionale di Napoli, Naples

5 April – 27 August 2023 (previously postponed)

The Museum loaned a set of prints from Picasso's *Vollard Suite*. This show contributed to a season of exhibitions exploring Picasso's relationship with Naples and built upon the collaboration established by MANN's important loans to *Nero*.

*Long-term loan Ad Gefrin*

Ad Gefrin Visitor Centre, Wooler, Northumberland

From 12 March 2023

The Museum loaned a group of 14 archaeological objects, including personal accoutrements, to a new visitor centre exploring the people of 6–7th century Northumbria, based around the nearby site of Yeavinger.

*National touring exhibitions*

*Troy: beauty and heroism*

Haslemere Educational Museum, Surrey, 10 February – 8 May 2022

The McManus, Dundee, 19 May – 14 August 2022

This touring exhibition conveyed key moments in the story of the Trojan war that define the lives and character of Helen and Achilles, as interpreted by ancient and modern artists. The Spotlight Loan featured an Etruscan urn, which has never been on loan before, portraying Helen's abduction by the Trojan prince Paris, while an Athenian amphora shows the brutal side of Achilles. These ancient objects are supplemented with artworks by Dante Gabriel Rossetti (1828–1882) and Pietro Testa (1612–1650).

*Crossings: community and refuge*

Ipswich Art Gallery, 11 March – 12 June 2022

M Shed, Bristol, 18 June – 18 September 2022

Rochester Cathedral, 22 September – 27 November 2022

Shire Hall Historic Courthouse Museum, Dorchester, 1 December 2022 – 26 February 2023

This exhibition toured the Lampedusa cross around the UK for the first time. Made from the remnants of a boat carrying refugees wrecked near the Italian island of Lampedusa, close to the coast of Tunisia, the cross carries poignant messages about kindness, community and the indifference faced by many refugees. Alongside the cross was a display of twelve tiny boats from Syrian-born Issam Kourbaj's series *Dark Water, Burning World*. Each partner location expanded the exhibition to connect with local communities.

*Gathering light: a Bronze Age golden sun*

Royal Cornwall Museum, Truro, 6 August – 5 November 2022

The Collection, Lincoln, 17 November 2022 – 20 February 2023

Sunderland Museum & Winter Gardens, 25 February – 3 June 2023

This touring exhibition gives insight into the cosmology of Bronze Age Britain with a key component in the Museum's *The world of Stonehenge* exhibition, the Shropshire sun pendant. This extraordinary object is more than 3,000 years old, dating between 1000–800BC in the late Bronze Age period. The sun pendant, also known as a bulla, could be one of the most significant pieces of Bronze Age metalwork ever discovered in Britain. The pendant is toured with other stunning Bronze Age objects.

## Audiences and Engagement

### *Communications*

Digital engagement has played a crucial role during the latest financial year. The Museum's digital presence saw around 27 million visits across all our websites.

We now have more than six million followers across our suite of English and Chinese social media channels, allowing us to connect directly with audiences around the world. Engagement and interaction rates remain strong, with Chinese channels seeing the fastest growth. Blogs continue to provide a useful source of long-form content for special exhibitions, free displays and science and conservation, encouraging audiences to engage with the work of the Museum on a deeper level.

### *International*

The Museum's popular programme of international touring exhibitions continued in New Zealand, China, Japan, Australia and Spain. More than a million visitors saw a British Museum exhibition internationally this year, suggesting a resurgence in this post-pandemic environment.

The opening of *Ancient Greeks: athletes, warriors and heroes* in June 2022 saw the Museum's first-ever exhibition display in New Zealand, with host partner Auckland War Memorial Museum welcoming more than 80,000 visitors. The exhibition continued its run at Suzhou Museum in China, where it opened in December 2022 and has already received more than 360,000 visitors by the end of March 2023. This follows on the hugely popular exhibition on *Ancient Rome*, which attracted more than 887,000 visitors to Suzhou Museum by the time it closed in October 2022.

Elsewhere in the Asia-Pacific region, *Hokusai: beyond the great wave* opened at the Suntory Museum in Tokyo, with more than 78,000 visitors seeing works by the Japanese master. Following its display in Bloomsbury, the exhibition *Feminine power: the divine to the demonic* travelled to the National Museum of Australia in Canberra, seen by more than 30,000 visitors by the end of March 2023.

Telling the stories of six individuals from the Nile Valley, our popular exhibition *Egyptian mummies: exploring ancient lives* opened at its first Spanish venue in Madrid as part of our major collaboration with the foundation of La Caixa bank. It travelled on to display in Barcelona, and will also tour to Sevilla, Valencia and Zaragoza over the next year. *Human image: masterpieces of figurative art* continued its tour with displays in Zaragoza and Palma, while *Pharaoh: king of Egypt* toured to Valencia and Lleida.

### *National*

The Museum's National Programme connects with communities through local and global histories. In 2022/23 the programme continued to resonate with people through historic and contemporary material. The funded programme, with support from the Dorset Foundation, allows museums and galleries who would otherwise not be able to afford a touring exhibition or loan to present these histories to the broadest audience. In 2022/23 the Museum lent 1,929 objects to 122 venues around the UK, reaching more than 4 million visitors outside London.

The war in Ukraine started days after Derby Museum celebrated a local refugees family day, including performances from the local Ukrainian community. The event was in connection to the *Crossing: community and refuge* Spotlight Loan, which in 2022 powerfully resonated with the refugee crisis ensuing in Eastern Europe. The loan demonstrated the potential for exhibitions to relate to current events and become a place of dialogue and understanding.

This subject was further explored in the Manchester Museum *South Asia Gallery: a British Museum Partnership*, opening on 15 February 2023. The co-curated gallery, exploring South Asian diaspora experiences and stories, explored the impact of migration alongside the history of South Asia. The gallery was developed in close collaboration with British Museum colleagues, sharing knowledge and expertise in all aspects of the gallery development. The 45 British Museum objects on long-term loan to the gallery also play an essential role in telling the stories of this complex region.

### *Learning programmes and events*

Children visiting the Museum from schools across the UK reached 153,000 in 2022/23, an increase of 30,000 compared with pre-pandemic UK school visit numbers.

During 2022/23 the Samsung Digital Discovery Centre (SDDC) team engaged with more than 68,000 people in total. This included nearly 20,000 students and teachers who took part in Virtual Visit sessions, an increase from pre-pandemic levels. Five exciting and updated curriculum-linked sessions were available to schools taking part in a Virtual Visit at the Museum. It included a further 3,600 students and teachers engaging in SDDC school workshops, which also continued to bounce back following the recovery of the learning programmes. The SDDC's family offer has also attracted a strong return with nearly 6,900 families engaged with the weekend and holiday programme during 2022/23. Some of the busiest sessions ever were reported during UK school holidays. The SDDC online Museum Mission offer for families also engaged with nearly 39,000 users.

On 29 and 30 November 2022, the *British Museum in your Classroom* project came to two primary schools in the Middlesbrough area. This was the first time school pupils have selected a British Museum collection object to visit them in their schools. They selected a canopic jar which became the centrepiece of exhibitions of their own work on ancient Egypt inspired by the loan. The accompanying exhibition, *A British Museum Partnership – Ancient Egyptians: secrets of the afterlife*, continued at the Dorman Museum, Middlesbrough until 26 February 2023.

On 11 June local families and community organisations were invited to a special Platinum Jubilee Party held on the front lawns to celebrate the Queen's Platinum Jubilee. Around 250 people picnicked on the lawns. Activities included a crown-making workshop with Tatty Devine, a giant birthday card for Her Majesty and music from No Limit Brass Band.

To accompany *The world of Stonehenge* exhibition, the Solstice Late on 17 June was well received by a diverse audience of around 1,500 people, who enjoyed music, film, talks, craft, performances, and solar astronomy with contributions from the Archdruid of Stonehenge and Britain, Rollo Maughfling, Jeremy Deller, Ancient Music Ireland, Stone Club, Zakia Sewell, HERESY and others. The event ended with a ceremony on the lawns at sunset marking the solstice.

In August, three free contemporary dance performances took place in the Great Court and the forecourt entitled *My muses take care of me*, inspired by the exhibition *Feminine power*. Created by world-renowned Scottish choreographer Fleur Darkin, with exquisite costumes by Claire Barbier for female and non-binary performers, around 1,200 people enjoyed the performances across the three days.

On 16 July, the Museum hosted an event as part of the Council for British Archaeology's nationwide annual Festival of Archaeology. The Museum welcomed more than 17,500 visitors who took part in a wide range of hands-on, experiential and participatory activities, sessions and living history interpretation. James Dilley represented deep history with bronze casting, flint knapping and a series of talks. Nigel Aimes provided a beautiful range of multi-period clothing looking at the similarities and differences of textiles, technology and production through time from the Romans to the World Wars. Norwich Castle in partnership with the Museum presented their travelling 'Knight School', a hands-on opportunity for children and young people to learn key skills and have fun in a mock medieval battle.

#### *Community programmes and previews*

We continued to build and develop relationships with communities and organisations across London, developing programmes for engagement onsite, through outreach and digitally, community consultation and research projects. More than 2,500 local community organisations were welcomed to special exhibition previews, *The Citi Exhibition – Feminine power: the divine to the demonic*, *The world of Stonehenge* and *Hieroglyphs: unlocking ancient Egypt*.

We worked collaboratively with community partners to programme large-scale public events, including Celebrating Pride and Celebrating Diwali.

#### *Young People's Programme and Youth Collective*

The Museum has dedicated programmes to engage with young people aged 16- to 24-years old. This audience requires targeted programming that is developed collaboratively with young people and responds to this group's unique needs. The Museum has recruited a Youth Collective to inform this approach, supported by the Greengross family.

Recruitment for the 2022 Youth Collective concluded in March with a 400% increase in applications from 2021. The new Youth Collective met weekly from March to learn about the Museum and work on their events.

Throughout 2022, the Youth Collective created three events. ‘Celebrating Pride’, ‘Careers outside curation’, and ‘(No) sex please, we’re the British Museum’ saw hundreds of young people attend each event and take part in various activities co-curated by the Youth Collective. The events also saw collaborations with sector colleagues as part of a speed-mentoring event, and other activities such as a panel discussion chaired by London Metropolitan Archives, and a quiz carried out by the Vagina Museum.

#### *Engaging young people nationally – Where we are...*

The Museum’s national young people’s programme, *Where we are...*, is supported by the Paul Hamlyn Foundation. In 2022 we worked with six new partners: Barnsley Museums and Jolly Good Communities in Barnsley, Bury Art Museum and The Sunnywood Project in Bury, and Museum of the Home and Voyage Youth in Hackney. At each location young people co-produced creative outputs in response to their local heritage and identity. This programme runs to 2025 and aims to reduce some of the barriers to engagement, as well as creating a sense of agency in young people that can be reflected back into their communities.

## Investing in our people

### *Employees*

The BM’s success can only be achieved through the commitment of its employees, and the Trustees would like to record their gratitude for the hard work of staff throughout another extraordinary year.

Across the past year the BM has begun to return to more typical operating conditions following the COVID-19 pandemic that began in 2020 and we recognise the extraordinary efforts that our staff made in supporting the Museum’s recovery throughout the period. New, more agile and more flexible ways of working that were introduced in response to the pandemic are now embedded in the way that we work through our Future Ways of Working programme.

As set out in note 6(e) to the accounts, the British Museum employs about a thousand people. 59% of staff were female (2021/22: 57%).

The BM endeavours to safeguard the quality of its work by ensuring staff of the highest calibre are recruited and retained, that they are appropriately trained, and that they are managed effectively and work in a supportive environment. The BM seeks to create this environment by ensuring that employees are informed about plans and activities; by providing opportunities for employee participation and feedback; by encouraging managers to provide goals and development opportunities for their staff; and by providing a fair and equitable employment framework supported by relevant policies and procedures.

The BM engages with its employees in a number of ways, usually coordinated through a Staff Engagement Plan which was developed and is maintained in collaboration with representative staff groups. The enduring challenges of the pandemic continued to require the Museum to adapt creatively to support staff and to maintain their engagement while working in different ways. The following initiatives have been in place through the year to help keep staff informed, involved and enthused about Museum activity:

- Regular written updates from the Director have been provided.
- Out-of-hours views of exhibitions for Museum staff and their guests have been reintroduced.
- A real-time news and information page has been maintained with a round-up of news.
- A programme of Staff Breakfast talks, which provide an opportunity to learn about important projects and to meet with colleagues from across the Museum has been reintroduced.
- The British Museum Consultative Committee (BMCC) and relevant sub-groups have continued to meet to provide a formal opportunity for management and union representatives to discuss issues raised by staff. The Director and the Chair of Trustees attended a meeting in the year.
- Information from Management Group meetings has been shared with all staff.
- Staff are encouraged to pass on feedback via an anonymous online submission tool.
- The BM’s performance management process helps employees plan their work, further their personal development and assess their achievements. It also ensures that the work and objectives of employees are aligned with departmental and BM plans.

- A programme of learning and development activities is designed in response to individual and organisational needs. Regular Training and Development newsletters are shared with all staff, focusing on a wide range of subjects.
- An Employee Assistance Programme is in place, complemented by regular Health and Wellbeing events for staff and training courses, for example Personal Resilience, Mental Health Awareness for Managers and a new pilot course for Mental Health First Aid.
- Employee wellness events, including Wellness Weeks, with events and opportunities designed to focus on employee mental and physical health.
- An Employee Recognition Scheme enables senior managers to recognise outstanding contributions. The scheme also facilitates Museum-wide acknowledgement of successes.
- Staff social groups and events on site at the Museum, including the bi-annual Museum Party and the Museum-wide Staff Quiz, have been reintroduced and well attended.
- Opportunities have been provided for staff to provide real time feedback on important projects through questionnaires and focus groups.

The BM acknowledges its responsibility for, and commitment to, a management policy that ensures matters relating to health and safety for visitors, staff, and contractors receive due priority at all times. A Health and Safety and Fire Safety Consultative Committee usually meets twice a year to support improvements in Health and Safety performance and the safety culture of the BM, through open communication with employee representatives. Completion of relevant Health and Safety and Fire Safety training is mandatory with progress against targets monitored through the Operating Plan.

In 2022/23, the average number of days lost for sickness and absenteeism was 4.7 days per person, compared with 4.6 in 2021/2022.

The pay and grading system is based on job families and market rates. Pension scheme membership is available to British Museum and British Museum Company staff, as described in note 20 to the financial statements.

### *Diversity*

This year the Museum has taken a significant step towards making its exhibitions and galleries more accessible and inclusive to people with disabilities, particularly those who are deaf or visually impaired.

We have successfully conducted Deaf-led British sign language tours of exhibitions and galleries, which have received positive feedback from visitors. In addition, we have provided audio-described tours of the same exhibitions, making the Museum more accessible for people who are visually impaired.

Furthermore, we have trialled audio-described recordings of key objects in exhibitions, allowing visitors with visual impairments to enjoy the exhibition during their own visits. This has been a success, and we plan to expand this service further.

We are proud to have showcased the work of five disabled artists working with Shape Arts in a large evening event, which aimed to promote and comment on disabled representation in the media. This event was well-received and helped raise awareness of disability issues in the arts.

We have also started working on a project with the potential to make a significant difference in the lives of people with learning disabilities and expand our offer of interpretation and museum experience. This project is supported by a new term of funding by The Lord Leonard and Lady Estelle Wolfson Foundation. The project is well underway and aims to produce a relaxed trail of the museum, in collaboration with Mencap.

As part of this project the Museum has also run a relaxed session for adults and a family morning session in the Islamic world gallery, promoting inclusivity and making the Museum a more welcoming space for diverse audiences.

Finally, we have been working with two supported volunteers to provide work experience on the hands-on desks, promoting diversity and inclusion within the Museum's workforce.

### *Volunteers*

At the end of March 2023, the Museum had just over 440 volunteers, supporting across both Front of House and Departmental activities. This a lower number than pre-pandemic, when the Museum had over 500 volunteers.



Although all volunteer programmes had resumed by the end of 2022 following the lifting of restrictions, there have been significant gaps in volunteer rotas throughout 2022/23. Recruitment has been a major priority for 2022/23 and will continue to be so during 2023/24. A priority for the Volunteer office is recruiting new volunteers from less traditional and more diverse backgrounds, helping to diversify the team as a whole.

A significant development during the last year was the appointment of a new three year 'Volunteer Manager: Access and Equality' role on 1 October 2022, sponsored by JTI. This post is helping to continue to adapt our recruitment processes to increase accessibility and to encourage applications from a wider range of people. We now run online webinars to answer questions to help people feel more informed about what is involved and hopefully more likely to apply. We also offer more support with writing applications and we are working to develop and offering a variety of flexible roles, including pop-up tours. Adverts for new volunteer roles have been shared with community partners as part of a concerted efforts to reach new audiences.

The Volunteer Manager: Access and Equality role allows the Museum to offer a small number of supported volunteer placements for individuals who need more assistance to participate. The post also facilitates collaborative projects that bring volunteers and community partners together in mutually beneficial ways.

The Volunteer office has also been working hard to diversify the public programme delivered by volunteers. We continue to run volunteer-led touch tours of two of the Museum's most popular galleries, Egyptian Sculpture (Room 4) and the Parthenon (Room 18a), for blind and partially sighted visitors. We are continuing to run volunteer-led LGBTQ tours three times per month. In addition, we have also been running volunteer-led Walk and Talk tours with Mind. These tours aim to help participants improve their mental health and self-confidence.

The accounts do not provide for any notional costs for the value of these volunteers' services.

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

Table 1, Relevant union officials: what was the total number of your employees who were relevant union officials during the relevant period (1 April 2022 – 31 March 2023)?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number <sup>2</sup>
26	20.33

Table 2, Percentage of time spent on facility time: How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

Percentage of time	Number of employees
0%	–
1-50%	25
51-99%	–
100%	1

Table 3, Percentage of pay bill spent on facility time

Total cost of facility time	£24k
Total pay bill	£42m
Percentage of the total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period	0.06%

<sup>2</sup> This represents the full-time equivalent of the number of employees who were relevant union officials during the relevant period, rather than the full-time equivalent of facility time spent by these employees.

Table 4, Paid trade union activities: as a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

<p>Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100</p>	<p>N/A</p>
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## Plans for future periods

The key priorities for the BM in 2023/24 include:

- further developing our long-term plans for the Museum;
- moving objects to the new British Museum Archaeological Research Collection as part of a major multi-year programme which will increase access to collections currently stored at Blythe House; and
- delivering major exhibitions, for example *Luxury and Power*, which draws on dazzling objects from Afghanistan to Greece to explore the complex story about luxury as a political tool in the Middle East and southeast Europe from 550–30 BC, and *China's hidden century*, which will reveal the resilience and innovation of 19th-century China.

## Fundraising and finance

### Financial sustainability

During the COVID-19 pandemic the BM Group saw its income fall substantially, with activity in the trading subsidiaries particularly badly affected. Further additional funding was received from DCMS within the year, and the Trustees are very grateful for the ongoing support which has helped recovery. Since 2021/22 visitor numbers have recovered gradually, with increased admissions and trading income for the year (see DCMS' performance indicators below).

However, the Museum has seen steep increases in costs in the year as a result of inflationary pressures and supply chain constraints. The Museum has unavoidably high fixed costs due to its obligation to care for and secure the Collection.

The BM has substantial restricted reserves however these cannot be used for general spend or to mitigate the impacts of inflation. See the section below for further details about the reserves policy.

The accounts have been prepared on a going concern basis. Under Section 3 of the British Museum Act 1963, the BM 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. Together with Government support, the Museum has adequate remaining reserves, sufficient cash and readily realisable investments, and a history of success in generating income which is expected to continue and recover once visitor numbers return to previous levels. The Trustees are satisfied that the Museum will continue to operate for the foreseeable future, being a minimum of twelve months from when these accounts were approved, and accordingly have applied the going concern basis for preparing its accounts. The Trustees continue to monitor the situation closely.

### Support for the BM

The Museum is immensely grateful to the many donors, sponsors, patrons, and friends whose support underpins all aspects of its work. Philanthropy and sponsorship from individuals, companies, trusts and foundations broaden what the Museum is able to accomplish, and the ongoing commitment of private supporters continued to be a great source of encouragement in 2022/23 as we bounce back after the pandemic.

The British Museum Trustees have agreed a strategy which aims to increase the net contribution from fundraising sustainably over the long-term. No agents are used for fundraising. Museum staff involved in fundraising are subject to the BM Code of Conduct. The Trustees have agreed fundraising principles and receive progress reports quarterly in the BM's management accounts. The BM has a number of feedback channels and responds to questions from its supporters and visitors. The British Museum pays the annual levy to the fundraising regulator and works according to the fundraising promise.

Donations and legacies of £27.6 million were received during the year (£13.5 million in 2021/22), including donations and legacies received from individuals, trusts and foundations and gifts in kind. One large individual gift accounts for the majority of the increase in the year. A further £14.4 million (£8.2 million in 2021/22) was received from other trading activities and £23.0 million (£19.8 million in 2021/22) from charitable activities.

The BM's total expenditure for the year was £103.4 million (£79.8 million in 2021/22). Expenditure on raising donations and legacies was £2.6 million (£2.0 million in 2021/22) and expenditure on other trading activities was £8.7 million (£5.9 million in 2020/21). Expenditure on charitable activities was £91.7 million (£71.5 million in 2021/22).

### Grant-in-Aid

The British Museum received £47.8 million revenue and £20.0 million capital grant-in-aid from DCMS in 2022/23 (£51.5 million and £15.1 million in 2021/22), including emergency support in response to the COVID-19 pandemic and funding for essential work on the Bloomsbury site.

### Capital expenditure

Capital expenditure, mainly on plant, building fabric, gallery refurbishments and software, amounted to £22.8 million, compared with £25.3 million in 2021/22. Significant capital additions during the year included work on security; life and fire safety; mechanical and electrical infrastructure; building fabric and structural works; masterplan design; and the construction and fit out of the BM Archaeological Research Collection. A further £0.5 million was spent on acquiring heritage assets (£0.8 million in 2021/22), with donated heritage assets during the year of £0.8 million (£0.6 million in 2021/22).

### Grants

The British Museum Group made grants totalling £9.4 million during the financial year (£1.9 million in 2021/22). This includes grants of £1.2 million (£0.9 million in 2021/22) to support the work of find liaison officers throughout the UK working on the Portable Antiquities Scheme, the only proactive mechanism in England and Wales for recording archaeological finds made by the public. Also included are grants of £7.5 million (£nil in 2021/22), restricted for furtherance of the BM's charitable objectives, made by BMF to the British Museum Trust Limited, an independent registered charity (registration: 1140844).

### Reserves

At 31 March 2023 the BM's reserves were as follows:

	£m
Collection items acquired since 31 March 2001	111
Museum land, buildings, plant and equipment	950
Permanent endowment	23
Expendable endowment	22
Restricted funds	89
Restricted investment estate	29
Designated funds	24
Unrestricted funds	9
Unrestricted funds: subsidiaries	30
	1,287

The collection items and the fixed assets are fully employed in the operation of the BM and are not available for any other purposes.

The permanent endowment funds are restricted funds where the Trustees do not have the power to convert the capital to income. Expendable endowment funds are donations that have been given to a charity to be held as capital, where the trustees do have a discretionary power to use the funds as income.

The investment properties reserve represents freehold properties owned with restrictions but not occupied by the BM.

The restricted funds represent disposal proceeds and donations over which there are specific conditions or legal restrictions relating to their application. Note 16 to the accounts summarises the value and purposes of the BM's principal restricted funds.

#### *Designations*

Note 16 to the accounts sets out the Trustees' designation of funds, including the quantity, and purpose of expenditure from the funds.

The pandemic, geopolitical instability, inflation, and issues arising from supply chain and labour market pressures have led to further delays across the BM's programmes, with many activities deferred or delayed. During the year, the Trustees agreed to designate unspent self-generated income to allow delivery of activities that have been postponed or delayed, subject to retention of sufficient undesignated reserves to comply with the reserves policy below and to Departmental Expenditure Limit budgetary restrictions. The balance on this designated fund at 31 March 2023 was £24 million (£15m in 2021/22). It is anticipated that these funds will be spent or released over the next five years, but this will be kept under review.

#### *Reserves policy*

In 2022/23, the Trustees agreed to retain the existing reserves policy for the Museum, which is to hold unrestricted and undesignated reserves equivalent to between one and three months' pre-pandemic group expenditure in order to ensure financial stability and act as a safeguard against volatile and unpredictable income streams and unforeseen expenditure or liabilities. Based on 2019/20 group expenditure, this would be a range of £9 million – £27 million. The balance at 31 March 2023 was £9.4 million.

#### *Monitoring levels of reserves*

The Standing Committee monitors the levels of reserves at the BM on a quarterly basis as part of their review of the Management Accounts.

During the year, the total level of reserves was affected by the upward revaluation of the BM's tangible fixed assets of £58.3 million (upward revaluation of £39.6 million in 2021/22, restated), losses on investments of £1.6 million (gain of £9.1 million in 2021/22) and gain on the defined benefit pension scheme of £6.0 million (gain of £2.3 million in 2021/22).

#### *Maintaining reserves*

The Operating Plan and Budget ensure adequate levels of reserves are maintained.

#### *Reviewing the reserves policy*

The Board of Trustees reviews the reserves policy when circumstances change and at least annually.

## Investments and financial risks

The Trustees manage the BM's endowment, restricted and general funds as three separate portfolios. The Investment Sub-committee (ISC) considers the level of risk appropriate for each portfolio, together with future cash flows, and sets objectives as part of the investment policy:

- General portfolio: the total return on the general minimum reserves required under the reserves policy should be maximised, within the constraints of a low risk investment portfolio and high liquidity requirement. The total return on funds in excess of these requirements should be maximised, within the constraints of a medium to low risk investment portfolio.
- Restricted portfolio: funds must be able to deliver specific purposes. Total return should therefore be maximised within the constraint that capital value should, as far as possible, be preserved.
- Endowment portfolio: the objective is to maximise the total return on the funds within the constraints of the requirement to maintain funds to meet the needs of future beneficiaries.

The financial risks relating to investments are managed by:

- setting a clear risk tolerance as part of the investment policy;
- reviewing liquidity levels; and

- monitoring investment performance of individual holdings against agreed and relevant benchmarks on a quarterly basis.

The Investment Sub-Committee (ISC) has appointed Newton Investment Management to manage funds within the endowment portfolio and the longer-term funds in the general portfolio in accordance with the agreed investment policy. Other funds in the general portfolio and the restricted portfolio were held in cash in accordance with the agreed investment policy. £16.4m (2021/22: £9.3m) fixed asset investments within the subsidiaries was also held in cash deposits. Apart from certain legacy holdings in unlisted equity and investment funds (£1.0 million endowment and restricted portfolios) and one directly held shareholding (£2.2 million endowment portfolio), all funds were invested during the year in UK and Ireland investment funds.

The endowment and general investments held in Newton funds delivered a return of +2% across the full financial year, outperforming the benchmark of -2%. Overall, the Trustees remain satisfied with the performance of the fund managers in a difficult environment.

During the year interest, dividends and rent of £2.0 million (2021/22: £0.8 million) were received and net realised and unrealised losses were made on investments of £1.6 million (2021/22: gain of £9.1 million), including a £2.7 million loss (2021/22: £3k gain) on the revaluation of the investment properties.

#### *Permanent endowments*

On 2 July 2015, the Trustees resolved to adopt a total return approach to the investment of the permanent endowments under powers included in section 104A-B Charities Act 2011. Under a total return approach to investment, an endowment has two distinct components:

- the value of the original and any subsequent gifts made to the capital of the endowment which is termed the 'trust for investment'; and
- the 'unapplied total return' which represents the accumulated investment returns from the investment of the endowment less any amounts which have been allocated to income for spending.

The initial values of the trust for investment and the unapplied total return were based on the value of the funds as at 31 March 2015. Historic paperwork was reviewed in order to determine the value of original and subsequent gifts; in some instances and in line with Charity Commission guidance, only a reasonable estimate was possible because of the limited information available for some of the older funds dating back to, for example, the eighteenth century.

On the recommendation of the ISC, the Trustees have approved an investment policy which aims to maximise the total return on the endowment funds within the constraints of the requirement to maintain funds to meet the needs of future beneficiaries.

The Trustees then determined how much of the 'unapplied total return' is released for spending and how much is retained for investment as a component of the endowment. This allocation must be made equitably to balance the need for income to meet current requirements and to hold funds as part of the endowment to produce investment returns for the future. The Trustees have agreed a spending rate of 2.8% (2021-22: 3.3%) of a five-year moving average total fund value, designed in order to provide for as much spending as possible without depleting the fund's real value. This represents the BM's best estimate of the long-term real rate of return on endowment investments and is reviewed regularly.

In determining this spending rate, the Trustees were advised by the BM's investment manager, Newton Investment Management, and by the BM's Investment Sub-Committee.

#### *Expendable endowments*

Expendable endowment funds are donations that have been given to a charity to be held as capital, where the trustees do have a discretionary power to use the funds as income. The Trustees may, therefore, decide to spend the full value of the fund.

The expendable endowments are invested as part of the endowment portfolio with expenditure determined on a case by case basis in order to deliver the funds' charitable objects.

Further information on the BM's financial risk management, including quantitative disclosures, is included in note 23 to the accounts.

## Public benefit, sustainability, social and community issues

### Public benefit

The British Museum today continues its tradition of responsibility to the public. It first opened its doors to the public on 15 January 1759. The British Museum Act six years earlier had ensured that the founding collection of Sir Hans Sloane – over 71,000 objects, as well as his library and herbarium – would be ‘preserved and maintained, not only for the Inspection and Entertainment of the learned and the curious, but for the general Use and Benefit of the Public’. A building was found, Montagu House on Great Russell Street, and the Sloane collection gradually moved in under the supervision of the ‘Officers of the House’ and the Board of Trustees.

The stewardship of the Trustees has been an essential ingredient in making the BM the cosmopolitan institution it is. Supported by the government, but at one remove from it, the Board ensured that the BM was neither an arm of state nor a royal prerogative (as in other countries) but a genuinely public museum – the world’s first encyclopaedic museum on such a scale. The number and variety of Trustees from that earliest group in the 1750s have always ensured that the institution has been governed by a plurality of opinions and ideas.

Access to the greatest achievements of humanity was made free to all, and what was once the preserve of privilege became the right of everyone. Annual visitors grew; a few thousand in the 18th century; there were nearly 300,000 a year by the mid-1830s; 5.9 million visited in 2019/20, prior to the COVID-19 pandemic.

The BM is a world collection for the world – for experts and the general public, for anyone who chooses to enter its doors. And those doors are not merely a gateway in Bloomsbury. Beyond the BM’s popularity in London, many people across the UK see BM artefacts outside of London, and it is accessed online by millions of visitors annually. Their presence increasingly redefines the BM today as an international online space where records of four and a half million objects can be freely seen and downloaded by anyone at any time. The collection is also taken across the UK and the globe.

The Trustees believe that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission in defining the strategic direction of the BM.

### Estates management

All the BM’s departments are based on its main site at Bloomsbury. Two buildings in Hoxton, London provide additional workshops and storage. Textiles and archaeological and general materials are stored at Blythe House, a property in Hammersmith, London shared with the Science Museum and the Victoria and Albert Museum. Additional off-site storage is leased in Wiltshire to house unregistered material that requires relatively infrequent access. A new storage and research facility, the BM\_ARC, has been constructed near Reading.

Pre-pandemic visitor numbers at Bloomsbury are a measure of the BM’s enormous success, but they create severe points of congestion and put a strain on the building. Over the coming years significant investment in the BM estate is required to maintain appropriate conditions for the collection, improve public access and accommodate the growing number of visitors, and ensure long-term sustainability.

2022/23 continued to see delays arising from the pandemic, as well as supply chain and labour market pressures. However, the BM was able to make progress in a number of these areas. Thanks to very welcome funding from Government, planning for essential work on our energy infrastructure was progressed during the year. Across the estate, investment was made in replacing life-expired critical electrical and mechanical infrastructure and urgent fabric repairs.

### Sustainability report

The BM recognises that its activities impact on society and the environment at local, regional and global levels through the resources it consumes, the waste it produces, the travel and work patterns it encourages amongst its staff and the products it buys.

The following figures reflect the BM’s best estimates of its impact. The strongest drivers across the BM footprint in the year have been the continued return of visitor numbers and on site activity coupled with the inclusion of the BM\_ARC.

The BM has previously presented normalised metrics for each of the main data points below based on visitor numbers. As visitor numbers have been abnormally low in the prior two years because of the pandemic and remain at circa 75% of pre-pandemic averages such metrics would not contribute to understanding of the data. These metrics have been replaced below with values normalised to the gross internal area of the BM estate. These values better reflect requirements that are independent of visitor numbers, such as gas consumption for heating that is required for maintenance of collection storage conditions. The inclusion of the new BM\_ARC building, which is a research and storage facility without access to the general public, is also better accommodated by this standardisation.

The data presented below includes figures relating to the BM\_ARC from the 30 of August 2023, the date at which it was handed over to the Museum. The facility uses electricity for all heating requirements and so has no impact on scope 1 emissions. The site is undergoing mobilisation and commissioning, which will continue into the following year, so its impact has not yet reached a stable level.

<b>Greenhouse gas emissions</b>		<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2019/20</b>
Non-financial indicators (tonnes CO <sub>2</sub> e)	Scope 1: Gas, gas oil and owned vehicles	2,764	2,660	2,647	2,723
	Scope 2: Electricity	3,095	3,074	2,956	4,052
	Scope 3: Electricity transmission and distribution	283	272	254	344
	Scope 3: Official business travel, domestic	43	21	4	45
	Scope 3: Official business travel, overseas flights	474	183	n/a	n/a
	Total emissions	6,659	6,210	5,861	7,164
	Emission per m <sup>2</sup>	0.05	0.05	0.04	0.05
Energy consumption (thousand kWh)	Scope 1: Gas	14,273	13,806	13,752	14,241
	Scope 2: Electricity	16,007	14,476	12,681	15,851
	Self-generated electricity	30	n/a	n/a	n/a
	Total gas & electricity consumption	30,310	28,282	26,433	30,092
	Consumption per m <sup>2</sup>	0.21	0.21	0.19	0.22
Financial indicators (£ million)	Total energy cost	3.5	2.1	1.8	2.0
	Energy cost per m <sup>2</sup>	24	16	13	15
	Cost of official business travel, domestic	0.18	0.06	0.02	0.2
	Cost of official business travel, overseas flights	0.20	0.10	n/a	n/a
	Total cost of official business travel per m <sup>2</sup>	0.58	0.20	0.02	0.20

Gas consumption remains relatively constant irrespective of activity levels as the requirement for winter heating to maintain the temperature for collection storage does not change.

Self-generated electricity is a new category of consumption in the year and is produced by solar panels installed on the BM\_ARC. Electricity consumption has increased by 11% compared to the prior year. This partly reflects increased activity after the period of lockdowns, but the BM\_ARC has also contributed 7 percentage points of that change. Carbon emissions arising from electricity have remained static as the increase in consumption has been almost entirely offset by a 9% decrease in the carbon intensity of the national grid.

Business travel continued to increase in the year as activities return to pre-pandemic levels. Disclosure of scope 3 emissions, and related costs, arising from overseas flights taken on official business was a new requirement for the year to 2021/22, longer term trend analysis is not yet possible.

The Museum purchases gas and electricity through the Crown Commercial Service whose hedging strategies have mitigated some of the impact of the global increases in energy prices however costs have increased significantly due to these pressures.



<b>Waste minimisation and management</b>		<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2019/20</b>
Non-financial indicators (tonnes)	Waste sent to landfill	Nil	Nil	Nil	Nil
	Waste recycled/reused	136	91	7	190
	ICT waste recycled, reused and recovered (externally)	-	1	n/a	n/a
	Waste composted	15	1	Nil	13
	Waste incinerated with energy recovery	229	192	70	376
	Total waste arising	380	285	77	579
	Waste arising kg per m <sup>2</sup>	2.6	2.1	0.6	4.2
Financial indicators (£k)	Waste sent to landfill	Nil	Nil	Nil	Nil
	Waste recycled/reused	28	11	-	35
	ICT waste recycled, reused and recovered (externally)	-2	-2	n/a	n/a
	Waste composted	2	1	Nil	5
	Waste incinerated with energy recovery	74	59	19	90
	Total disposal cost	102	69	19	130
	Cost £ per m <sup>2</sup>	0.7	0.5	0.1	1.0

Waste production on site has increased throughout the year with increasing levels of activity, the rate of rebound varies across streams. Composting has increased markedly as in addition to restaurant volumes returning to pre-pandemic levels groundskeeping waste has been diverted to this stream. A review of waste generation and disposal routes began in the year as part of the mobilisation and delivery of the new Facilities Management contract. This process will look to increase recycling rates in coming years.

An income has been realised from the ICT waste stream since FY 21/22 as surplus assets are sold for reuse or recycling.

<b>Finite resource consumption</b>		<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2019/20</b>
Non-financial indicators ('000 m <sup>3</sup> )	Total water consumption	108	95	93	116
	Consumption (m <sup>3</sup> per m <sup>2</sup> )	0.74	0.69	0.68	0.85
Financial indicators (£k)	Total water cost	265	231	217	293
	Cost £ per m <sup>2</sup>	1.83	1.69	1.59	2.15

Water consumption continued to rise in the year as visitor footfall has increased coupled with the BM\_ARC being added to the estate.

#### **Nature recovery and Biodiversity action planning**

The Museum does not hold significant natural capital or landholdings. We continue to maintain mature trees on the Bloomsbury site and landscaping features at the BM\_ARC that have been designed to promote biodiversity at that site and integrate it within its surrounding environment, which includes an adjacent area of protected ancient woodland.

#### **Sustainable procurement**

The BM policy on Sustainable Development states that the procurement of goods and services which have the least environmental impact in terms of their production, delivery, installation, use and disposal will be considered wherever practical and appropriate. Contractors and suppliers are encouraged to develop environmentally preferable goods and services and to be aware of sustainability issues and comply with statutory legislation.

**Notes:**

1. This report has been prepared in accordance with guidelines laid down by HM Treasury published at <https://www.gov.uk/government/collections/public-sector-annual-reports-sustainability-reporting-guidance>.
2. The data relate to consumption on the main Museum site in Bloomsbury, its perimeter properties, and at off-site workshops and storage in Hoxton, Hammersmith and Wiltshire. Data relating to the BM\_ARC is included from the point at which it was handed over by the contractor.
3. Emissions accounting include the following emission streams:
  - a. Scope 1 reflects direct emissions, and only includes fuels combustion, for which Defra conversion factors have been used. The data are based on consumption figures provided by energy suppliers through online portals or invoice information. Emissions from physical or chemical processing and fugitive emissions have not been included; robust estimates are not possible at this point, but the BM does not consider the values to be material.
  - b. Scope 2 reflects indirect emissions and includes purchased electricity. The British Museum does not have any purchased heat, steam and cooling. The data are based on the invoices received from energy suppliers and their online portals.
  - c. Scope 3 electricity transmission and distribution emissions are calculated based on the energy consumption data provided by electricity suppliers using Defra conversion factors.
  - d. Scope 3 emissions relate to official business travel directly paid for by the BM. They are estimated on the basis of information from the BM's major suppliers and analysis of spend data using the Defra conversion factors for the relevant modes of travel.
4. Waste data are based on information from the facility services provider, who is responsible within the contract for disposal of all site waste, with the exceptions listed below. ICT waste data is based on analysis of asset lists auctioned for re-use or collected for recycling. The figure provided does not include construction waste, refurbishment programmes or hazardous waste i.e. chemical or laboratory wastes.

**Suppliers**

The BM aims to settle bills within 30 days or by the due date. In 2022/23 it paid 91% of all invoices within the target (85% in 2021/22).

## Activity under immunity from seizure

On 12 June 2008 the Secretary of State granted the British Museum “approved status” under Part 6 Tribunals, Courts and Enforcement Act 2007 entitling it to confer protection from judicial seizure on objects loaned from abroad for temporary public exhibitions, provided the conditions set out in section 134 of the Act are met when the objects are brought into the UK.

During the 2022/23 financial year, the British Museum has granted protection under Part 6 Tribunals, Courts and Enforcement Act 2007 to objects brought into the UK for the following exhibitions:

<i>The World of Stonehenge</i> 17 February – 17 July 2022	138 objects
<i>Feminine Power</i> 19 May – 25 September 2022	2 objects
<i>Hieroglyphs: Uncovering Ancient Egypt</i> 13 October 2022 – 19 February 2023	30 objects

A wide variety of objects have been protected, including archaeological material comprising stone, glass, and metals such as iron, bronze and gold; Egyptian antiquities, including material comprising of papyrus, and sculpture of bronze, basalt and alabaster. These have been drawn from public institutions and private collections.

The due diligence process has been conducted by exhibition curators. In most cases, the objects borrowed were previously published, and establishing provenance presented few difficulties.

In the case of unpublished objects, lending institutions and individuals were asked to provide information about the circumstances in which objects were acquired or excavated, and where appropriate, copies of export licences were requested. Searches were made on the Art Loss Register where provenance history appeared incomplete (including during the period 1933-45 or where objects were excavated after 1970).

During the period from 1 April 2022 to 31 March 2023 the British Museum received no requests for information from potential claimants pursuant to article 7 of the Protection of Cultural Objects on Loan (Publication and Provision of Information) Regulations 2008.

## Reference and administrative details

### The Board of Trustees<sup>3</sup>

<b>Trustees</b>	<b>Attended / Meetings Held</b>	<b>Trustees</b>	<b>Attended / Meetings Held</b>
George Osborne CH (Chair) (C)	4/4	Sir Charlie Mayfield (A)	4/4
Ms Muriel Gray FRSE (Deputy Chair) (A)	3/4	Mr Mark Pears CBE (C)	4/4
Baroness Shafik DBE (Deputy Chair) (A)	4/4	Sir Grayson Perry CBE, RA	4/4
Professor Abhijit Banerjee (B)	4/4	Sir Paul Ruddock FSA (A)	4/4
Professor Dame Mary Beard DBE, FSA, FBA (C)	4/4	Mr Alejandro Santo Domingo (C) (Appointed 7 July 2022)	3/3
Dame Elizabeth Corley DBE (A)	4/4	Mr Weijian Shan (C) (Appointed 7 July 2022)	3/3
Ms Clarissa Farr (A)	4/4	Ms Priyanka Wadhawan (A)	3/4
Professor Chris Gosden FBA (E)	4/4	Professor Sir Mark Walport FRCP, FRS, FMedSci, HonFRSE (F)	4/4
Mr Philipp Hildebrand (A)	4/4	Mr George Weston (A)	4/4
Dame Vivian Hunt DBE (A)	2/4	Professor Dame Sarah Worthington DBE, QC (Hon), FBA (D)	4/4
Lord Marland of Odstock (A)	4/4		

(A) 15 Trustees are appointed by the Prime Minister.

The remaining Trustees are appointed by:

- (B) the Sovereign;
- (C) the Board of Trustees; or
  - the Secretary of State on the nomination of:
    - (D) the British Academy
    - (E) the Society of Antiquaries of London
    - (F) the Royal Society
    - (G) the Royal Academy

A register of interests is maintained by the Governance Manager and is available on application. Details of related party transactions are disclosed in note 18 to the accounts.

<sup>3</sup> The fractions reflect attendance at meetings each Trustee was eligible to attend during the year.

## Board committees and membership

**Standing Committee**

George Osborne CH (Chair)	3/3
Dame Elizabeth Corley DBE	2/3
Professor Chris Gosden FBA	2/3
Ms Muriel Gray FRSE	2/3
Sir Charlie Mayfield	3/3
Sir Paul Ruddock FSA	1/3
Baroness Shafik DBE	1/3
Professor Sir Mark Walport FRCP, FRS, FMedSci, HonFRSE	2/3

**Audit Committee**

Dame Vivian Hunt DBE (Chair)	4/4
Professor Chris Gosden FBA	4/4
Mr Philipp Hildebrand	3/4
Mr George Weston	4/4
Mr Hywel Ball (Co-opted)	3/4
The Hon Sir Nigel Boardman (Co-opted)	3/4
Sir Ian Johnston (Co-opted)	4/4

**Investment Sub-committee**

Dame Elizabeth Corley DBE (Chair)	2/2
Mr Philipp Hildebrand	1/2
Sir Paul Ruddock FSA	2/2
Mr Stephen Fitzgerald (Co-opted)	2/2

**Nominations and Remuneration Committee**

Baroness Shafik DBE (Chair)	3/3
Ms Clarissa Farr	3/3
Ms Muriel Gray FRSE	0/3
George Osborne CH	3/3
Professor Dame Sarah Worthington DBE, QC (Hon), FBA	3/3

**Research Committee**

Professor Chris Gosden FBA (Chair)	3/3
Professor Dame Mary Beard DBE, FSA, FBA	3/3
Professor Sir Mark Walport FRCP, FRS, FMedSci, HonFRSE	3/3
Professor Dame Sarah Worthington DBE, QC (Hon), FBA	3/3
Dr Valerie Johnson (Co-opted)	2/3
Professor Rana Mitter (Co-opted)	2/3
Professor Olivette Otele (Co-opted)	1/3
Professor Andrew Thompson (Co-opted)	3/3

**Rosetta Project Committee**

Sir Charlie Mayfield (Chair)	3/3
Mr Mark Pears	1/3
Professor Sir Mark Walport FRCP, FRS, FMedSci, HonFRSE	3/3
Ms Priyanka Wadhawan	1/3
Sir George Iacobescu (Co-opted)	3/3
Mr Steve McGuckin (Co-opted)	3/3
Mr David Whittleton (Co-opted)	3/3

## Trustee membership of related Councils and Boards

**British Museum Friends Advisory Council**

Ms Clarissa Farr (Chair)

**The American Friends of the British Museum**

George Osborne CH (ex officio director)

The Director is also a director of The American Friends of the British Museum (ex officio director).

## Official addresses as at 31 March 2023

Principal address:	The British Museum, Great Russell Street, London WC1B 3DG
The British Museum Great Court Limited:	The British Museum, Great Russell Street, London WC1B 3DG
The British Museum Company Limited:	The British Museum, Great Russell Street, London WC1B 3DG
Auditors:	
The Museum and the group	The Comptroller and Auditor General, National Audit Office, 157-197 Buckingham Palace Road, Victoria, London SW1W 9SP
The British Museum Company Limited, The British Museum Great Court Limited, The British Museum Friends Limited	Moore Kingston Smith LLP, 6th Floor, 9 Appold Street, London EC2A 2AP
Bankers:	National Westminster Bank Plc, 214 High Holborn, London WC1V 7BX
Solicitor:	In-house legal services, The British Museum
Investment advisers:	Newton Investment Management Limited, 160 Queen Victoria Street, London EC4V 4LA

## DCMS' performance indicators

The BM's Management Agreement with DCMS includes a requirement to report on a number of performance indicators in place since 2008/09 to facilitate consistent reporting across national museums and galleries.

	2022/23	2021/22	2020/21	2019/20	2018/19
Number of visits to the Museum (excluding virtual visits)	4.5m	2.0m <sup>4</sup>	160k <sup>5</sup>	5.9m <sup>6</sup>	6.0m
Number of unique website visits <sup>7</sup>	26.5m <sup>8</sup>	34.2m	33.5m <sup>9</sup>	33.9m	33.6m
Number of visits by children under 16	1,032k	390k	45k	862k	988k
Number of overseas visitors	2.5m	0.3m	3k	3.8m	3.4m <sup>10</sup>
Number of facilitated and self-directed visits to the Museum by children under 18 in formal education	237k	9k	Nil <sup>11</sup>	301k	301k
Number of instances of children under 18 participating in on-site organised activities	117k	48k	10k	118k	118k
% of visitors who would recommend a visit	97%	97%	90% <sup>12</sup>	99% <sup>13</sup>	96%
Admissions income	£3.1m	£2.8m	£0.3m	£4.3m	£2.0m
Trading income <sup>14</sup>	£11.2m	£6.2m	-£0.3m	£8.7m	£7.6m
Fundraising <sup>15</sup>	£31.3m	£17.2m	£40.4m	£23.7m	£22.8m
Number of UK loan venues <sup>16</sup>	138	132	112 <sup>17</sup>	195	147

<sup>4</sup> Due to the COVID-19 pandemic, the BM was open for 316 days out of its normal 362 opening days in 2021/22, with some limited capacity.

<sup>5</sup> The reduction in visits was due to the COVID-19 pandemic. The Museum was open for 78 days in 2020/21, with limited capacity.

<sup>6</sup> The Museum closed to the public from 18 March 2020 due to the COVID-19 pandemic.

<sup>7</sup> This includes visits (sessions) to all BM websites.

<sup>8</sup> The decrease in number of unique website visits reported is attributed to the implementation of CMP (Cookie Management Platform) to ensure compliance with GDPR, which impacts the amount of visitor data recorded.

<sup>9</sup> The decrease in number of unique website visits is accounted for by a change in methodology. Under the previous methodology the number of unique website visits in 2020/21 would have been 36.8 million.

<sup>10</sup> The figure for 2018/19 has been amended from 3.8 million previously reported following discovery of a data analysis error.

<sup>11</sup> The figure for 2020/21 has been amended from 18k previously reported owing to discovery of an error in the reporting methodology.

<sup>12</sup> The figure for 2020/21 has been affected by a very small data set due to the impact of COVID-19.

<sup>13</sup> The figure for 2019/20 has been amended from 92% previously reported to ensure consistency of approach with the wider sector.

<sup>14</sup> Defined by DCMS as net profit from activities which involve selling a product or service to a customer, and including international touring exhibitions, consultancy and retail. The decrease in 2020/21 was due to the impact of COVID-19.

<sup>15</sup> Defined by DCMS as activities which involve seeking financial support, e.g. from sponsors, private benefactors, charitable trusts. The figure here excludes donations in kind.

<sup>16</sup> In line with DCMS guidance, the figures here include venues to which the BM has loaned more than once in the year as multiple instances. The figure quoted above in the *Audiences and Engagement* section reflects the number of unique loan venues.

<sup>17</sup> The reduction in loan venues was due to the COVID-19 pandemic. Loans to 176 venues were scheduled originally for 2020/21. The figure for 2020/21 has been amended from 117 previously reported owing to discovery of an error in the reporting methodology.

## Remuneration Report

The BM has prepared this Remuneration Report in accordance with the *Government Financial Reporting Manual*, which requires disclosure of information about directors' remuneration, where 'directors' is interpreted to mean those who influence the decisions of the BM as a whole. In the BM's opinion this means the Trustees and the Director, Hartwig Fischer. As an additional disclosure, the remuneration of the Deputy Director with oversight responsibility for Finance and HR is also presented below (Christopher Yates).

The Chair and Board of Trustees neither received nor waived any remuneration for their services during the year (2021/22: £nil). Further details about the Trustees are included within the Governance Statement.

### Remuneration policy

The Chair assesses the performance of the Director each year. The Nominations and Remuneration Committee makes recommendations to the Board on the Director's remuneration, including the value of any bonus.

### Service contracts

The officials covered by this report all have open-ended appointments. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. Hartwig Fischer and Christopher Yates are members of the Civil Service pension scheme. Further details about the Civil Service pension arrangements can be found at note 20 and on the website <http://www.civilservice.gov.uk/pensions>

### Remuneration (salary, benefits in kind and pensions) – audited

Single total figure of remuneration										
	Salary (£'000) <sup>18</sup>		Bonus payments (£'000) <sup>19</sup>		Benefits in kind (to nearest £100) <sup>20</sup>		Pension benefits (to nearest £1000) <sup>21</sup>		Total (£'000)	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Hartwig Fischer Director	195-200	195-200	29	–	1,200	1,200	75,000	77,000	300-305	275-280
Christopher Yates Deputy Director	150-155	145-150	–	–	–	–	15,000	35,000	165-170	180-185

### Pay multiples – audited

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid employee in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. The banded remuneration of the highest-paid employee at the reporting period end date was £225k-£230k (2021/22 restated: £200k-£205k). This was 7.7 times the median remuneration of the

<sup>18</sup> Salary comprises gross salary payable during the year.

<sup>19</sup> Under his contract, Hartwig Fischer is entitled to receive an annual bonus of up to 15% of annual gross salary, entirely at the discretion of the Trustees. The timing of the appraisal process is such that the bonus reported in these accounts for 2022/23 relates to performance in 2021/22. In view of the difficult situation resulting from COVID-19, Hartwig Fischer asked not to be considered for a bonus with respect to the years 2019/20 and 2020/21, and took a pay cut in 2020/21.

<sup>20</sup> The monetary value of benefits in kind covers any benefits provided by the BM and treated by HM Revenue and Customs as a taxable emolument. From 7 November 2016, Hartwig Fischer received living accommodation provided at public expense and chargeable to tax under s163 of the Income and Corporation Taxes Act 1988.

<sup>21</sup> The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights. Taking account of inflation, the CETV funded by the employer has decreased in real terms.



workforce (2021/22: 7.1 times) at the reporting period end date, which was £29.5k (2021/22: £28.1k). It was 6.0 (2021/22: 5.5) times the upper quartile remuneration which was £37.7k (2021/22: £36.2k) and 9.4 (2021/22: 8.6) times the lower quartile remuneration which was £24.2k (2021/22: £23.3k). The BM complies as appropriate with the Civil Service pay guidance, as modified by the Museum Freedoms. Remuneration for the workforce at the reporting end date, including fees paid, agency staff, apprentices and including the highest-paid employee, ranged from a banded remuneration of £15k-£20k to a banded remuneration of £225k-£230k (2021/22: from a banded remuneration of £15k-£20k to a banded remuneration of £200k-£205k). Total remuneration includes salary, performance related pay, and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The percentage change in the remuneration of the highest paid employee was +12.8% however this primarily reflects the fact that the Director, in 2021/22, asked not to be considered for or awarded a bonus in respect of 2020/21, but received a bonus in 2022/23 in respect of 2021/22. The percentage change excluding bonus was -1.8%, reflecting the fact that the Director did not receive a pay rise or backdated pay in 2022/23. The percentage change in the remuneration of the mean average employee was +4.94%. As well as the pay award in the year, this also reflects changes in the staff mix.

### *Pension benefits – audited*

	Accrued pension at pension age <sup>22</sup> as at 31/3/23 and related lump sum	Real increase in pension and related lump sum at pension age	CETV <sup>23</sup> at 31/3/23	CETV at 31/3/22	Real increase in CETV <sup>24</sup>
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Hartwig Fischer Director	30 – 35	2.5 – 5	487	396	52
Christopher Yates Deputy Director	60 – 65 plus a lump sum of 95 – 100	0 – 2.5 plus a lump sum of 0	1,050	948	-7

Hartwig Fischer  
Accounting Officer  
4 July 2023

George Osborne CH  
Chair

<sup>22</sup> 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 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.)

<sup>23</sup> A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken. CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

<sup>24</sup> 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 factors for the start and end of the period.

## Statement of Trustees' and Accounting Officer's responsibilities

Under Section 9 (4) and (5) of the Museum and Galleries Act 1992, the Secretary of State for the Department for Culture, Media and Sport with the consent of the Treasury has directed the Trustees of the British Museum to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the British Museum and of its net resource outturn, application of resources, changes in funds and cash flows for the financial year.

In preparing the BM's accounts, the Trustees and Accounting Officer are required to the British Museum shall also have regard to the requirements of the edition of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards and statements of recommended practice have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the BM will continue in operation.

Hartwig Fischer is the Accounting Officer designated by the Accounting Officer of the Department for Culture, Media and Sport.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the British Museum's assets, are set out in *Managing Public Money* issued by the HM Treasury.

The Accounting Officer confirms that he has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the British Museum's auditors are aware of that information. He confirms that as far as he is aware there is no relevant audit information of which the British Museum's auditors are unaware.

The Accounting Officer confirms that the Annual Report and Accounts as a whole is fair, balanced and understandable, and that he takes personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

Hartwig Fischer  
Accounting Officer  
4 July 2023

George Osborne CH  
Chair

## Governance statement

The governing body of the BM is the Board of Trustees whose members are appointed for fixed terms of service. They are non-executive and unpaid. Under the terms of the British Museum Act 1963, the Board may consist of up to 25 members, of whom 15 are appointed by the Prime Minister; one by the Sovereign; four by the Secretary of State on the nomination of the Royal Academy, the British Academy, the Society of Antiquaries of London and the Royal Society respectively; and five by the Board of the British Museum. The Chair is appointed by the Board from its members. The names of Trustees serving during the year are listed in the 'Reference and administrative details' section.

The British Museum's governance framework is set out in its *Governance Principles and Procedures* which is published on the website. The BM follows governance best practice for public service and charitable bodies, such as the Charity Governance Code. Insofar as it applies, the BM complies with the principles of the *Corporate Governance in Central Government Departments: Code of Good Practice 2017*.

The induction of new Trustees is primarily through a programme of department visits and meetings with the Director, Deputy Directors, and members of the senior management team. An introductory pack of key documents and publications including the Governance Principles and Procedures, the BM Strategy and Operating Plan, the Annual Report and Accounts, and the organisation chart is provided. Induction programmes and training are further tailored to the individual needs, interests and responsibilities of the Trustee. A programme of training and briefing sessions is available to all Trustees throughout their term of appointment. Induction is also provided for co-opted members of Trustee committees.

A register of interests is maintained for Trustees, co-opted committee members and senior staff and is available for public inspection on request; this is formally reviewed once a year. Trustees and co-opted members are required to declare any conflicts or potential conflicts of interest at Board and committee meetings, and these are recorded in the minutes. Depending on the nature of the conflict or potential conflict, the Chair may require a Trustee or co-opted member to either leave the meeting, or not take part in a discussion or decision on a particular issue. During the year, two Trustees declared potential conflicts of interest at a Nominations and Remuneration Committee meeting, three members of the Rosetta Project Committee declared potential conflicts of interest, and one Director declared a conflict of interest at a British Museum Company Board meeting.

No Trustees, or the Director, or Deputy Directors, held any significant interests during the year which would conflict with their management responsibilities for the Museum.

Board/ Committee	Hierarchy	Remit
Board of Trustees	Board	To discharge statutory duties under the British Museum Act 1963 and Museums and Galleries Act 1992 for the general management and control of the BM. The Board appoints the Director with the approval of the Prime Minister, defines the strategic direction of the BM, and approves its execution in an operating plan drawn up in consultation with the Director.
Standing Committee	Board Committee	To discharge the functions of the Board between quarterly Board meetings, including monitoring achievement of the operating plan.
Director	Accounting Officer	All Board authority granted to the management and staff of the BM is delegated through the Director, so that all authority and accountability is considered to be the authority and accountability of the Director so far as the Board is concerned. The Director attends Board meetings. The Director as the Accounting Officer is accountable to Parliament for the stewardship of the resources within the BM's control.
Audit Committee	Board Committee	To support the Board and the Accounting Officer in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness, reliability and integrity of assurances provided to them.

Board/ Committee	Hierarchy	Remit
Nominations and Remuneration Committee	Board Committee	To advise on succession planning for Trustees, recommend candidates as Trustees for appointment, carry out an evaluation of the Board's and Chair's performance, and make recommendations to the Board on the Director's remuneration.
Investment Sub-Committee	Sub-committee of the Standing Committee	To advise the Standing Committee on the investment of the BM's funds and the performance of investment managers, and recommend an investment policy to the Board of Trustees.
Research Committee	Sub-committee of the Standing Committee	To provide expert advice and oversight of the BM's research programme, to monitor the implementation of the research strategy and provide quality assurance.
Rosetta Project Committee	Sub-committee of the Standing Committee	To monitor projects over £25 million on behalf of the Board and ensure that management implements projects in accordance with the scope, design and budget of the project as approved by the Board.
Directorate Group	Executive Committee	To lead the BM's planning process, manage risk and oversee operational activity.
BM Management Group	Executive Committee	To raise and discuss current and emerging issues relating to BM activity and external developments; and act as an information sharing group for heads of department. Its membership is drawn from the Directorate Group and the heads of BM departments. During the year this comprised of the following: <ul style="list-style-type: none"> <li>■ <i>Collections &amp; Public Engagement:</i> Africa, Oceania &amp; the Americas; Asia; Britain, Europe &amp; Prehistory; Coins &amp; Medals; Collection Care; Collection Projects &amp; Resources; Communications; Egypt &amp; Sudan; Exhibitions; Greece &amp; Rome; Learning &amp; National Partnerships; Middle East; Prints &amp; Drawings; Public Engagement; Scientific Research.</li> <li>■ <i>Operations:</i> Advancement; Commercial; Estates &amp; Capital Projects; Finance; Governance; Human Resources; Information Services; International Engagement; Membership &amp; Customer Relationship Management; Resources; Security and Visitor Services.</li> </ul>

## Board effectiveness

The Board reviews its effectiveness annually by self-assessment, with an independent review conducted every three years, the last of which was completed in 2020. The most recent self-assessment was conducted in 2022 and concluded that the Board's performance was strong overall, with no significant weaknesses. A further review will be conducted in 2023.

During the year the Board approved a new three-year Operating Plan, supported by a Budget. The Trustees receive quarterly reports on the BM's performance against its key objectives. A summary of performance is included above in the section 'Strategic direction and performance against objectives'.

The Board has high standards in terms of the data it expects to receive to support it in discharging its duties. Data relating to the delivery of the BM's objectives, including financial control and the management of risk, are regularly reviewed by the Board and its committees. The 2022 review of Board performance showed that the Trustees agreed that they received an appropriate level of information and that there were effective mechanisms in place to measure performance.

## Reports from Board committees

- *Audit Committee:* during the year, the Committee continued to review the management of risks. In addition to its on-going review of the risk register, the Committee also received briefings on the management of risks relating to the collection, public programme, reputation, building and masterplan. It received

regular updates on security, operations and collections management, as well as reports on external and internal audits.

- *Nominations & Remuneration Committee*: during 2022/23, the committee made recommendations to ministers to reappoint three Trustees. The outcome of these recommendations is awaited. The committee made a recommendation to the Board on the Director's remuneration for 2021/22. It kept under review the skills and diversity requirements of the Board and its committees. The committee has considered skills priorities and potential candidates for Prime Ministerial appointments vacancies. It has liaised with the Royal Academy regarding the next Royal Academy nominated Trustee.
- *Standing Committee*: the committee continued to discharge the functions of the Board between quarterly Board meetings.

Reports from the Chairs of the Audit Committee and Nominations and Remuneration Committee are recorded in the minutes of Board meetings which are published on the BM's website. Standing Committee business is reported to the Board by the Chair as appropriate. Sub-committee business is reported to the Standing Committee.

Attendance at meetings of the Board and its committees is noted in the section 'Reference and administrative details' above.

## Risk management framework and risk assessment

Risk is unavoidable and the resources available for managing risk are finite. The aim of risk management within the BM is therefore to achieve an optimum response to risk, prioritised in accordance with an evaluation of the risks. The approach adopted takes into account best practice guidance from the National Audit Office and risk management standards.

The BM assesses risk through consideration of the likelihood of something happening, and its potential impact. Risk management within the BM includes:

- identifying and assessing risks (the "inherent risks");
- assigning each of those risks to an individual risk owner;
- setting an agreed risk appetite (the "risk targets");
- evaluating the effectiveness of relevant mitigating controls;
- assessing the risks remaining given the controls in place (the "residual risks"); and
- agreeing, implementing and monitoring controls to reduce the variance between residual and target risks.

Risk management is everybody's responsibility, and is embedded within the BM through established business planning processes which ensure that risks to achieving plan initiatives are identified as those initiatives are developed and project risks are considered at project gateways.

*The Board of Trustees* has statutory duties under the British Museum Act 1963 and Museums and Galleries Act 1992 for the general management and control of the BM. The Board appoints the Director with the approval of the Prime Minister, defines the strategic direction of the Museum, and approves its execution in an operating plan drawn up in consultation with the Director.

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

*The Audit Committee* supports the Board and the Accounting Officer in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness, reliability and integrity of assurances provided to them. The Audit Committee reviews the risk register and actions taken at each of its meetings. In addition to a rolling programme of review, the committee focuses on the highest rated residual risks in terms of their likelihood and impact taken together, and topical risks. The Museum applies a "three lines of defence" model for the effective management of risks throughout the organisation, identifying and coordinating the main sources of assurance which are provided to the Audit Committee. The Audit Committee challenges the BM's officers for evidence of good management and routinely requires managers to provide assurance that risk management and internal controls are thoroughly understood and effectively implemented at operating level. The Chair of the Audit Committee reports to the Board of Trustees annually with regard to the effectiveness

of risk management and the system of internal control and as required for emerging issues related to risk management.

*The Directorate Group* considers risk as part of its ongoing business in reviewing reports or recommendations for action or decision.

*The Internal Controls Committee* oversees the implementation of risk management principles and practice throughout the BM with the objective of eliminating, transferring, mitigating or accepting risks. It seeks to co-ordinate activities to obtain a more effective risk management process from existing resources and ensure the dissemination of good practice throughout the BM. It aims to provide the Directorate Group and so the Accounting Officer and the Audit Committee with assurance that an effective system of internal control has been maintained and is operated within the BM.

*Internal Audit* acts as an independent review of the internal control framework, including risk management. In addition to reports on individual reviews, Internal Audit produces an annual report that contains the Head of Internal Audit's opinion of the overall adequacy and effectiveness of the risk management, control and governance processes.

During the year the BM's risk management policy was reviewed and no significant changes were made.

The most significant inherent risks that the Trustees manage relate to the safety and security of people working for, volunteering with and visiting the Museum; the stewardship of a collection of unparalleled global importance; the maintenance of an iconic heritage building; the preservation of relationships with local, national and international partners and stakeholders; and the long-term sustainability of the organisation.

The major residual risks and the key mitigations in place are noted in the following table:

Risks	Mitigation
There are a number of risks associated with the poor condition of the estate, for example increased maintenance costs and the closure of spaces	<ul style="list-style-type: none"> <li>■ Application for additional capital grant in aid and private financial support. During the year the Government made a provisional announcement of a very welcome additional investment in the Museum's estate over the next three-year Spending Review period</li> <li>■ Prioritisation, planning and budgeting process to ensure that investment is appropriately targeted</li> </ul>
There is a risk that government funding is insufficient to support required capital investment and operating costs, especially with rising inflation	<ul style="list-style-type: none"> <li>■ Liaison with DCMS</li> <li>■ Income generation</li> </ul>
There is a risk of delays, additional cost and funding risks associated with building projects as a result of the impact of geopolitical factors on the supply chain and labour markets	<ul style="list-style-type: none"> <li>■ Close liaison with contractors to minimise delay and additional cost</li> <li>■ Advice from in-house procurement and legal team, supplemented by specialist external advice where appropriate</li> <li>■ Advice from experts on the Rosetta Project Committee</li> <li>■ Liaison with DCMS about the impact on the programme to vacate Blythe House</li> <li>■ During the year the Trustees designated funds to allow delivery of activities that have been postponed or delayed since the start of the pandemic</li> </ul>

Risks	Mitigation
There is a risk of reduced self-generated income as a result of geopolitical factors	<ul style="list-style-type: none"> <li>■ Regular financial forecasting</li> <li>■ Detailed plans to deliver cost savings and minimise income losses where possible, for example through re-opening shops and hospitality outlets where commercially viable and maintaining positive relationships with supporters</li> <li>■ Government financial support</li> </ul>
Risk of delays in activity, disruption and reduced public offer as a result of high staff turnover and industrial action	<ul style="list-style-type: none"> <li>■ Pay strategy</li> <li>■ Museum Freedoms</li> </ul>

The actions required in each case to achieve target risk levels are recorded in the risk register and their delivery is monitored by the Audit Committee.

The BM has, overall, an adequate and effective framework for risk management, governance and internal control, and appropriate plans, informed by internal audit reviews, to ensure continuous improvement. In response to findings that some controls were not operating as expected, the BM is focusing its efforts on scrutinising areas of perceived higher risk and, in particular, is concentrating on implementing agreed changes to collection management and security procedures and processes, safeguarding, and maintaining cyber security. The BM is developing a long-term masterplan to address issues with the estate.

During 2022/23 the BM suffered no significant losses or thefts of personal or other protected data and made no report to the Information Commissioner's Office.

The BM has a whistleblowing policy which is approved by the Board of Trustees and published on the website. The policy is formally reviewed every four years, or as circumstances require. The policy is supported by a whistleblowing procedure made available to all staff and published on the Museum's intranet.

*Hartwig Fischer*  
Accounting Officer  
4 July 2023

# 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 British Museum and its Group for the year ended 31 March 2023 under the Museums and Galleries Act 1992.

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

- Consolidated and Museum Balance Sheets as at 31 March 2023;
- Consolidated Statement of Financial Activities and Consolidated Statement of Cash Flows for the year then ended; 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 British Museum and its Group's affairs as at 31 March 2023 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 and Regularity of Public Sector Bodies in the United Kingdom (2022)*. 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 am independent of the British 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 British 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 British 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' Board 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 Trustees' and Accounting Officer's Annual Report, but does not include the financial statements nor my auditor's certificate. 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.

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 Trustees' and Accounting Officer's 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 Trustees' and Accounting Officer's 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 British Museum and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustees' and Accounting Officer's Annual Report.

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

- adequate accounting records have not been kept by the British Museum and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Trustees' and Accounting Officer's Annual Report, subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the Secretary of State directions issued under the Museums and Galleries Act 1992 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:

- maintaining proper accounting records;
- 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 determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the British 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 intends 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 Museums and Galleries Act 1992.

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

*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:

- considered the nature of the sector, control environment and operational performance including the design of the British Museum and its Group's accounting policies and key performance indicators.
- inquired of management, the British Museum's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Museum and its Group's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Museum and its Group's controls relating to its compliance with the Museums and Galleries Act 1992, British Museum Act 1963, Charities Act 2011 and Managing Public Money.
- inquired of management, the British Museum's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team including significant component audit teams and the relevant internal and external specialists, including property valuation experts and IT audit, 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 British 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 obtained an understanding of the British Museum and its Group's framework of authority and other legal and regulatory frameworks in which the British Museum and its Group operates. I focused 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 British Museum and its Group. The key laws and regulations I considered in this context included, the Museums and Galleries Act 1992, the British Museum Act 1963, the Charities Act 2011, Managing Public Money, employment law and tax legislation.

#### *Audit response to identified risk*

To respond to the identified risks resulting from the above procedures:

- I reviewed 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;
- I enquired of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed 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, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of fraud in revenue recognition, assessing the recognition of grants, sponsorship, legacies and donations in line with the accounting framework, assessing the completeness of these income streams and the recognition points around the year-end.

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

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

#### *Other auditor's responsibilities*

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements 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 I identify during my audit.

## Report

I have no observations to make on these financial statements.

Gareth Davies  
Comptroller and Auditor General

6 July 2023

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

## Consolidated Statement of Financial Activities for the year ended 31 March 2023

	Note	Revenue Funds			Capital Funds			Total Funds					Total 2022 £000s Restated	
		Unrestricted £000s	Restricted £000s	Total £000s	Unrestricted £000s	Restricted £000s	Collection Acquisitions £000s	Total £000s	Unrestricted £000s	Restricted £000s	Permanent Endowments £000s	Expendable Endowments £000s		Total 2023 £000s
<b>Income and endowments from</b>														
Grant-in-aid	2	46,137	1,617	<b>47,754</b>	–	20,013	–	<b>20,013</b>	<b>46,137</b>	<b>21,630</b>	–	–	<b>67,767</b>	66,621
Donations and legacies		3,744	22,718	<b>26,462</b>	–	372	790	<b>1,162</b>	<b>3,744</b>	<b>23,880</b>	–	–	<b>27,624</b>	13,539
Charitable activities	3	21,776	1,190	<b>22,966</b>	–	54	–	<b>54</b>	<b>21,776</b>	<b>1,244</b>	–	–	<b>23,020</b>	19,780
Other trading activities	11(b)	14,418	–	<b>14,418</b>	–	–	–	–	<b>14,418</b>	–	–	–	<b>14,418</b>	8,223
Investments	4	1,595	224	<b>1,819</b>	–	156	–	<b>156</b>	<b>1,595</b>	<b>380</b>	–	<b>30</b>	<b>2,005</b>	810
Total income and endowments		87,670	25,749	<b>113,419</b>	–	20,595	790	<b>21,385</b>	<b>87,670</b>	<b>47,134</b>	–	<b>30</b>	<b>134,834</b>	108,973
<b>Expenditure on</b>														
<b>Raising funds</b>														
Expenditure on raising donations and legacies	6	(2,507)	(1)	<b>(2,508)</b>	–	(109)	–	<b>(109)</b>	<b>(2,507)</b>	<b>(110)</b>	–	–	<b>(2,617)</b>	(2,043)
Expenditure on other trading activities	6, 11(b)	(8,648)	–	<b>(8,648)</b>	(10)	–	–	<b>(10)</b>	<b>(8,658)</b>	–	–	–	<b>(8,658)</b>	(5,926)
Investment management costs	6	(113)	(66)	<b>(179)</b>	–	(39)	–	<b>(39)</b>	<b>(113)</b>	<b>(105)</b>	<b>(98)</b>	<b>(80)</b>	<b>(396)</b>	(310)
<b>Charitable activities</b>	6	(62,783)	(8,484)	<b>(71,267)</b>	(198)	(19,523)	–	<b>(19,721)</b>	<b>(62,981)</b>	<b>(28,007)</b>	–	<b>(722)</b>	<b>(91,710)</b>	(71,484)
Total expenditure	6	(74,051)	(8,551)	<b>(82,602)</b>	(208)	(19,671)	–	<b>(19,879)</b>	<b>(74,259)</b>	<b>(28,222)</b>	<b>(98)</b>	<b>(802)</b>	<b>(103,381)</b>	(79,763)
Net gains/(losses) on investments	10	331	1,424	<b>1,755</b>	–	(2,783)	–	<b>(2,783)</b>	<b>331</b>	<b>(1,359)</b>	<b>(192)</b>	<b>(353)</b>	<b>(1,573)</b>	9,083
<b>Net income/(expenditure)</b>	5	13,950	18,622	<b>32,572</b>	(208)	(1,859)	790	<b>(1,277)</b>	<b>13,742</b>	<b>17,553</b>	<b>(290)</b>	<b>(1,125)</b>	<b>29,880</b>	38,293
Transfers between funds	16	(126)	59	<b>(67)</b>	114	294	482	<b>890</b>	<b>(12)</b>	<b>835</b>	<b>(673)</b>	<b>(150)</b>	–	–
<b>Other recognised gains/(losses)</b>														
Gain on revaluation of fixed assets	7	–	–	–	–	58,314	–	<b>58,314</b>	–	<b>58,314</b>	–	–	<b>58,314</b>	39,564
Actuarial gains on defined benefit pension scheme	20	5,986	–	<b>5,986</b>	–	–	–	–	<b>5,986</b>	–	–	–	<b>5,986</b>	2,316
Other gains		73	72	<b>145</b>	–	32	–	<b>32</b>	<b>73</b>	<b>104</b>	–	<b>2</b>	<b>179</b>	39
<b>Net movement in funds</b>		19,883	18,753	<b>38,636</b>	(94)	56,781	1,272	<b>57,959</b>	<b>19,789</b>	<b>76,806</b>	<b>(963)</b>	<b>(1,273)</b>	<b>94,359</b>	80,212
<b>Reconciliation of funds:</b>														
Total funds brought forward as at 1 April	16(a)	42,840	43,337	<b>86,177</b>	549	949,742	109,757	<b>1,060,048</b>	<b>43,389</b>	<b>1,102,836</b>	<b>23,811</b>	<b>23,409</b>	<b>1,193,445</b>	1,113,233
<b>Total funds carried forward as at 31 March</b>	16(a)	62,723	62,090	<b>124,813</b>	455	1,006,523	111,029	<b>1,118,007</b>	<b>63,178</b>	<b>1,179,642</b>	<b>22,848</b>	<b>22,136</b>	<b>1,287,804</b>	1,193,445

All operations of the British Museum continued throughout 2022/23 and 2021/22 and none were discontinued in either period.

The British Museum has no recognised gains and losses other than those above.

The valuations of Land and Buildings and Plant and Machinery have been restated (see Note 25).

The accompanying notes form part of these accounts.

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

	Note	Revenue Funds			Capital Funds			Total Funds					Total 2021 £000s Restated	
		Unrestricted £000s	Restricted £000s	Total £000s	Unrestricted £000s	Restricted £000s Restated	Collection Acquisitions £000s	Total £000s Restated	Unrestricted £000s	Restricted £000s Restated	Permanent Endowments £000s	Expendable Endowments £000s		Total 2022 £000s Restated
<b>Income and endowments from</b>														
Grant-in-aid	2	51,474	–	<b>51,474</b>	–	15,147	–	<b>15,147</b>	<b>51,474</b>	<b>15,147</b>	–	–	<b>66,621</b>	65,420
Donations and legacies		2,631	5,844	<b>8,475</b>	–	4,310	556	<b>4,866</b>	<b>2,631</b>	<b>10,710</b>	–	<b>198</b>	<b>13,539</b>	38,956
Charitable activities	3	18,396	905	<b>19,301</b>	–	479	–	<b>479</b>	<b>18,396</b>	<b>1,384</b>	–	–	<b>19,780</b>	15,773
Other trading activities	11(b)	8,223	–	<b>8,223</b>	–	–	–	–	<b>8,223</b>	–	–	–	<b>8,223</b>	3,079
Investments	4	326	481	<b>807</b>	–	3	–	<b>3</b>	<b>326</b>	<b>484</b>	–	–	<b>810</b>	472
Total income and endowments		81,050	7,230	<b>88,280</b>	–	19,939	556	<b>20,495</b>	<b>81,050</b>	<b>27,725</b>	–	<b>198</b>	<b>108,973</b>	123,700
<b>Expenditure on</b>														
<b>Raising funds</b>														
Expenditure on raising donations and legacies	6	(2,000)	(2)	<b>(2,002)</b>	–	(41)	–	<b>(41)</b>	<b>(2,000)</b>	<b>(43)</b>	–	–	<b>(2,043)</b>	(1,621)
Expenditure on other trading activities	6, 11(b)	(5,916)	–	<b>(5,916)</b>	(10)	–	–	<b>(10)</b>	<b>(5,926)</b>	–	–	–	<b>(5,926)</b>	(3,664)
Investment management costs	6	(82)	–	<b>(82)</b>	–	(38)	–	<b>(38)</b>	<b>(82)</b>	<b>(38)</b>	<b>(101)</b>	<b>(89)</b>	<b>(310)</b>	(258)
<b>Charitable activities</b>	6	(49,468)	(6,077)	<b>(55,545)</b>	(211)	(15,188)	–	<b>(15,399)</b>	<b>(49,679)</b>	<b>(21,265)</b>	–	<b>(540)</b>	<b>(71,484)</b>	(71,030)
Total expenditure	6	(57,466)	(6,079)	<b>(63,545)</b>	(221)	(15,267)	–	<b>(15,488)</b>	<b>(57,687)</b>	<b>(21,346)</b>	<b>(101)</b>	<b>(629)</b>	<b>(79,763)</b>	(76,573)
Net gains/(losses) on investments	10	1,769	257	<b>2,026</b>	–	1,200	–	<b>1,200</b>	<b>1,769</b>	<b>1,457</b>	<b>2,917</b>	<b>2,940</b>	<b>9,083</b>	6,165
<b>Net income/(expenditure)</b>	5	25,353	1,408	<b>26,761</b>	(221)	5,872	556	<b>6,207</b>	<b>25,132</b>	<b>7,836</b>	<b>2,816</b>	<b>2,509</b>	<b>38,293</b>	53,292
Transfers between funds	16	(4,549)	(7,040)	<b>(11,589)</b>	60	11,620	782	<b>12,462</b>	<b>(4,489)</b>	<b>5,362</b>	<b>(638)</b>	<b>(235)</b>	–	–
<b>Other recognised (losses)/gains</b>														
Gain/(loss) on revaluation of fixed assets	7	–	–	–	–	39,564	–	<b>39,564</b>	–	<b>39,564</b>	–	–	<b>39,564</b>	(11,222)
Actuarial gains/(losses) on defined benefit pension scheme	20	2,316	–	<b>2,316</b>	–	–	–	–	<b>2,316</b>	–	–	–	<b>2,316</b>	(976)
Other gains/(losses)		8	21	<b>29</b>	–	8	–	<b>8</b>	<b>8</b>	<b>29</b>	–	<b>2</b>	<b>39</b>	(240)
<b>Net movement in funds</b>		23,128	(5,611)	<b>17,517</b>	(161)	57,064	1,338	<b>58,241</b>	<b>22,967</b>	<b>52,791</b>	<b>2,178</b>	<b>2,276</b>	<b>80,212</b>	40,854
<b>Reconciliation of funds:</b>														
Total funds brought forward as at 1 April	16(a)	19,712	48,948	<b>68,660</b>	710	892,678	108,419	<b>1,001,807</b>	<b>20,422</b>	<b>1,050,045</b>	<b>21,633</b>	<b>21,133</b>	<b>1,113,233</b>	1,072,379
<b>Total funds carried forward as at 31 March</b>	16(a)	42,840	43,337	<b>86,177</b>	549	949,742	109,757	<b>1,060,048</b>	<b>43,389</b>	<b>1,102,836</b>	<b>23,811</b>	<b>23,409</b>	<b>1,193,445</b>	1,113,233

All operations of the British Museum continued throughout 2021/22 and 2020/21 and none were discontinued in either period.

The British Museum has no recognised gains and losses other than those above.

The valuations of Land and Buildings and Plant and Machinery have been restated (see Note 25).

The accompanying notes form part of these accounts.

## Consolidated Balance Sheet as at 31 March 2023

	Note	2023 £000s	2022 £000s Restated
<b>Fixed assets</b>			
Tangible assets	7(a)	<b>945,990</b>	891,215
Intangible assets	8(a)	<b>4,315</b>	4,230
Heritage assets	9(c)	<b>111,029</b>	109,757
Investments	10(a)	<b>166,463</b>	80,535
Investment properties	10(b)	<b>29,450</b>	25,400
<b>Total fixed assets</b>		<b>1,257,247</b>	1,111,137
Debtors due in more than one year	12	<b>6,010</b>	9,911
<b>Current assets</b>			
Stock-goods for resale	11(c)	<b>1,821</b>	1,363
Debtors due within one year	12	<b>15,681</b>	17,297
Investments	10(c)	<b>3,027</b>	45,263
Cash at bank and in hand	10(d)	<b>35,873</b>	46,071
<b>Total current assets</b>		<b>56,402</b>	109,994
Creditors due within one year	13	<b>(21,653)</b>	(17,775)
Provisions due within one year	14	<b>(207)</b>	(1,067)
<b>Net current assets</b>		<b>34,542</b>	91,152
Total assets less current liabilities		<b>1,297,799</b>	1,212,200
Creditors due after more than one year	13	<b>(10,843)</b>	(13,247)
Net assets excluding pension asset / (liability)		<b>1,286,956</b>	1,198,953
Defined benefit pension scheme asset / (liability)	20	<b>848</b>	(5,508)
<b>Total net assets</b>		<b>1,287,804</b>	1,193,445
<b>The funds of the group:</b>			
Permanent endowments		<b>22,848</b>	23,811
Expendable endowments		<b>22,136</b>	23,409
Restricted funds		<b>1,179,642</b>	1,102,836
Unrestricted funds			
Designated funds		<b>24,178</b>	15,205
General funds		<b>9,431</b>	9,006
General funds held in subsidiaries		<b>29,569</b>	19,178
		<b>63,178</b>	43,389
<b>Total group funds</b>	16(a)	<b>1,287,804</b>	1,193,445

The accompanying notes form part of these accounts.

The valuations of Land and Buildings and Plant and Machinery have been restated (see Note 25).

Hartwig Fischer  
Accounting Officer

George Osborne CH  
Chair

4 July 2023

## Museum Balance Sheet as at 31 March 2023

	Note	2023 £000s	2022 £000s
<b>Fixed assets</b>			
Tangible assets	7(b)	945,740	890,968
Intangible assets	8(b)	4,110	3,928
Heritage assets	9(c)	111,029	109,757
Investments	10(a)	150,086	71,192
Investment properties	10(b)	29,450	25,400
Investment in subsidiaries	11(a)	1,250	1,250
<b>Total fixed assets</b>		<b>1,241,665</b>	<b>1,102,495</b>
Debtors due in more than one year	12	5,901	9,802
<b>Current assets</b>			
Debtors due within one year	12	16,274	27,651
Investments	10(c)	–	32,049
Cash at bank and in hand	10(d)	15,132	23,668
<b>Total current assets</b>		<b>31,406</b>	<b>83,368</b>
Creditors: amounts falling due within one year	13	(19,735)	(17,084)
Provisions: amounts falling due within one year	14	(207)	(1,067)
<b>Net current assets / (liabilities)</b>		<b>11,464</b>	<b>65,217</b>
Total assets less current liabilities		<b>1,259,030</b>	<b>1,177,514</b>
Creditors: amounts falling due after more than one year	13	(10,795)	(13,247)
<b>Total net assets</b>		<b>1,248,235</b>	<b>1,164,267</b>
<b>The funds of the charity:</b>			
Permanent endowments		22,848	23,811
Expendable endowments		22,136	23,409
Restricted funds		1,169,642	1,092,836
Unrestricted funds			
Designated funds		24,178	15,205
General funds		9,431	9,006
		<b>33,609</b>	<b>24,211</b>
<b>Total charity funds</b>	16(a)	<b>1,248,235</b>	<b>1,164,267</b>

*The accompanying notes form part of these accounts.*

The valuations of Land and Buildings and Plant and Machinery have been restated (see Note 25).

Hartwig Fischer  
Accounting Officer

George Osborne CH  
Chair

4 July 2023

## Consolidated Statement of Cash Flows For the year ended 31 March 2023

	Note	2023 £000s	2022 £000s Restated
<b>Cash flows from operating activities</b>			
<b>Net cash provided by operating activities</b>	17	<b>51,163</b>	42,595
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments	4	<b>2,075</b>	335
Purchase of fixed asset investments	10(a)	<b>(87,134)</b>	(1,825)
Proceeds from the sale of fixed asset investments	10(a)	<b>2,369</b>	9,617
Purchase of tangible fixed assets	7(a)	<b>(19,071)</b>	(23,236)
Purchase of intangible fixed assets	8	<b>(1,533)</b>	(807)
Purchase of heritage assets	9	<b>(482)</b>	(782)
<b>Net cash used in investing activities</b>		<b>(103,776)</b>	(16,698)
<b>Change in cash and cash equivalents in the year</b>		<b>(52,613)</b>	25,897
<b>Cash and cash equivalents at the beginning of the year</b>		<b>91,334</b>	65,398
<b>Change in cash and cash equivalents due to exchange movements</b>		<b>179</b>	39
<b>Cash and cash equivalents at the end of the year</b>		<b>38,900</b>	91,334
<b>Analysis of cash and cash equivalents</b>			
Current asset investments	10(c)	<b>3,027</b>	45,263
Cash at bank and in hand	10(d)	<b>35,873</b>	46,071
<b>Total cash and cash equivalents</b>		<b>38,900</b>	91,334

## Analysis of changes in net debt For the year ended 31 March 2023

	2023 £000s	2022 £000s
<b>Opening net debt</b>	<b>91,334</b>	65,398
Cash flows	<b>(52,613)</b>	25,897
Foreign exchange movements	<b>179</b>	39
<b>Closing net debt</b>	<b>38,900</b>	91,334

*The accompanying notes form part of these accounts.*

The 2021/22 restatement reflects £3.7m reduction in operating and investing activities due to movements in capital accruals, with nil net cash flow impact.



# Notes to the Accounts

## 1. ACCOUNTING POLICIES

### *Accounting Conventions*

- (a) The accounts comply with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (second edition effective 1 January 2019), FRS 102, the Government Financial Reporting Manual (FReM), Museum and Galleries Act 1992, the Accounts Direction issued by the Secretary of State for Culture, Media and Sport, and, in the case of the subsidiaries, the Companies Act 2006. A copy of the Direction is available from the Department for Culture, Media and Sport. Where there is a conflict between the requirements of the SORP and the FReM, the SORP has been followed with additional disclosure provided to comply with the FReM.
- (b) The financial statements are prepared under the historical cost convention as modified by the revaluation of tangible fixed assets and the treatment of investments, which have been included at fair value.

The British Museum (BM) is a public benefit entity. The reporting currency is GBP.

Consolidated accounts include the British Museum's operating statement, trust funds owned and administered by the BM, and the British Museum Development Trust, a dormant charity, which together make up the Museum. Also consolidated are the British Museum Company Limited (BMCo) and its subsidiary British Museum Ventures Limited, the British Museum Great Court Limited (BMGC) and the British Museum Friends Limited (BMF), which together make up the Group.

### *Going Concern*

The accounts have been prepared on the going concern basis. Under Section 3 of the British Museum Act 1963, the BM 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.

### (c) *Statement of Financial Activities (SOFA)*

- (i) This statement discloses the totality of the resources receivable by the BM during the year and their disposition. The BM provides enhanced disclosure in the Statement of Financial Activities beyond the requirements of the SORP in order to allow readers of the accounts to distinguish between the ongoing revenue income and costs of operating the BM, and the impact of donations in support of capital expenditure and collection acquisitions. The value of such donations is often material, and can vary significantly from year to year. Donations and grants in support of capital expenditure and collections acquisitions are recognised in the SOFA when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. But the associated capital expenditure is depreciated over the expected useful life of the asset, and heritage assets are not depreciated at all. The mismatch between the treatment of funding and expenditure gives the misleading appearance of an increase in funds during the year, and of a consequent reserve carried forward to the future, when in reality the funding has already been used, often to acquire an inalienable asset. Aggregation of capital and revenue funding therefore disguises the funding of running costs, limiting any assessment of future financial performance.
- (ii) In general, income is accounted for when a transaction or other event results in an increase in the BM's assets or a reduction in its liabilities. Grant-in-aid is taken to the SOFA in the year in which it is receivable. Income from grants and donations is recognised in the SOFA when there is evidence of entitlement (for example, when the conditions for their receipt have been met), receipt is probable and its amount can be reliably measured. Legacies are recognised as income when there has been grant of probate, there are sufficient assets in the estate, evidence of entitlement has been received from the executor, and the amount receivable can be measured with sufficient accuracy.

Contractual and trading income is recognised as income to the extent that the BM has provided the associated goods or services. Where income is received in advance and the BM does not have entitlement to these resources until the goods or services have been provided, the income is deferred.

The income and profit on long term contracts are accounted for in accordance with FRS 102. Attributable profit is calculated on a prudent basis, and the amount recognised in the accounts reflects the proportion of work carried out at the accounting date. Income included in the SOFA is calculated on the basis of time spent as a proportion of total time expected to be spent in fulfilling the contract. The costs incurred in reaching this stage of completion are matched with the income. The difference between the amount recognised in the SOFA and the cash received is disclosed in either debtors or creditors as prepayments and accrued income or accruals and deferred income.

- (iii) Expenditure is recognised in the financial statements when a present legal or constructive obligation exists, it is more likely than not that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured or estimated reliably.

Grants payable are recognised when the criteria for a constructive obligation are met, payment is probable, values can be measured reliably, and there are no conditions attaching to its payment that limit its recognition.

Expenditure is classified in the SOFA under the principal categories of expenditure on raising funds and expenditure on charitable activities.

Where costs cannot be directly attributed, they are allocated to activities according to the method described in note 6. Expenditure on raising funds comprises costs incurred in raising donations and legacies and other trading activities and investment management costs. Expenditure on charitable activities comprises resources applied to meet the charitable objectives of the BM, namely care, research and conservation, public access and events and charitable trading activities. Governance costs are those costs incurred in connection with the general governance of the British Museum including compliance with constitutional and statutory requirements.

The BM is covered by the provisions of the VAT Act 1994 s 33a, which allows it to recover the majority of its VAT. Irrecoverable VAT is treated as a support cost and apportioned over the activities of the BM as described in note 6.

(d) *Gifts in Kind*

*Heritage Assets*

The BM accounts for the objects in its collection as non-operational heritage assets. A heritage asset is defined as “a tangible or intangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.”

*Heritage assets acquired since 1 April 2001*

The BM includes donated or purchased heritage assets acquired since 1 April 2001 on the balance sheet at cost or valuation at the time of acquisition. Valuations are performed during the year of acquisition by internal curatorial experts based on their expert knowledge and, where appropriate, with reference to recent sales of similar objects. The cost or valuation is not subject to revaluation because such information can not be obtained at a cost commensurate with the benefit to users of the financial statements.

Capitalised heritage assets are not depreciated because they are deemed to have indefinite lives, but are subject to impairment reviews where damage or deterioration is reported.

*Heritage assets acquired before 1 April 2001*

The BM has not capitalised heritage assets acquired prior to 1 April 2001. This is because comprehensive valuation, as illustrated below, would not provide a meaningful figure for users of the financial statements and the cost of doing so is not commensurate with the benefits to users of the financial statements.

Historic cost – while it may be possible to assign a cost to items purchased within a financial year, historic cost quickly becomes obsolete and meaningless, not only because of general price movements where markets for similar items do exist, but also because of changing opinions about attribution and authenticity, subsequent research into objects that reveals new value, the emergence of new information about the provenance of an item or changes in taste.

Valuation – attempting to value heritage assets acquired historically raises a number of further conceptual concerns. Valuation of heritage assets is complicated by the nature of many such assets. They are rarely sold and often have a value enhanced above the intrinsic through their association with a person, event or collection, there are a very limited number of buyers, no homogeneous population of assets on the market,

and imperfect information about the items for sale. In contrast with many commercial assets, therefore, there is seldom an active market to provide indicative values of similar objects. This makes materially accurate valuations impossible to achieve for many heritage assets.

#### *Donated Services*

Donated services are included as income and expenditure in the year in which the service is used by the BM. The service is valued at the price the BM would have paid in the open market for a service of equivalent utility.

The BM also engages with unpaid volunteers to support the BM's activities over the course of the year. Due to the absence of a reliable measurement basis, the contributions of volunteers are not included as income in the accounts. The details of the roles played by these volunteers and the nature of their contributions can be found in the section 'Investing in our people'.

#### (e) *Tangible Fixed Assets*

Assets with an economic life of more than one year and value greater than £5,000 are capitalised. All the BM's land, properties and plant and machinery are revalued for accounting purposes by external chartered surveyors in accordance with the Appraisal and Valuation Standards as published by the Royal Institute of Chartered Surveyors and with FRS 102. A full valuation of the BM's land, buildings and plant and machinery was carried out by Gerald Eve on 31 March 2019. The valuation included the main BM site at Great Russell Street, its perimeter buildings, two properties used for storage at Orsman Road and land at Cutbush Lane. The BM\_ARC storage facility was completed in the year and a full valuation of this was carried out by Gerald Eve on 31 March 2023. The main BM site is valued on a depreciated replacement cost basis and the Orsman Road properties and the perimeter buildings are valued on an existing use basis. Between the quinquennial valuations, Gerald Eve undertakes a desktop valuation to update the values of land, buildings and plant and machinery.

Galleries are revalued annually using relevant indices provided by the Office for National Statistics.

Furniture, fit out and equipment are carried at depreciated historic cost because the Trustees consider that this is not materially different from current cost valuation.

Depreciation is provided on all tangible assets, other than freehold land, at rates calculated to write off the value of each asset evenly over its expected useful life with no residual value assumed:

Freehold buildings	15 to 100 years
Galleries	10 to 25 years
Plant and machinery	10 to 35 years
Furniture, fit out and equipment	2 to 20 years

Depreciation is charged evenly over the life of the asset, to the nearest month. Impairment reviews are carried out at the end of each reporting period to ensure that the carrying values of the assets do not exceed their recoverable amounts.

#### (f) *Intangible Fixed Assets*

Intangible assets with an economic life of more than one year and value greater than £5,000 are capitalised. All intangible assets are measured at cost.

Costs relating to assets developed internally are capitalised in accordance with the requirements of FRS102.

Amortisation is provided on all intangible assets, at rates calculated to write off the value of each asset evenly over its expected useful life with no residual value assumed.

Purchased software licences	the contractual period
Websites	2 to 5 years
Developed software	2 to 5 years

Amortisation is charged evenly over the life of the asset, to the nearest month.

Impairment reviews are carried out at the end of each reporting period in accordance with FRS102 to ensure that the carrying values of the assets do not exceed their recoverable amounts.

*(g) Financial instruments**Recognition, measurement and impairment*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised on the BM's balance sheet when the BM becomes a party to the contractual provisions of the instrument. Assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the BM has transferred substantially all risks and rewards of ownership. Liabilities are derecognised when all obligations in respect of them have been discharged. Where material, assets and liabilities falling due after more than one year are discounted to their present value.

The BM's investments are measured at fair value, with any gains or losses reflected in the SOFA in the period in which they arise. Other financial instruments (notably trade debtors, current asset investments, cash at bank and in hand, and trade creditors) are initially recognised at fair value (i.e. cost) plus or minus material transaction costs directly attributable to their acquisition or issue; and subsequently measured at cost, less impairment where material.

An assessment of whether there is objective evidence of impairment is carried out for material financial assets at the balance sheet date. Objective evidence includes, for example, significant financial difficulty of the issuer or debtor, disappearance of an active market for the financial asset, or data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition. Where there is objective evidence that a financial instrument is impaired, its loss is reflected in the SOFA.

*Investment properties*

Freehold investment properties are carried at open market value and are not depreciated. A formal valuation of the investment properties is carried out annually by independent valuers in accordance with the RICS Appraisal and Valuation manual. A full quinquennial valuation was carried out as at 31 March 2021.

Investment properties are subject to a number of restrictions.

*Investments in subsidiaries*

The investments in subsidiaries are carried at cost less any provision for impairment. The BM carries out an annual impairment review of the investment in each subsidiary.

*(h) Stocks and work in progress*

Stock is stated at the lower of cost and estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate. All stocks relate to BMCo's retail activities.

*(i) Liabilities*

Liabilities are recognised when a present legal or constructive obligation exists, it is more likely than not that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured or estimated reliably.

*(j) Provisions*

The BM provides for legal or constructive obligations which are of uncertain timing or amount on the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Provisions are recognised where there is a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

*(k) Cash and cash equivalents*

Cash and cash equivalents, as referred to in the statement of cash flows, include cash at bank and in hand and current asset investments. Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes. Current asset investments comprise cash on deposit and cash equivalents with a total maturity of less than 6 months held for investment purposes rather than to meet short-term cash commitments as they fall due.

(l) *Leases*

The BM has no finance leases. Costs relating to operating leases are charged on a straight line basis over the life of the lease.

(m) *Foreign Currencies*

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate at that date. Foreign exchange differences arising on translation are reflected in the SOFA.

(n) *Pensions*

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as "alpha" are unfunded multi-employer defined benefit schemes but the BM 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.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk))

BMCo operates both defined benefit and defined contribution pension schemes. For the defined contribution scheme the amount charged to the SOFA reflects the contributions payable to the scheme in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments on the balance sheet. The defined benefit scheme requires contributions to be made to a separately administered fund. The amounts charged to operating profit are the current service costs (included within staff costs) and the net interest on the net defined benefit liability. Actuarial gains and losses are recognised immediately on the face of the SOFA. The defined benefit scheme is subject to a full actuarial valuation every three years by an independent qualified actuary. Pension scheme assets are measured at fair value. Scheme liabilities are measured using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities.

Further details can be found in note 20 to the accounts.

(o) *Taxation*

The BM, BMCo and BMF are eligible under Part 11 Corporation Tax Act 2010, section 25 Inheritance Tax Act 1984, and section 271 Taxation of Chargeable Gains Act 1992 to exemption from taxes on income, donations and capital gains arising from the pursuit of their charitable objectives. BMV and BMGC make donations to their respective charitable parents.

(p) *Funds Structure*

The BM has the following categories of funds:

- restricted permanent endowment funds which the donors have stated are to be held as capital.
- restricted expendable endowment funds, which trustees have the power to convert into income.
- restricted funds whose investment or usage is subject to specific restriction.
- designated funds which have been set aside at the discretion of the Trustees for specific purposes.
- general funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the BM.

The major funds comprising each category, the summary results for the year and a description of the movements between the funds are described in note 16.

(q) *Significant judgements and estimates*

The significant judgements and estimates made in preparing these accounts are disclosed throughout the document, and include those with respect to depreciation (note 1e), the valuation of fixed assets (note 7), investment property (note 10) and heritage assets (note 9), and the actuarial valuation of the defined benefit pension liability (note 20).

**2. GRANT-IN-AID**

	<b>2023</b>	2022
	<b>£000s</b>	£000s
Unrestricted revenue	<b>46,137</b>	51,474
Restricted revenue	<b>1,617</b>	–
Restricted capital	<b>20,013</b>	15,147
	<b>67,767</b>	66,621

**3. ANALYSIS OF INCOME AND ENDOWMENTS FROM CHARITABLE ACTIVITIES**

	<b>2023</b>	2022
	<b>£000s</b>	£000s
Care, research and conservation	<b>1,321</b>	836
Public access and events	<b>706</b>	431
Charitable trading	<b>20,993</b>	18,513
	<b>23,020</b>	19,780

Care, research and conservation includes research grants and grants for acquisitions. Public access and events income arises from sales of guides, lectures and recovery of costs relating to loans of the collection and includes grants for programmes to promote and assist access. Charitable trading includes admission fees, sponsorship of the exhibition programme and membership fees. Included in the year is £nil Coronavirus Job Retention Scheme income (2021/22: £157k), allocated across categories corresponding to the posts supported.

EU funding of £80k is included in income in the current year (2021/22: -£10k); the prior year value was negative due to an over-accrual in the previous year.

**4. INCOME FROM INVESTMENTS**

	<b>2023</b>	2022
	<b>£000s</b>	£000s
Income from UK bank deposits	<b>302</b>	9
Income from UK fixed interest investments	<b>326</b>	34
Income from UK investment funds	<b>982</b>	–
Income from overseas investment funds	–	–
Other interest	–	–
	<b>1,610</b>	43
Interest on discount unwinding	<b>(70)</b>	475
Rents receivable	<b>465</b>	292
	<b>2,005</b>	810

Interest on discount unwinding represents net present value adjustments on the discounting of long-term accrued income.

## 5. NET INCOME

is stated after charging:	<b>2023</b>	2022
	<b>£000s</b>	£000s
Auditors' remuneration: Comptroller and Auditor General audit fee	<b>74</b>	67
Auditors' remuneration: Subsidiary companies audit fee (current year)	<b>50</b>	63
Auditors' remuneration: Subsidiary companies audit fee (prior year under provision)	–	1
Operating lease rentals: Hire of plant and machinery	<b>39</b>	42
Operating lease rentals: Land and buildings	<b>108</b>	105
Loss on disposal of fixed assets	<b>4</b>	–
Movement on bad debt provision	<b>79</b>	(24)
Stock recognised as an expense	<b>4,721</b>	2,645

The figure for lease for Land and Buildings excludes back rent of £105k following renegotiation of the lease. There were no non-audit services provided by the Comptroller and Auditor General during 2022/23 (2021/22: nil). The auditors of the subsidiaries provided iXBRL accounts tagging services across the Museum group of £1.5k (2021/22: £350). They also provided additional corporation tax return support to the Museum of £6.9k (2021/22: £5.5k).

## 6. ANALYSIS OF EXPENDITURE

6(a)	Direct Costs £000s	Grants £000s	Depreciation & Amortisation £000s	Support Costs £000s	<b>Total 2023 £000s</b>
Raising donations and legacies	2,153	–	109	355	<b>2,617</b>
Other trading activities	8,637	–	10	11	<b>8,658</b>
Investment management costs	385	–	–	11	<b>396</b>
Care, research and conservation	33,969	1,937	10,807	4,703	<b>51,416</b>
Public access and events	13,726	12	5,915	2,297	<b>21,950</b>
Charitable trading	9,003	7,500	962	879	<b>18,344</b>
<b>Charitable activities</b>	<b>56,698</b>	<b>9,449</b>	<b>17,684</b>	<b>7,879</b>	<b>91,710</b>
<b>Total expenditure</b>	<b>67,873</b>	<b>9,449</b>	<b>17,803</b>	<b>8,256</b>	<b>103,381</b>
	Direct Costs £000s	Grants £000s	Depreciation & Amortisation £000s	Support Costs £000s	<b>Total 2022 £000s</b>
Raising donations and legacies	1,745	–	41	257	<b>2,043</b>
Other trading activities	5,897	–	10	19	<b>5,926</b>
Investment management costs	300	–	–	10	<b>310</b>
Care, research and conservation	28,658	1,815	8,400	4,340	<b>43,213</b>
Public access and events	12,786	108	6,071	2,216	<b>21,181</b>
Charitable trading	5,691	–	528	871	<b>7,090</b>
<b>Charitable activities</b>	<b>47,135</b>	<b>1,923</b>	<b>14,999</b>	<b>7,427</b>	<b>71,484</b>
<b>Total expenditure</b>	<b>55,077</b>	<b>1,923</b>	<b>15,050</b>	<b>7,713</b>	<b>79,763</b>

Grants are made for the furtherance of the BM's charitable objectives. Of the total grants of £9.4m (2021/22: £1.9m), £9.3m (2021/22: £1.7m) were made to institutions and £0.1m were made to individuals (2021/22: £0.1m).

The main elements of the grant figure are as follows:

- A grant of £7.5m (2021/22: £nil) was made by BMF to the British Museum Trust Limited (BMT), in support of the British Museum's ambitious long-term plans, currently known by the working title of the masterplan. BMT is a separate, independent registered charity (registration number: 1140844). It has no Trustees in common with the BM. Its objectives are to advance, in a manner in which the trustees of BMT see fit, the charitable objects of the Trustees of the British Museum; and to advance culture, heritage, science, education and the arts for public benefit throughout the world in any manner incidental, conducive to or compatible with the

charitable objects of the Trustees of the British Museum. The Museum provides administrative support for BMT under terms governed by a commercial service level agreement;

- Grants of £1.2m (2021/22: £0.9m) under the Portable Antiquities Scheme. The scheme is the only proactive mechanism in England and Wales for recording archaeological finds made by the public. The grants are made to local authorities to support the work of Find Liaison Officers. Details of these grants are obtainable from the Portable Antiquities Scheme administrator at the British Museum.

6(b) Costs of the BM that cannot be directly attributed to one of the BM's objectives are allocated to activities on a basis consistent with the use of resources. Finance costs, including irrecoverable VAT, and governance costs are allocated using the proportion of certain relevant types of direct expenditure spent on each of the objectives. Human resources and legal services costs are allocated based on staff numbers. Information Systems costs are allocated using staff numbers adjusted for non-computer based roles. Support costs related to grant-making activities are considered minimal and hence no support costs have been included in the grant figure. Depreciation and amortisation have been allocated according to the proportion of space occupied by each activity.

	Finance £000s	Information Services £000s	Human Resources £000s	Legal Services £000s	Governance Costs £000s	<b>2023 Total £000s</b>
Care, research and conservation	1,195	2,061	904	306	237	<b>4,703</b>
Public access and events	510	773	682	231	101	<b>2,297</b>
Charitable trading	156	409	179	61	74	<b>879</b>
Charitable activities	1,861	3,243	1,765	598	412	<b>7,879</b>
Raising donations and legacies	61	178	78	26	12	<b>355</b>
Other trading activities	–	–	–	–	11	<b>11</b>
Investment management costs	9	–	–	–	2	<b>11</b>
	<b>1,931</b>	<b>3,421</b>	<b>1,843</b>	<b>624</b>	<b>437</b>	<b>8,256</b>

  

	Finance £000s	Information Services £000s	Human Resources £000s	Legal Services £000s	Governance Costs £000s	<b>2022 Total £000s</b>
Care, research and conservation	1,051	2,001	774	280	234	<b>4,340</b>
Public access and events	515	765	603	218	115	<b>2,216</b>
Charitable trading	157	414	160	58	82	<b>871</b>
Charitable activities	1,723	3,180	1,537	556	431	<b>7,427</b>
Raising donations and legacies	49	129	50	18	11	<b>257</b>
Other trading activities	–	–	–	–	19	<b>19</b>
Investment management costs	8	–	–	–	2	<b>10</b>
	<b>1,780</b>	<b>3,309</b>	<b>1,587</b>	<b>574</b>	<b>463</b>	<b>7,713</b>

6(c) Governance costs	<b>2023 £000s</b>	2022 £000s
Staff costs	<b>206</b>	249
British Museum auditors' remuneration	<b>74</b>	67
Subsidiary charities auditors' remuneration (current year)	<b>50</b>	63
Subsidiary charities auditors' remuneration (prior year under provision)	–	1
Professional services	<b>5</b>	6
Internal audit costs	<b>43</b>	49
Cost of meetings	<b>58</b>	22
Other trustee costs (independent review, recruitment)	<b>1</b>	6
Reimbursement of trustee expenses	–	–
	<b>437</b>	463



6(d) Staff costs	<b>2023</b>	2022
	<b>£000s</b>	£000s
Wages and salaries	<b>29,929</b>	27,608
Social security costs	<b>3,237</b>	2,840
Pension costs	<b>7,346</b>	6,748
Agency staff costs	<b>2,140</b>	1,744
Early retirement and redundancy costs	<b>52</b>	315
	<b><u>42,704</u></b>	<u>39,255</u>

In addition to the total above, £1,878k (2021/22: £1,035k) of staff costs has been capitalised.

There was spend on strategic consultancy totalling £95k during 2022/23 (2021/22: nil) which was capitalised.

The number of employees whose full time equivalent emoluments as defined for taxation purposes amounted to over £60,000 (2022: over £60,000) in the year was as follows:

	<b>2023</b>	2022
		Restated
£60,001 – £70,000	<b>13</b>	10
£70,001 – £80,000	<b>13</b>	10
£80,001 – £90,000	<b>3</b>	2
£90,001 – £100,000	<b>5</b>	2
£100,001 – £110,000	<b>1</b>	1
£110,001 – £120,000	–	–
£120,001 – £130,000	<b>1</b>	–
£130,001 – £140,000	<b>1</b>	2
£140,001 – £150,000	–	1
£150,001 – £160,000	<b>1</b>	–
£160,001 – £170,000	–	–
£170,001 – £180,000	–	–
£180,001 – £190,000	–	–
£190,001 – £200,000	–	–
£200,001 – £210,000	–	1
£210,001 – £220,000	–	–
£220,001 – £230,000	<b>1</b>	–

36 staff (2021/22: 25) whose emoluments amounted to more than £60,000 in the year are members of a defined benefit scheme and 3 staff (2021/22: 3) are members of a defined contributions scheme. Contributions of £800k (2021/22: £577k) were paid on behalf of the members of the defined benefit scheme and £24k (2021/22: £22k) on behalf of the members of the defined contributions scheme.

The Remuneration Report discloses information about directors' remuneration, where 'directors' is interpreted to mean those who influence the decisions of the BM as a whole.

6(e) The average number of full time equivalent employees, analysed by function was:

	Agency and contract		Total
	Staff	staff	
2023			
Care, research and conservation	433	6	439
Public access and events	280	51	331
Charitable trading	80	7	87
Raising donations and legacies	38	–	38
Other trading activities	68	7	75
	<u>899</u>	<u>71</u>	<u>970</u>
2022			
	Staff	Agency and contract	Total
	Restated	staff	Restated
Care, research and conservation	408	5	413
Public access and events	269	45	314
Charitable trading	82	4	86
Raising donations and legacies	26	1	27
Other trading activities	75	2	77
	<u>860</u>	<u>57</u>	<u>917</u>

The average head count during the year excluding agency and contract staff was 1008 (2021/22: 971).

6(f) Reporting of Civil Service and other compensation schemes – exit packages

The number of exit packages agreed during the year are shown by cost band in the table below:

Exit package cost band (£)	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages for 2022/23	Total number of exit packages for 2021/22
0 – 24,999	6	–	6	16
25,000 – 49,999	–	–	–	1
50,000 – 74,999	–	–	–	–
75,000 – 99,999	–	–	–	–
>£100,000	–	–	–	1
Total	<u>6</u>	<u>–</u>	<u>6</u>	<u>18</u>
Total cost (£000)	<u>52</u>	<u>–</u>	<u>52</u>	<u>329</u>

Where applicable, 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. Where the BM has agreed early retirements under the Civil Service Compensation Scheme, the additional costs are met by the BM and not by the Civil Service Pension Scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

6(g) Trustees:

None of the trustees have been paid any remuneration or received any other benefits during 2022/23 (2021/22: £nil). All Trustees are entitled to be reimbursed for reasonable travel and subsistence expenses incurred in the performance of their duties. In 2022/23, travel and subsistence expenses of £58k (2021/22: £22k) were paid for meetings, £2k of which was reimbursements to Trustees (2021/22: £nil) and £56k of which was (2021/22: £22k) paid directly to third parties.

During the year contributions of £31k were made by Trustees towards the cost of Trustee meetings (2021/22: £32k).

## 6(h) Off-payroll engagements

**a** Off-payroll worker engagements as at 31 March 2023, earning £245 per day or greater:

No. that have existed for less than one year at time of reporting	3
No. that have existed for between one and two years at time of reporting	–
No. that have existed for between two and three years at time of reporting	–
No. that have existed for between three and four years at time of reporting	–
No. that have existed for four or more years at the time of reporting	–
	3

**b** Off-payroll workers engaged at any point during the year ended 31 March 2023, earning £245 per day or greater:

No. of new engagements, or those reaching 6 months in duration, during the period	11
Of which:	
No. assessed as caught by IR35	–
No. assessed as not caught by IR35	11
No. engaged directly (via PSC contracted to department) and are on the departmental payroll	–
No. of engagements reassessed for consistency / assurance purposes during the year.	–
No. of engagements that saw a change to IR35 status following the consistency review	–

**c** For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023:

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	–
Total no. of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both on payroll and off-payroll engagements.	23

## 6(i) Losses and special payments

In 2022/23 there were no losses or special payments above the reporting threshold (2021/22: nil).

**7. TANGIBLE ASSETS**

## 7(a) Group tangible assets

	Land £000s	Buildings £000s Restated	Assets in the Course of Construction £000s	Galleries £000s	Plant and Machinery £000s Restated	Equipment £000s	<b>Total £000s</b>
<b>Cost</b>							
At 31 March 2022	204,520	463,903	61,460	56,694	133,490	11,677	<b>931,744</b>
Additions during the year	–	242	20,222	–	80	727	<b>21,271</b>
Disposals during the year	–	–	–	–	(240)	(476)	<b>(716)</b>
Transfer from assets under construction	–	34,395	(52,664)	1,295	16,267	707	–
Transfer out to Investment Properties	(1,862)	(415)	(4,755)	–	246	–	<b>(6,786)</b>
Impairment	–	(1,665)	–	–	–	–	<b>(1,665)</b>
Revaluation adjustment	(8,682)	44,849	–	5,344	6,223	–	<b>47,734</b>
At 31 March 2023	193,976	541,309	24,263	63,333	156,066	12,635	<b>991,582</b>
<b>Accumulated depreciation</b>							
At 31 March 2022	–	–	–	(30,809)	(12)	(9,708)	<b>(40,529)</b>
Disposals during the year	–	–	–	–	240	472	<b>712</b>
Provided during the year	–	(5,652)	–	(1,909)	(7,848)	(946)	<b>(16,355)</b>
Revaluation adjustment	–	5,652	–	(2,839)	7,767	–	<b>10,580</b>
At 31 March 2023	–	–	–	(35,557)	147	(10,182)	<b>(45,592)</b>
<b>Net Book Value</b>							
<b>At 31 March 2023</b>	<b>193,976</b>	<b>541,309</b>	<b>24,263</b>	<b>27,776</b>	<b>156,213</b>	<b>2,453</b>	<b>945,990</b>
At 31 March 2022	204,520	463,903	61,460	25,885	133,478	1,969	<b>891,215</b>

The valuations of Land and Buildings and Plant and Machinery have been restated (see Note 25).

## 7(b) Museum tangible assets

	Land £000s	Buildings £000s Restated	Assets in the Course of Construction £000s	Galleries £000s	Plant and Machinery £000s Restated	Equipment £000s	<b>Total £000s</b>
<b>Cost</b>							
At 31 March 2022	204,520	463,903	61,460	56,694	133,518	8,419	<b>928,514</b>
Additions during the year	–	242	20,195	–	–	727	<b>21,164</b>
Disposals during the year	–	–	–	–	–	(474)	<b>(474)</b>
Transfer from assets under construction	–	34,395	(52,664)	1,295	16,267	707	–
Transfer out to Investment Properties	(1,862)	(415)	(4,755)	–	246	–	<b>(6,786)</b>
Impairment	–	(1,665)	–	–	–	–	<b>(1,665)</b>
Revaluation adjustment	(8,682)	44,849	–	5,344	6,223	–	<b>47,734</b>
At 31 March 2023	193,976	541,309	24,236	63,333	156,254	9,379	<b>988,487</b>
<b>Accumulated depreciation</b>							
At 31 March 2022	–	–	–	(30,809)	(1)	(6,736)	<b>(37,546)</b>
Disposals during the year	–	–	–	–	–	470	<b>470</b>
Provided during the year	–	(5,652)	–	(1,909)	(7,766)	(924)	<b>(16,251)</b>
Revaluation adjustment	–	5,652	–	(2,839)	7,767	–	<b>10,580</b>
At 31 March 2023	–	–	–	(35,557)	–	(7,190)	<b>(42,747)</b>
<b>Net Book Value</b>							
<b>At 31 March 2023</b>	<b>193,976</b>	<b>541,309</b>	<b>24,236</b>	<b>27,776</b>	<b>156,254</b>	<b>2,189</b>	<b>945,740</b>
At 31 March 2022	204,520	463,903	61,460	25,885	133,517	1,683	<b>890,968</b>

7(c) For asset valuation purposes, buildings and their fit-out are treated as one category.

The valuations of Land and Buildings and Plant and Machinery have been restated (see Note 25).

A full valuation of the BM's land, buildings and plant and machinery was carried out by Gerald Eve on 31 March 2019. An interim desktop valuation has been obtained to update the values of land, buildings and plant and machinery. The valuations included the main BM site at Great Russell Street (using the depreciated replacement cost method) as well as its perimeter buildings which are not investment properties, the WCEC building, two properties used for storage at Orsman Road and land at Shinfield (using fair value). The BM\_ARC storage facility at Shinfield was completed in the year and a full valuation of this was carried out by Gerald Eve on 31 March 2023. The British Museum owns the freehold on all land and buildings apart from Shinfield which is on a 999 year lease.

An impairment of the BM\_ARC building has arisen in the year. This is due to the DRC valuation approach for buildings required by the FReM, which excludes additional costs of specialist new builds such as this building.

Blythe House is currently occupied by the British Museum, the Science Museum and the Victoria and Albert Museum on a shared basis with the rights and obligations of ownership accruing to the occupants. In 2017/18 a lease agreement was signed formally confirming that the occupying Museums would be required to vacate Blythe House as it will be sold. The lease is an operating lease with a peppercorn rent. The Museums derecognised the value of Blythe House land and buildings in 2017/18. For the BM, land previously valued at £2.2m, buildings previously valued at £3.7m and plant previously valued at £0.3m was derecognised.

The historic cost of the land and buildings and certain plant and machinery is not known.

## 8. INTANGIBLE ASSETS

8(a) Group intangible assets

	Software Licences £000s	Websites £000s	Developed Software £000s	Assets in the Course of Construction £000s	<b>Total £000s</b>
<b>Cost</b>					
At 31 March 2022	–	1,679	1,811	2,708	<b>6,198</b>
Additions during the year	–	7	–	1,526	<b>1,533</b>
Disposals during the year	–	–	(124)	–	<b>(124)</b>
Transfer from assets under construction	–	–	3,087	(3,087)	<b>–</b>
At 31 March 2023	–	1,686	4,774	1,147	<b>7,607</b>
<b>Accumulated amortisation</b>					
At 31 March 2022	–	(875)	(1,093)	–	<b>(1,968)</b>
Disposals during year	–	–	124	–	<b>124</b>
Provided during the year	–	(311)	(1,137)	–	<b>(1,448)</b>
At 31 March 2023	–	(1,186)	(2,106)	–	<b>(3,292)</b>
<b>Net Book Value</b>					
<b>At 31 March 2023</b>	–	<b>500</b>	<b>2,668</b>	<b>1,147</b>	<b>4,315</b>
At 31 March 2022	–	804	718	2,708	<b>4,230</b>

8(b) Museum intangible assets	Software Licences £000s	Websites £000s	Developed Software £000s	Assets in the Course of Construction £000s	Total £000s
<b>Cost</b>					
At 31 March 2022	–	1,565	1,312	2,708	<b>5,585</b>
Additions during the year	–	–	–	1,526	<b>1,526</b>
Disposals during the year	–	–	(124)	–	<b>(124)</b>
Transfer from assets under construction	–	–	3,087	(3,087)	–
At 31 March 2023	–	1,565	4,275	1,147	<b>6,987</b>
<b>Accumulated amortisation</b>					
At 31 March 2022	–	(772)	(885)	–	<b>(1,657)</b>
Disposals during year	–	–	124	–	<b>124</b>
Provided during the year	–	(307)	(1,037)	–	<b>(1,344)</b>
At 31 March 2023	–	(1,079)	(1,798)	–	<b>(2,877)</b>
<b>Net Book Value</b>					
<b>At 31 March 2023</b>	–	<b>486</b>	<b>2,477</b>	<b>1,147</b>	<b>4,110</b>
At 31 March 2022	–	793	427	2,708	<b>3,928</b>

## 9. HERITAGE ASSETS – GROUP AND MUSEUM

### 9(a) Nature and scale of the collection

The British Museum is a universal museum holding an encyclopaedic collection of material from across the world and all periods of human culture and history. Although the collection is sometimes estimated to contain about eight million objects, the question of what constitutes a single object often does not have a definitive answer: for example, a pack of playing cards could be considered to be a single object or a collection of individual objects.

The BM records its collection on a database that includes a description of the objects and often image, age, location and other information. Currently, almost 4.5 million objects are available to review online at: <https://www.britishmuseum.org/collection>. The BM continues to enhance the database to expand the information recorded on each asset, add objects not yet included and improve the functionality of the database.

The collection is a truly global one, and its great strength is the way it records the interrelated histories of humanity as a whole. To that extent, any attempt to break the collection into categories is necessarily reductive. However, for illustrative purposes, the following table gives information about the collection by BM department:

Africa, Oceania & the Americas	This department holds a wide range of historical and contemporary, ethnographic and archaeological collections from the peoples of Africa, Australia and the Pacific, and the whole of the Americas. It also holds important pictorial collections, including photographs, drawings and prints, relating to these regions.
Egypt & Sudan	The collection illustrates every aspect of the cultures of the Nile Valley, from the site of Jebel Sahaba in the Paleolithic period (at least 13,400 years ago) until the modern day. Highlights include important collections of the Book of the Dead, papyri, coffins, mummies and monumental sculptures such as the colossus of Rameses II. The Rosetta Stone, inscribed with hieroglyphics, demotic and Greek, provided the key to decipher hieroglyphs.
Asia	The collection includes material from a vast geographical area embracing all of East Asia, South Asia, Southeast Asia, and parts of Central Asia and covers a broad chronological range from humanity's earliest artefacts to contemporary times. The collections encompass archaeological materials, artworks, textiles, and objects that reflect daily life and social structure and issues. Among the many special highlights of the collection are Chinese antiquities, ceramics, and graphic arts; Japanese antiquities, graphic arts, and modern crafts; Korean ceramics and lacquer; Indian paintings and sculpture; and Indonesian shadow puppets.

Coins & Medals	The collection spans the history of coinage from its origins in the 600s BC to the present day including tokens and coin weights, as well as a magnificent selection of commemorative and art medals from the Italian Renaissance (AD 1400s) onwards. It also holds the national collection of paper money and related objects such as credit cards.
Greece & Rome	This is one of the most comprehensive collections of antiquities from the Mediterranean region which ranges in date from the beginning of the Greek Bronze Age (about 3200 BC) to the reign of the Roman emperor Constantine in the fourth century AD. The Cycladic, Minoan and Mycenaean cultures are represented and the Greek collection includes important sculpture from the Parthenon in Athens and from the Temple of Apollo at Bassai, as well as sculpture and architecture from two of the Seven Wonders of the Ancient World: the Mausoleum at Halikarnassos and the Temple of Artemis at Ephesos. The collection also includes ancient jewellery and bronzes, Greek vases and Roman glass and silver. There is an important collection of material from pre Roman Italy and ancient Cyprus. Highlights from the Roman period include the famous Portland Vase and a magnificent bronze portrait of the emperor Augustus.
Middle East	The collection includes a wide range of archaeological material from ancient Mesopotamia (Iraq and east Syria), Iran, the Levant (west Syria, Jordan, Lebanon, Palestine and Israel), Anatolia (Turkey and Armenia), the Persian Gulf, Central Asia and the Caucasus. It also includes collections of Islamic art, ethnography and archaeology, and contemporary art of Southwest Asia and North Africa. Highlights include Assyrian reliefs, objects from the Royal Graves of Ur, the Oxus Treasure, Phoenician ivories from Nimrud, the Cyrus Cylinder, and the library of Ashurbanipal from Nineveh.
Britain, Europe & Prehistory	This department is responsible for collections that cover the material culture of human origins around the world from 2 million to 10,000 years ago, the deep history of pre-Roman Britain and Europe, Roman Britain and the archaeology, history, and traditional cultures of Europe to the present day, as well as clocks and watches.
Prints & Drawings	This is the national collection of Western prints and drawings dating from the beginning of the fifteenth century to the present day. The collection covers the history of drawing and print making as fine arts with large holdings of the works of important artists such as Durer, Michelangelo, Rembrandt, Hogarth, Goya, Kollwitz and Picasso, large documentary collections of historical, satirical and topographical prints and important collections of printed ephemera such as trade and visiting cards, fans and playing cards.

9(b) BM policies on acquisitions, preservation, management and disposal

*Acquisition*

The BM is committed to sustaining and improving its collection for the benefit of its audience now and in the future. Acquisitions are made in accordance with the policy which can be found on the BM's website at: [http://www.britishmuseum.org/about\\_us/management/museum\\_governance.aspx](http://www.britishmuseum.org/about_us/management/museum_governance.aspx)

*Preservation and Management*

The BM has a Collection Care Department, a Collection Projects and Resources Department and a Scientific Research department.

The Collection Projects and Resources department is responsible for departmental administration across the Museum's collections departments, and administration of the Museum's research programme and resources, including the library and archive. The department is responsible for development of the long-term plan for storage of the collection, library and archive, and the delivery of major cross-museum projects in support of the Museum masterplan.

The Collection Care department is responsible for collection management, conservation, collection documentation (including Photography and Imaging) and loans administration.

The Collection Care and Scientific Research departments work alongside other departments in the BM to care for and preserve the collection. As stated in the BM Conservation Policy, where possible the collections are preserved by reducing the potential for deterioration and damage rather than through treatment and repair. That is preventive conservation methods are applied in preference to interventive conservation treatments.

Preventive conservation methods used by the BM include providing Environment and Lighting Guidance, detailing the conditions in which to store, display, study and transport the collection. Further guidance and training is provided to support handling the collection. The environment is continually monitored to ensure action is taken when necessary. Systems are in place to measure the state of the collection and spaces it is stored or displayed in. There is a comprehensive integrated pest management programme operating across the entire BM estate.

When interventive conservation treatment is required the BM ensures that these are conducted by qualified conservators (or trainees under supervision) in accordance with international best practice and ethical guidelines. All treatments carried out on the collections are documented fully and the resultant records are available for study, treatment methods are safe, stable and use tested materials that, where possible, do not compromise future conservation treatment or scientific examination.

The BM has a statutory obligation to make the collection available to members of the public. Members of the public can view objects online using the BM database or request to inspect objects in person. Paper and/or digital records ensure that BM objects can be located.

When complete, the database will contain a record of every object in the BM collection with associated conservation and scientific reports. The current database is the result of more than 30 years' work but it is still in its early stages. Currently, almost 4.5 million objects are available to review online at:

<https://www.britishmuseum.org/collection>

#### *Disposal*

Objects vested in the Trustees as part of the collection of the BM cannot be disposed of by them except in circumstances allowed by the British Museum Act 1963. Therefore the Trustees' power to de-accession from the collection whether by sale, exchange, or gift (including response to any third party claim for restitution or repatriation) is limited and there is a strong legal presumption against this. The detail of the BM's policy on de-accession can be found on the BM's website at:

[http://www.britishmuseum.org/about\\_us/management/museum\\_governance.aspx](http://www.britishmuseum.org/about_us/management/museum_governance.aspx)

#### 9(c) Heritage assets capitalised

As detailed in the accounting policy, heritage assets acquired before 1 April 2001 are not included on the balance sheet because information on value is not readily available and cannot be obtained at a cost commensurate with the benefits to users of the financial statements. Acquisitions since 1 April 2001 have been capitalised and are held at historic cost for purchased assets and valuation at the time of acquisition for donated assets. The table shows the details of additions for the current and previous four years.

	<b>2022/23 – £000s</b>		
	Donated	Purchased	<b>Total</b>
Opening balance	73,104	36,653	<b>109,757</b>
Additions	790	482	<b>1,272</b>
Closing balance	<u>73,894</u>	<u>37,135</u>	<b><u>111,029</u></b>
	<b>2021/22 – £000s</b>		
	Donated	Purchased	<b>Total</b>
Opening balance	72,548	35,871	<b>108,419</b>
Additions	556	782	<b>1,338</b>
Closing balance	<u>73,104</u>	<u>36,653</u>	<b><u>109,757</u></b>
	<b>2020/21 – £000s</b>		
	Donated	Purchased	<b>Total</b>
Opening balance	68,896	35,331	<b>104,227</b>
Additions	3,648	540	<b>4,188</b>
Write-back*	4	–	<b>4</b>
Closing balance	<u>72,548</u>	<u>35,871</u>	<b><u>108,419</u></b>



	2019/20 – £000s		
	Donated	Purchased	Total
Opening balance	65,544	33,882	<b>99,426</b>
Additions	3,356	1,449	<b>4,805</b>
Write-off**	(4)	–	<b>(4)</b>
Closing balance	<u>68,896</u>	<u>35,331</u>	<b>104,227</b>

  

	2018/19 – £000s		
	Donated	Purchased	Total
Opening balance	58,216	33,070	<b>91,286</b>
Additions	7,328	812	<b>8,140</b>
Closing balance	<u>65,544</u>	<u>33,882</u>	<b>99,426</b>

\* In 2020/21, the six bags of prehistoric ceramic material from the collection declared lost and written-off in the accounts in 2019/20 were subsequently found. Four opium scrapers valued at £60 were declared lost under the Procedure for the Reporting of Unlocated and Lost Objects and were written-off in the accounts.

\*\* In 2019/20, six bags of prehistoric ceramic material from the collection valued at £4k were declared lost under the Procedure for the Reporting of Unlocated and Lost Objects and were written-off in the accounts.

## 10. INVESTMENTS

### 10(a) Fixed asset investments – Group and Museum

Investments comprised the following:

	<b>Group</b>	Group	<b>Museum</b>	Museum
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>£000s</b>	£000s	<b>£000s</b>	£000s
Investment assets in the UK:				
Investment funds	<b>91,837</b>	67,417	<b>91,837</b>	67,417
Fixed income	<b>16,377</b>	9,342	–	–
Investment assets outside the UK:				
Investment funds	<b>55,093</b>	10	<b>55,093</b>	10
Listed equities	<b>2,159</b>	2,308	<b>2,159</b>	2,307
Unlisted equities	<b>997</b>	1,458	<b>997</b>	1,458
	<u><b>166,463</b></u>	<u>80,535</u>	<u><b>150,086</b></u>	<u>71,192</u>
Investments at 1 April	<b>80,535</b>	79,247	<b>71,192</b>	69,305
Additions	<b>87,134</b>	1,825	<b>80,100</b>	1,825
Disposals	<b>(2,369)</b>	(9,617)	<b>(2,369)</b>	(9,018)
(Loss)/gain in value	<b>1,163</b>	9,080	<b>1,163</b>	9,080
Investments at 31 March	<u><b>166,463</b></u>	<u>80,535</u>	<u><b>150,086</b></u>	<u>71,192</u>

All investments are stated at fair value at 31 March 2023. Valuations for investments with an active market are based on published quoted prices at or close to the balance sheet date. Valuations for investments where there is no active market have been estimated with reference to recent valuation reports.

The BM has entered into a long term commitment to invest a further \$0.5m (2022: \$0.5m) in unlisted equities outside the UK under subscription agreements with one investment manager.

Details of the BM's investment policy can be found in the investments and financial risks section in the Annual Report.

## 10(b) Investment properties – Group and Museum

	<b>Group 2023 £000s</b>	Group 2022 £000s	<b>Museum 2023 £000s</b>	Museum 2022 £000s
Investments at 1 April	<b>25,400</b>	25,000	<b>25,400</b>	25,000
Additions	–	–	–	–
Transfer in from tangible fixed assets	<b>6,786</b>	397	<b>6,786</b>	397
Gain/(loss) in value	<b>(2,736)</b>	3	<b>(2,736)</b>	3
Investments at 31 March	<b>29,450</b>	25,400	<b>29,450</b>	25,400

The investment properties comprise buildings on the perimeter of the Bloomsbury site. During 2022/23 and 2021/22 the majority were subject to long leases on low or peppercorn rents.

The valuation of the investment properties at fair value as at 31 March 2023 was carried out by chartered surveyors Montagu Evans. The valuation is prepared having regard to, and in compliance with, the following Standards:

- International Financial Reporting Standards published by the International Accounting Standards Board
- RICS Valuation – Global Standards 2021, effective from 31st January 2022
- RICS Valuation – Global Standards 2017 – UK National Supplement January 2019
- International Valuation Standards published by the International Valuation Standards Committee, effective from 31st January 2022

## 10(c) Current asset investments

	<b>Group 2023 £000s</b>	Group 2022 £000s	<b>Museum 2023 £000s</b>	Museum 2022 £000s
Short-term cash deposits	<b>3,027</b>	45,263	–	32,049

## 10(d) Cash at bank and in hand

	<b>Group 2023 £000s</b>	Group 2022 £000s	<b>Museum 2023 £000s</b>	Museum 2022 £000s
Balance with commercial banks and in hand	<b>35,873</b>	46,071	<b>15,132</b>	23,668

## 11. TRADING SUBSIDIARIES

11(a) The BM owns 100% of the issued share capital of BCo. BCo has capital consisting of 750,000 £1 shares all of which have been issued at par. BCo owns the whole of the issued share capital of the British Museum Ventures Limited which consists of 1 million ordinary shares at £1 each.

The BM owns 100% of the issued share capital of the BMGC. The BMGC has an authorised share capital of 10 million ordinary shares at £1 each, 500,001 of which have been issued at par.

The British Museum Friends (BMF) is a registered charity and a company limited by guarantee. The Board of Trustees of the British Museum, as a body corporate, is the sole company law member of the BMF.

11(b) Summary of results of consolidated entities

	<b>BMF</b>	<b>BCo</b>	<b>BMGC</b>	<b>BM</b>	<b>Intercompany Transactions</b>	<b>Total</b>
	<b>2022/23</b>	<b>2022/23</b>	<b>2022/23</b>	<b>2022/23</b>	<b>2022/23</b>	<b>2022/23</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
<b>Income and endowments from</b>						
Grant-in-aid	–	–	–	67,767	–	<b>67,767</b>
Donations and legacies	251	–	–	29,707	(2,334)	<b>27,624</b>
Charitable activities	5,815	6,485	–	12,620	(1,900)	<b>23,020</b>
Other trading activities	–	10,342	5,316	–	(1,240)	<b>14,418</b>
Investments	52	491	78	1,462	(78)	<b>2,005</b>
	<u>6,118</u>	<u>17,318</u>	<u>5,394</u>	<u>111,556</u>	<u>(5,552)</u>	<u><b>134,834</b></u>
<b>Expenditure on</b>						
Raising donations and legacies	(1)	–	–	(2,616)	–	<b>(2,617)</b>
Other trading activities	–	(5,554)	(3,109)	–	5	<b>(8,658)</b>
Investment management costs	–	–	–	(396)	–	<b>(396)</b>
Charitable activities	(9,086)	(4,345)	–	(81,496)	3,217	<b>(91,710)</b>
Contribution/grants to the BM	(28)	–	(2,302)	–	2,330	–
	<u>(9,115)</u>	<u>(9,899)</u>	<u>(5,411)</u>	<u>(84,508)</u>	<u>5,552</u>	<u><b>(103,381)</b></u>
Net gains on investments	–	–	–	(1,573)	–	<b>(1,573)</b>
<b>Net income/(expenditure)</b>	<u>(2,997)</u>	<u>7,419</u>	<u>(17)</u>	<u>25,475</u>	<u>–</u>	<u><b>29,880</b></u>
Gain on revaluation of fixed assets	–	–	–	58,314	–	<b>58,314</b>
Actuarial gain on defined benefit scheme	–	5,986	–	–	–	<b>5,986</b>
Other gains	–	–	–	179	–	<b>179</b>
<b>Net movement in funds</b>	<u>(2,997)</u>	<u>13,405</u>	<u>(17)</u>	<u>83,968</u>	<u>–</u>	<u><b>94,359</b></u>

In the Consolidated Statement of Financial Activities, expenditure on other trading activities includes a corporation tax credit of £0k (2021/22: credit of £9k) for BMGC, and no corporation tax credit or charge (2021/22: £nil) for BMV. Retained earnings carried forward for BMGC is £282k (2021/22: £299k) and retained earnings carried forward for BMV is £1,067k (2021/22: £1,067k).

	<b>BMF</b>	<b>BMCo</b>	<b>BMGC</b>	<b>BM</b>	<b>Intercompany Transactions</b>	<b>Total</b>
	<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
				<b>Restated</b>		<b>Restated</b>
<b>Income and endowments from</b>						
Grant-in-aid	–	–	–	66,621	–	<b>66,621</b>
Donations and legacies	293	–	–	25,375	(12,129)	<b>13,539</b>
Charitable activities	4,870	4,331	–	12,452	(1,873)	<b>19,780</b>
Other trading activities	–	5,976	3,261	–	(1,014)	<b>8,223</b>
Investments	1	17	5	793	(6)	<b>810</b>
	<u>5,164</u>	<u>10,324</u>	<u>3,266</u>	<u>105,241</u>	<u>(15,022)</u>	<u><b>108,973</b></u>
<b>Expenditure on</b>						
Raising donations and legacies	(19)	–	–	(2,016)	(8)	<b>(2,043)</b>
Other trading activities	–	(3,571)	(2,366)	–	11	<b>(5,926)</b>
Investment management costs	–	–	–	(309)	(1)	<b>(310)</b>
Charitable activities	1,326	(3,691)	–	(72,011)	2,892	<b>(71,484)</b>
Contribution/grants to the BM	(7,027)	(4,500)	(601)	–	12,128	–
	<u>(5,720)</u>	<u>(11,762)</u>	<u>(2,967)</u>	<u>(74,336)</u>	<u>15,022</u>	<u><b>(79,763)</b></u>
Net losses on investments	–	–	–	9,083	–	<b>9,083</b>
<b>Net (expenditure)/income</b>	<u>(556)</u>	<u>(1,438)</u>	<u>299</u>	<u>39,988</u>	<u>–</u>	<u><b>38,293</b></u>
Gain on revaluation of fixed assets	–	–	–	39,564	–	<b>39,564</b>
Actuarial loss on defined benefit scheme	–	2,316	–	–	–	<b>2,316</b>
Other gains	–	–	–	39	–	<b>39</b>
<b>Net movement in funds</b>	<u>(556)</u>	<u>878</u>	<u>299</u>	<u>79,591</u>	<u>–</u>	<u><b>80,212</b></u>

In the Consolidated Statement of Financial Activities, expenditure on other trading activities includes a corporation tax credit of £9k (2020/21: credit of £4k) for BMGC, and no corporation tax credit or charge (2020/21: credit of £400k) for BMV. Retained earnings carried forward for BMGC is £299k (2020/21: £nil) and retained earnings carried forward for BMV is £1,067k (2020/21: £1,067k).

During the year the Museum did not need to make funds available to support BMCo during the pandemic and ensure the ongoing viability of the subsidiary (2020/21: £17m).

#### 11(c) Balance sheet of consolidated entities

	<b>BMF</b>	<b>BMCo</b>	<b>BMGC</b>	<b>BM</b>	<b>Intercompany Transactions</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Net assets at 31 March 2023 comprise:						
Fixed assets	–	16,754	77	1,241,665	(1,249)	<b>1,257,247</b>
Current assets	5,459	21,745	4,455	31,406	(6,663)	<b>56,402</b>
Debtors due after one year	–	957	–	5,901	(848)	<b>6,010</b>
Creditors due within one year	(3,475)	(1,403)	(3,702)	(19,942)	6,662	<b>(21,860)</b>
Creditors due after one year	–	–	(48)	(10,795)	848	<b>(9,995)</b>
Net assets	<u>1,984</u>	<u>38,053</u>	<u>782</u>	<u>1,248,235</u>	<u>(1,250)</u>	<u><b>1,287,804</b></u>

Net assets at 31 March 2022 comprise:	<b>BMF</b>	<b>BMCo</b>	<b>BMGC</b>	<b>BM</b>	<b>Intercompany Transactions</b>	<b>Total</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
				<b>Restated</b>		
Fixed assets	–	9,831	61	1,102,495	(1,250)	<b>1,111,137</b>
Current assets	12,227	26,726	3,645	83,368	(15,972)	<b>109,994</b>
Debtors due after one year	–	109	–	9,802	–	<b>9,911</b>
Creditors due within one year	(7,246)	(6,510)	(2,868)	(18,151)	15,933	<b>(18,842)</b>
Creditors due after one year	–	(5,508)	(39)	(13,247)	39	<b>(18,755)</b>
Net assets	<u>4,981</u>	<u>24,648</u>	<u>799</u>	<u>1,164,267</u>	<u>(1,250)</u>	<b><u>1,193,445</u></b>

The current assets of BMCo include £1,821k (2021/22: £1,363k) of stock which comprises £236k (2021/22: £250k) of work in progress and £1,585k (2021/22: £1,113k) of finished goods and goods for resale.

## 12. DEBTORS

	<b>Group</b>	Group	<b>Museum</b>	Museum
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>£000s</b>	£000s	<b>£000s</b>	£000s
Amounts falling due within one year:				
Trade debtors	<b>1,609</b>	3,515	<b>547</b>	1,507
Other debtors	<b>930</b>	680	<b>192</b>	169
Prepayments and accrued income	<b>12,013</b>	12,767	<b>11,096</b>	11,804
Taxation and social security	<b>1,129</b>	335	<b>1,621</b>	678
Amount due from subsidiaries	–	–	<b>2,818</b>	13,493
	<u><b>15,681</b></u>	<u>17,297</u>	<u><b>16,274</b></u>	<u>27,651</u>
Amounts falling due after more than one year:				
Accrued income	<b>5,901</b>	9,802	<b>5,901</b>	9,802
Other debtors	<b>109</b>	109	–	–
	<u><b>6,010</b></u>	<u>9,911</u>	<u><b>5,901</b></u>	<u>9,802</u>
<b>Total debtors</b>	<u><b>21,691</b></u>	<u>27,208</u>	<u><b>22,175</b></u>	<u>37,453</u>

Accrued income falling due to the Group and the Museum after more than one year relates to income from grants and donations. This is recognised where a formal offer of funding has been communicated to the Museum and terms and conditions have been met.

**13. CREDITORS**

	<b>Group 2023 £000s</b>	Group 2022 £000s	<b>Museum 2023 £000s</b>	Museum 2022 £000s
Amounts falling due within one year:				
Trade creditors	<b>3,118</b>	3,345	<b>2,435</b>	2,813
Other creditors	<b>2,229</b>	1,860	<b>2,195</b>	1,738
Taxation and social security	–	–	–	–
Accruals	<b>10,246</b>	6,685	<b>6,821</b>	6,232
Deferred income	<b>6,060</b>	5,885	<b>4,937</b>	4,178
Amount due to subsidiaries	–	–	<b>3,347</b>	2,123
	<b>21,653</b>	17,775	<b>19,735</b>	17,084

	<b>Group 2023 £000s</b>	Group 2022 £000s	<b>Museum 2023 £000s</b>	Museum 2022 £000s
Amounts falling due after more than one year:				
Deferred income	<b>10,843</b>	13,247	<b>10,795</b>	13,247

The Group deferred income falling due after more than one year relates to sponsorship, loan fees and corporate partners, recognised over the term of the contracts. The Museum deferred income falling due after more than one year relates to sponsorship and loan fees, recognised over the term of the contract.

The movement on the deferred income account is as follows:

	<b>Group 2023 £000s</b>	Group 2022 £000s	<b>Museum 2023 £000s</b>	Museum 2022 £000s
Deferred income brought forward	<b>19,132</b>	21,102	<b>17,425</b>	20,018
Released in year	<b>(4,172)</b>	(5,441)	<b>(4,172)</b>	(5,441)
Deferred in year	<b>1,943</b>	3,471	<b>2,479</b>	2,848
Deferred income carried forward	<b>16,903</b>	19,132	<b>15,732</b>	17,425

**14. PROVISION FOR LIABILITIES AND CHARGES – GROUP AND MUSEUM**

Provisions for liabilities and charges at 31 March are as follows:

	<b>Group 2023 £000s</b>	Group 2022 £000s	<b>Museum 2023 £000s</b>	Museum 2022 £000s
Provisions brought forward	<b>1,067</b>	397	<b>1,067</b>	393
Arising during the year	<b>112</b>	1,063	<b>112</b>	1,063
Utilised during the year	<b>(904)</b>	(231)	<b>(904)</b>	(229)
Reversed unused	<b>(68)</b>	(162)	<b>(68)</b>	(160)
Provisions carried forward	<b>207</b>	1,067	<b>207</b>	1,067
Less current portion	<b>(207)</b>	(1,067)	<b>(207)</b>	(1,067)
	–	–	–	–
Total provision for liabilities and charges falling due after more than one year:	–	–	–	–

The provisions carried forward relate to legal claims.

## 15. FINANCIAL COMMITMENTS

At 31 March the British Museum had commitments under operating leases as follows:

	Land and Buildings		Plant and Machinery		Van	
	2023 £000s	2022 £000s	2023 £000s	2022 £000s	2023 £000s	2022 £000s
Leases which expire:						
within one year	265	105	33	42	1	3
in the second to fifth year	838	419	–	9	–	–
over five years	–	17	–	–	–	–
	<b>1,103</b>	<b>541</b>	<b>33</b>	<b>51</b>	<b>1</b>	<b>3</b>

## 16(a) STATEMENT OF FUNDS

SOFA Classification	At 1 April 2022 Restated £000s	Income £000s	Expenditure £000s	Net movement on investments and revaluation £000s	Movement during year £000s	Transfers between funds £000s	At 31 March 2023 £000s
<i>Permanent endowment funds</i>	PE	23,811	–	(98)	(192)	(673)	22,848
<i>Expendable endowment funds</i>	EE	23,409	30	(802)	(351)	(150)	22,136
<i>Restricted funds</i>							
Collection acquisitions	CA	109,757	790	–	–	482	111,029
Collection purchase fund	RC	5,448	319	(245)	28	233	5,783
Fixed asset revaluation	RC	655,335	–	–	58,314	(4,904)	708,745
Fixed assets	RC	239,561	–	(19,264)	–	20,808	241,105
Investment Properties	RC	25,400	–	–	(2,736)	6,786	29,450
Estates proceeds	RC	6,835	–	(29)	(40)	–	6,766
Construction projects fund	RC	17,163	20,276	(133)	(3)	(22,629)	14,674
Restricted income trust funds	RR	1,166	20	(86)	5	201	1,306
Restricted income funds	RR	32,171	25,701	(8,465)	1,491	(114)	50,784
BMCo	RR	10,000	–	–	–	–	10,000
British Museum Friends	RR	–	28	–	–	(28)	–
		<b>1,102,836</b>	<b>47,134</b>	<b>(28,222)</b>	<b>57,059</b>	<b>835</b>	<b>1,179,642</b>
<i>Unrestricted funds: BM</i>							
<i>Designated:</i>							
Designated funds	UR	14,850	–	–	–	9,000	23,850
Designated trust funds	UR	355	3	(32)	2	–	328
		<b>15,205</b>	<b>3</b>	<b>(32)</b>	<b>2</b>	<b>9,000</b>	<b>24,178</b>
<i>General:</i>							
Unrestricted trust funds	UR	7,431	79	(13)	–	–	7,497
General funds	UR	1,575	60,182	(53,946)	402	(6,279)	1,934
		<b>9,006</b>	<b>60,261</b>	<b>(53,959)</b>	<b>402</b>	<b>(6,279)</b>	<b>9,431</b>
<i>Unrestricted funds: subsidiaries</i>							
BMCo	UR	13,410	17,256	(8,589)	5,986	(1,137)	26,926
BMCo fixed assets	UC	488	–	(198)	–	87	377
BMF	UR	4,981	6,074	(8,377)	–	(694)	1,984
BMF fixed assets	UC	–	–	–	–	–	–
BMGC	UR	238	4,076	(3,094)	–	(1,016)	204
BMGC fixed assets	UC	61	–	(10)	–	27	78
		<b>19,178</b>	<b>27,406</b>	<b>(20,268)</b>	<b>5,986</b>	<b>(2,733)</b>	<b>29,569</b>
<i>Unrestricted funds: group</i>		<b>43,389</b>	<b>87,670</b>	<b>(74,259)</b>	<b>6,390</b>	<b>(12)</b>	<b>63,178</b>
<b>Total funds</b>		<b>1,193,445</b>	<b>134,834</b>	<b>(103,381)</b>	<b>62,906</b>	<b>–</b>	<b>1,287,804</b>

	SOFA Classification	At 1 April 2021 £000s Restated	Income £000s	Expenditure £000s	Net movement on investments and revaluation £000s Restated	Movement during year £000s	Transfers between funds £000s	At 31 March 2022 £000s
<i>Permanent endowment funds</i>	PE	<b>21,633</b>	–	(101)	2,917	<b>2,816</b>	(638)	<b>23,811</b>
<i>Expendable endowment funds</i>	EE	<b>21,133</b>	198	(629)	2,942	<b>2,511</b>	(235)	<b>23,409</b>
<i>Restricted funds</i>								
Collection acquisitions fund	CA	<b>108,419</b>	556	–	–	<b>556</b>	782	<b>109,757</b>
Collection purchase fund	RC	<b>5,107</b>	311	(211)	294	<b>394</b>	(53)	<b>5,448</b>
Fixed asset revaluation fund	RC	<b>615,771</b>	–	–	39,564	<b>39,564</b>	–	<b>655,335</b>
Fixed asset fund	RC	<b>229,532</b>	–	(14,829)	–	<b>(14,829)</b>	24,858	<b>239,561</b>
Investment properties	RC	<b>25,000</b>	–	–	3	<b>3</b>	397	<b>25,400</b>
Estates proceeds	RC	<b>6,041</b>	–	(29)	823	<b>794</b>	–	<b>6,835</b>
Construction projects fund	RC	<b>11,227</b>	19,628	(198)	88	<b>19,518</b>	(13,582)	<b>17,163</b>
Restricted income trust funds	RR	<b>1,160</b>	–	(89)	17	<b>(72)</b>	78	<b>1,166</b>
Restricted income funds	RR	<b>30,788</b>	7,130	(5,917)	261	<b>1,474</b>	(91)	<b>32,171</b>
BMCo	RR	<b>17,000</b>	73	(73)	–	<b>–</b>	(7,000)	<b>10,000</b>
British Museum Friends	RR	<b>–</b>	27	–	–	<b>27</b>	(27)	<b>–</b>
		<b>1,050,045</b>	<b>27,725</b>	<b>(21,346)</b>	<b>41,050</b>	<b>47,429</b>	<b>5,362</b>	<b>1,102,836</b>
<i>Unrestricted funds: BM</i>								
<i>Designated:</i>								
<i>Designated funds</i>								
Designated trust funds	UR	<b>–</b>	–	–	–	<b>–</b>	14,850	<b>14,850</b>
	UR	<b>364</b>	–	(22)	13	<b>(9)</b>	–	<b>355</b>
		<b>364</b>	–	<b>(22)</b>	<b>13</b>	<b>(9)</b>	<b>14,850</b>	<b>15,205</b>
<i>General:</i>								
Unrestricted trust funds	UR	<b>7,085</b>	15	(15)	346	<b>346</b>	–	<b>7,431</b>
General funds	UR	<b>1,416</b>	63,528	(51,153)	1,418	<b>13,793</b>	(13,634)	<b>1,575</b>
		<b>8,501</b>	<b>63,543</b>	<b>(51,168)</b>	<b>1,764</b>	<b>14,139</b>	<b>(13,634)</b>	<b>9,006</b>
<i>Unrestricted funds: subsidiaries</i>								
BMCo	UR	<b>5,381</b>	10,156	(5,999)	2,316	<b>6,473</b>	1,556	<b>13,410</b>
BMCo fixed assets	UC	<b>639</b>	–	(211)	–	<b>(211)</b>	60	<b>488</b>
BMF	UR	<b>5,537</b>	5,104	2,076	–	<b>7,180</b>	(7,736)	<b>4,981</b>
BMGC	UR	<b>(71)</b>	2,247	(2,353)	–	<b>(106)</b>	415	<b>238</b>
BMGC fixed assets	UC	<b>71</b>	–	(10)	–	<b>(10)</b>	–	<b>61</b>
		<b>11,557</b>	<b>17,507</b>	<b>(6,497)</b>	<b>2,316</b>	<b>13,326</b>	<b>(5,705)</b>	<b>19,178</b>
<i>Unrestricted funds: group</i>								
		<b>20,422</b>	<b>81,050</b>	<b>(57,687)</b>	<b>4,093</b>	<b>27,456</b>	<b>(4,489)</b>	<b>43,389</b>
<b>Total funds</b>		<b>1,113,233</b>	<b>108,973</b>	<b>(79,763)</b>	<b>51,002</b>	<b>80,212</b>	<b>–</b>	<b>1,193,445</b>

Each fund is categorised in the SOFA as a permanent endowment (PE), expendable endowment (EE), collection acquisition (CA), restricted revenue (RR), restricted capital (RC), unrestricted capital (UC) or unrestricted revenue fund (UR).

The BMCo reserve includes an asset on a defined benefit pension scheme of £0.8m (2020/21: liability of £5.5m), see note 20 for further details.

	2023 £000s	2022 £000s
Investments (including investment properties) at fair value	<b>195,913</b>	105,935
Investments (including investment properties) at historic cost	<b>163,748</b>	75,299
Fair value reserve	<b>32,165</b>	30,636



**Analysis of group net assets between funds**

	Permanent Endowments £000s	Expendable Endowments £000s	Restricted Funds £000s	Unrestricted Funds £000s	<b>Total 2023 £000s</b>	Total 2022 £000s Restated
Fund balances at 31 March 2023 are represented by:						
Tangible fixed assets	–	–	945,740	250	<b>945,990</b>	891,215
Intangible fixed assets	–	–	4,110	205	<b>4,315</b>	4,230
Heritage assets	–	–	111,029	–	<b>111,029</b>	109,757
Fixed asset investments	22,833	22,068	57,385	64,177	<b>166,463</b>	80,535
Investment properties	–	–	29,450	–	<b>29,450</b>	25,400
Debtors due in more than 1 year	–	–	6,010	–	<b>6,010</b>	9,911
Net current assets	15	68	25,918	8,541	<b>34,542</b>	91,152
Creditors: amounts falling due after more than one year	–	–	–	(10,843)	<b>(10,843)</b>	(13,247)
Defined benefit pension scheme asset / (liability)	–	–	–	848	<b>848</b>	(5,508)
<b>Total net assets</b>	<b>22,848</b>	<b>22,136</b>	<b>1,179,642</b>	<b>63,178</b>	<b>1,287,804</b>	<b>1,193,445</b>

The Trustees consider that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restriction imposed.

**Permanent endowment funds**

These consist of funds for which the income alone can be used for the following purposes:

<i>Brooke-Sewell Permanent</i>	for the purchase of oriental antiquities and works of art
<i>King's Library Endowment</i>	sponsoring the post of curator of the King's Library
<i>Japanese Cultural Exchange</i>	for travel by scholars and conservators from the BM and Japan
<i>Scholar Prog. for Egypto-Nubian Studies</i>	for post graduate research in the Department of Egypt & Sudan
<i>Scholar Prog. for Ancient Iranian Studies</i>	for post graduate research in the Department of the Middle East
<i>Hill</i>	for the purchase of coins and medals
<i>Lukonin Memorial Lecture</i>	for a series of lectures or seminars on ancient Iranian and Near Eastern studies
<i>Dingwall-Beloe Lecture</i>	to sponsor an annual lecture in horology
<i>Florence</i>	for general purposes
<i>Lecture in Egyptology</i>	for an annual lecture in Egyptology and associated costs
<i>Fuller</i>	for field work by the Department of Africa, Oceania & the Americas
<i>Birch</i>	for the salaries of three under-librarians
<i>The Archibald Bequest</i>	for the purchase of coins, medals, tokens or bank notes

**Expendable endowment funds**

Expendable endowment funds are donations that have been given to the BM to be held as capital, where the trustees have a discretionary power to use the funds as income for these purposes:

<i>Michael Bromberg Fellowship</i>	for the promotion of education by the study of prints and their history
<i>Monument Trust</i>	to support the Department of Prints and Drawings by endowing the Keeper's role and funding a series of curators and fellows
<i>Rootstein-Hopkins</i>	for the acquisition of the works of qualifying artists in the fields of drawing and printmaking
<i>Robert Hatfield Ellsworth legacy for Asia Dept.</i>	for maintaining staff in the China division of the Department of Asia

<i>Borthwick Fund for the Ancient World</i>	support the research, care and display of the collections from ancient Egyptian, Greek and Roman cultures
<i>African Heritage Programme</i>	to support research into the history and cultural heritage of Africa with a focus on archaeological investigations, and to further research partnerships with academics and communities in Africa.

### Restricted funds

A significant proportion of these funds represents the capitalised value of fixed assets (both tangible and intangible), including collection items which have been acquired since 1 April 2001, and also Investment Properties.

*Restricted income trust funds:* these consist of a number of funds where the donors have specified the uses to which they may be put or have placed certain restrictions on the use of capital:

<i>Hamlyn Gift</i>	The Paul Hamlyn Foundation agreed to allocate its ongoing support for the British Museum (the Fund) to a six-year grant to develop and grow its national and community partnerships. Following a Deed of Variation signed in August 2019, the new "Where We Are..." programme will aim to work with young people and museum partners across the UK to communicate stories about communities where they live.
<i>Sharp</i>	for the purchase of books concerned with ancient Greece or Rome
<i>Sir Joseph Hotung Charitable Settlement – Asia</i>	to support research by the Department of Asia
<i>Hamlyn Bequest</i>	in furtherance of the study of the natural sciences
<i>Oppenheimer</i>	for the Department of Prints & Drawings
<i>Lloyd Bequest</i>	to acquire cabinets or other suitable accommodation for prints and drawings
<i>Romenuk Bequest</i>	for the purchase of 14/15th century Hebrew manuscripts or Flemish Art
<i>Dennis</i>	for the general purposes of the Department of Africa, Oceania & the Americas
<i>Duthrie Bequest</i>	to be used for acquisitions and/or maintenance
<i>Christy</i>	for purchases for Departments of Prehistory & Europe and Africa, Oceania & the Americas
<i>Woodward</i>	for the purchase of further English pottery and porcelain
<i>Ready Bequest</i>	for the purchase of Greek and Roman antiquities

### Unrestricted designated funds

These are unrestricted funds from which income or capital may be spent, and which the Trustees have set aside for a specific purpose.

<i>Designated trust funds</i>	for BM publications. Based on historic spending patterns, the donations will be spent in the next ten to fifteen years.
<i>Designated funds</i>	to allow delivery of activities that have been postponed or delayed since the start of the pandemic. It is anticipated that these funds will be spent or released over the next five years, but this will be kept under review.

## Unrestricted general funds

*Unrestricted Trust Funds:* these are funds which were donated simply for the general purposes of the BM: *Smith, Reddan, Shaw, Vallentin, Lawrence, and Planelles-Granell.*

*General funds:* these are funds that are expendable at the discretion of the Trustees.

### 16(b) Analysis of transfers between funds

	Restricted Capital Funds*	Unrestricted Capital Funds	Restricted Revenue Funds	Unrestricted Revenue Funds	Expendable Endowment Funds	Permanent Endowment Funds
	£000s	£000s	£000s	£000s	£000s	£000s
Collection purchases from revenue funds	110	-	(90)	(3)	(17)	-
Capital asset purchases	-	-	-	-	-	-
Fixed asset transfers	61	-	(60)	(1)	-	-
Endowment transfers	605	-	201	-	(133)	(673)
Subsidiary transfers	-	114	-	(114)	-	-
Reclassification of funds	-	-	8	(8)	-	-
	<b>776</b>	<b>114</b>	<b>59</b>	<b>(126)</b>	<b>(150)</b>	<b>(673)</b>

\* Restricted capital funds include collection acquisition funds.

### 16(c) Total return approach to investments

	Trust for Investment	Unapplied Total Return	Total Permanent Endowments (Total Return)	Other Permanent Endowments	Total Permanent Endowments
	£000s	£000s	£000s	£000s	£000s
<b>Closing balance at 31 March 2022</b>					
Gift component of the permanent endowment	3,917	-	<b>3,917</b>	-	<b>3,917</b>
Unapplied total return	-	19,883	<b>19,883</b>	11	<b>19,894</b>
<b>Total</b>	<b>3,917</b>	<b>19,883</b>	<b>23,800</b>	<b>11</b>	<b>23,811</b>
<b>Movements in the year</b>					
Gift of endowment funds	-	-	-	-	-
Investment income	-	-	-	-	-
Expenditure on raising donations and legacies	-	-	-	-	-
Investment management costs	-	(98)	<b>(98)</b>	-	<b>(98)</b>
Net gains on investments	-	(192)	<b>(192)</b>	-	<b>(192)</b>
Other losses	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>(290)</b>	<b>(290)</b>	<b>-</b>	<b>(290)</b>
Unapplied total return allocated to income in the reporting period (transfers to restricted income)	-	(673)	<b>(673)</b>	-	<b>(673)</b>
<b>Net movements in the year</b>	<b>-</b>	<b>(963)</b>	<b>(963)</b>	<b>-</b>	<b>(963)</b>
Gift component of the permanent endowment	3,917	-	<b>3,917</b>	-	<b>3,917</b>
Unapplied total return	-	18,920	<b>18,920</b>	11	<b>18,931</b>
<b>Closing balance at 31 March 2023</b>	<b>3,917</b>	<b>18,920</b>	<b>22,837</b>	<b>11</b>	<b>22,848</b>

Details of the power to adopt a total return approach to investment can be found in the Investments and Financial Risks section of the Annual Report.

## 17. CASH FLOW INFORMATION

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

	<b>2023</b>	2022
	<b>£000s</b>	£000s
		Restated
Net income for the year	<b>29,880</b>	38,293
Loss/(gain) on investments	<b>1,573</b>	(9,083)
Actuarial gain on defined benefit scheme	<b>5,986</b>	2,316
Donated assets – collection items	<b>(790)</b>	(556)
Investment income	<b>(2,075)</b>	(335)
Depreciation	<b>16,355</b>	14,466
Amortisation	<b>1,448</b>	584
Impairment of fixed assets	<b>1,665</b>	–
Loss on disposal of fixed assets	<b>4</b>	–
(Decrease)/Increase in creditors	<b>(726)</b>	1,916
Decrease in debtors	<b>5,517</b>	2,935
(Increase)/Decrease in stocks	<b>(458)</b>	480
(Decrease)/Increase in provisions	<b>(860)</b>	670
(Decrease) in pension fund liability	<b>(6,356)</b>	(9,091)
Net cash provided by operating activities	<b>51,163</b>	42,595

The 2021/22 restatement reflects £3.7m reduction in operating and investing activities due to movements in capital accruals, with nil net cash flow impact.

## 18. RELATED PARTY TRANSACTIONS

The British Museum is a Non-Departmental Public Body whose sponsoring body is the Department for Culture, Media and Sport. The Department for Culture, Media and Sport is regarded as a related party. During the year the British Museum had a number of transactions with the Department and with other entities for which the Department is the sponsor, for example the Victoria and Albert Museum and the Science Museum Group.

The British Museum also entered into transactions with other related parties during the year as set out below:

Party	Nature of Relationship	Transaction	Income for the year ended 31 March 2023	Expenditure for the year ended 31 March 2023	Debtor balance as at 31 March 2023	Creditor balance as at 31 March 2023
			£000s	£000s	£000s	£000s
American Friends of the British Museum	George Osborne has an 'ex officio' role with the AFBM	Grants awarded during the year and administration costs associated with grant making.	505	(80)	–	(41)
Foundling Museum	Sir Grayson Perry CBE RA is a Trustee of the Foundling Museum	Advertising income	2	–	–	–
The Metropolitan Museum of Art	Sir Paul Ruddock FSA and Alejandro Santo Domingo are Trustees of the Metropolitan Museum of Art	Scientific/loan fee income / trade income and expenditure	9	(20)	8	(4)
University of the Arts London	Sir Grayson Perry CBE RA is Chancellor of the University of the Arts London	Grants awarded during the year	–	(6)	–	–
QA Limited	Sir Charlie Mayfield is a Non Executive Chairman at QA	Training costs	–	(6)	–	–
Daiwa Anglo-Japanese Foundation	Professor Sir Mark Walport is a Trustee of Daiwa Anglo-Japanese Foundation	Grant	4	–	–	–

A number of employees, trustees and their family members are members of the British Museum Friends and patrons of the Museum.

During the year, a total of £112k (2021/22: £213k) in donations was recognised from 5 Trustees (2021/22: 17). Contributions of £31k were made by Trustees towards the cost of Trustee meetings (2021/22: £32k).

Trustees, Directors and employees of the British Museum, the British Museum Company and British Museum Ventures Limited are entitled to discounts on purchases from the Museum's shops and cafés.

Members of the Art Fund are given discounted entry to the special exhibitions of the British Museum.

During 2021/22 the BM entered into transactions with other related parties as set out below:

Party	Nature of Relationship	Transaction	Income for the year ended 31 March 2022	Expenditure for the year ended 31 March 2022	Debtor balance as at 31 March 2022	Creditor balance as at 31 March 2022
			£000s	£000s	£000s	£000s
American Friends of the British Museum	A number of Trustees had roles with the AFBM	Grants awarded during the year and administration costs associated with grant making.	385	(47)	-	(291)
The Royal Academy of Arts	Grayson Perry CBE RA is a Trustee of the Royal Academy of Arts	Loan fees	3	-	-	-
Cambridge University Press and Assessment Syndic	Professor Dame Sarah Worthington DBE, QC (Hon), FBA is a Member of the Cambridge University Press and Assessment Syndic	Trading expenditure	-	(2)	-	-
Vodafone Group plc	Lord Jonathan Marland holds a registerable shareholding in Vodafone Group plc	Telephone and IT expenditure	-	(7)	-	(1)
Morgan Stanley	Dame Elizabeth Corley DBE is a Non Executive Director at Morgan Stanley	Corporate Partnership	32	-	1	(3)
QA	Sir Charlie Mayfield is the Non Executive Chairman at QA	Training costs	-	(10)	-	-
The Metropolitan Museum of Art	Sir Paul Ruddock FSA is a Trustee of the Metropolitan Museum of Art	Loan fee	-	(5)	-	-
The Metropolitan Museum of Art	Sir Paul Ruddock FSA is a Trustee of the Metropolitan Museum of Art	Trading income and expenditure	7	(7)	-	(2)
Sir Richard Lambert	Chairman of the Trustees of the British Museum for part of the year	Diary management	1	-	-	-
McKinsey & Company	Dame Vivian Hunt DBE is a Senior Partner for McKinsey & Company's United Kingdom and Ireland offices.	Corporate partnership income	32	-	-	14

A number of employees, trustees and their family members are members of the British Museum Friends and patrons of the Museum.

During 2021/22, a total of £213k (2020/21: £44k) in donations was recognised from 17 Trustees (2020/21: 7). Donations of £32k were made by Trustees towards the cost of Trustee meetings (2020/21: £nil).

Trustees, Directors and employees of the British Museum, the British Museum Company and British Museum Ventures Limited are entitled to discounts on purchases from the Museum's shops and cafés.

Members of the Art Fund are given discounted entry to the special exhibitions of the British Museum.

## 19. CAPITAL COMMITMENTS

At the balance sheet date the value of tangible capital commitments was £5.5m (2021/22: £5.2m) and the value of intangible capital commitments was £275k (2021/22: £26k).

## 20. PENSIONS

### *British Museum*

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 within 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 and 5 months from their normal pension age on 1 April 2012 switched into alpha sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to alpha 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.) 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 before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with 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 an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

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

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

For 2022/23, employers' contributions of £7.5m were payable to the PCSPS (2021/22: £6.7m) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, 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 2022/23 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £112k were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.75%.

Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £4k, 0.5% of pensionable pay, 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.

No individuals retired early on ill-health grounds; the total additional accrued pension liability in the year amounted to 0.

Contributions due to the partnership pension providers at the balance sheet date were £0. Contributions prepaid at that date were £0.

#### *British Museum Company Limited*

##### Defined Contribution Scheme

The Company operates a defined contribution pension scheme for the benefit of the employees who commenced their employment after 1 January 2000. The assets of the scheme are self-administered in funds independent from those of the Company. The total employer's contributions to this scheme during the year were £109k (2021/22: £106k).

##### Defined Benefit Scheme

The Company operates a defined benefit pension scheme for its employees who commenced their employment prior to 1 January 2000, the British Museum Company Limited Retirement Benefits Plan. The assets of the scheme are held separately from those of the Company and are managed by the BM Co Pension Trustee Company Limited.

For employees joining the scheme before 1 November 1993, the scheme is non-contributory. Employees joining the scheme with effect from 1 November 1993 pay 5% of pensionable salary towards the total. The cost of insuring the death in service benefits is payable in addition to these amounts.

##### Actuarial valuation

The pension scheme undertakes a full triennial actuarial valuation. This valuation establishes how much the scheme's assets are worth and how much the scheme needs in order to pay pensions as they fall due (the 'technical provisions'). Legislation states that pension trustees must be prudent when choosing the assumptions on which to base the valuation and sets a statutory funding objective that assets should be sufficient to cover a scheme's technical provisions, with a recovery plan drawn up to address any funding gap.

As at 31 March 2020, the date of the last completed full actuarial valuation, the scheme had 101 members, and the market value of the scheme was £13,711,000. The actuarial value of those assets was sufficient to cover 50% of the benefits that had accrued to members, after allowing for expected future increases in accrued benefits and earnings on the 31 March 2020 Statutory Funding Basis. Current and future deficit contributions are reflected in the Recovery Plan agreed to remove the deficit over the period set out in the Recovery Plan agreed in June 2021.

With effect from 1 April 2018, a schedule of contributions had been in place to fund the scheme's defined benefits at the rate of 44.0% per annum of pensionable salary for scheme members together with a deficit reduction payment of £677k per annum from 1 April 2018 to 31 March 2034. This schedule of contributions was revised in June 2021 such that these contributions have been increased to 46.5% per annum of pensionable salary for scheme members together with a deficit reduction payment of £677k per annum from 1 April 2020 to 31 August 2021; a lump sum of £6,718k payable by 30 September 2021; and £505k per annum from 1 April 2022 to 31 March 2029.

Employer's pension contributions to the scheme during the year totalled £531k (2021/22: £7,032k). The company expects to contribute approximately £519k to its defined benefit pension scheme in the year ending 31 March 2024.

The next triennial valuation is due for 31 March 2023 and the statutory deadline for completion (submission of the valuation) is 15 months after the valuation date.

#### FRS 102 valuation

There are different ways of valuing a pension scheme. The valuation included in these accounts is based on the results of the last completed triennial actuarial valuation of the scheme as at 31 March 2020, updated to 31 March 2023 by an independent qualified actuary (Broadstone Corporate Benefits Limited) and adjusted to take account of the requirements of FRS 102.

#### Changes to the Scheme during the year

The rules of the Scheme were changed with effect from 26 August 2022. The purpose of this change was to give effect to the agreement between the British Museum Company Limited (Employer) and the BM Co Trustee Company Limited (Trustee) to close the Scheme to future accrual of benefits. Deeds of amendment were executed to bring about this change.

This agreement was reached following discussions between the Employer and the Trustee and the completion by the Employer of a consultation with affected employees in accordance with the Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendments) Regulations 2006, and having considered carefully all the responses received from the affected employees, the Employer decided it wished to close the Scheme to future accrual of benefits with effect from the end of 30 September 2022.

The amounts recognised in the balance sheet are as follows:

	<b>2023</b>	2022
	<b>£000s</b>	£000s
Fair value of scheme assets	<b>20,166</b>	21,421
Present value of scheme obligations	<b>(19,318)</b>	(26,929)
Defined benefit pension scheme asset /(liability)	<b>848</b>	(5,508)

The amounts recognised in the SOFA are as follows:

	<b>2023</b>	2022
	<b>£000s</b>	£000s
Current service cost	<b>24</b>	35
Net interest cost	<b>137</b>	222
Total	<b>161</b>	257

	<b>2023</b>	2022
	<b>£000s</b>	£000s
Opening value of defined benefit obligation	<b>26,929</b>	29,635
Current service cost	<b>24</b>	35
Interest cost	<b>694</b>	588
Actuarial (gain) / loss – effect of experience adjustments	<b>(454)</b>	122
Actuarial gain – effect of changes in assumptions	<b>(7,340)</b>	(2,935)
Benefits paid	<b>(535)</b>	(516)
Closing value of defined benefit obligation	<b>19,318</b>	26,929

Changes in the fair value of the scheme assets:

	<b>2023</b>	2022
	<b>£000s</b>	£000s
Opening value of scheme assets	<b>21,421</b>	15,036
Interest income	<b>557</b>	366
Actuarial loss – return on scheme assets excluding interest	<b>(1,808)</b>	(497)
Contributions by employer	<b>531</b>	7,032
Benefits paid	<b>(535)</b>	(516)
Closing value of scheme assets	<b>20,166</b>	21,421
Actual return on scheme assets	<b>(1,251)</b>	(131)



The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2023</b>	2022
Target Return Funds	<b>74%</b>	71%
Property	<b>15%</b>	18%
Cash	<b>11%</b>	11%

#### *Employer-related assets*

The value of the scheme's assets does not include any financial instruments issued by, or any property occupied by, or any other asset used by, the Company.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	<b>2023</b>	2022
Discount rate at 31 March	<b>4.70%</b>	2.60%
Future salary increases	<b>3.30%</b>	3.60%
Future pension increases		
Pre 1 May 1991	<b>3.0%</b>	3.0%
1 May 1991 to 31 December 2001	<b>5.0%</b>	5.0%
1 January 2002 to 31 December 2007	<b>3.3%</b>	3.6%
Post 31 December 2007	<b>2.4%</b>	2.4%
Commutation allowance	<b>25.00%</b>	25.00%
RPI inflation	<b>3.30%</b>	3.60%
CPI inflation	<b>2.50%</b>	2.80%
Mortality – base table	<b>S3PA</b>	S3PA
Mortality – future improvements	<b>CMI 2021</b>	CMI 2021
	<b>1.0%</b>	1.0%
Life expectancy of male aged 60 now	<b>86.4</b>	86.4
Life expectancy of male aged 60 in 20 years	<b>87.6</b>	87.5
Life expectancy of female aged 60 now	<b>89.1</b>	89
Life expectancy of female aged 60 in 20 years	<b>90.2</b>	90.2

## **21. CONTINGENT ASSETS**

13 legacies were bequeathed to the British Museum group (2021/22: 6 legacies). The amount and timing of these payments are uncertain as the BM's interest is in the residuary estates but is estimated at c. £2.9m (2021/22: £1.5m).

## **22. CONTINGENT LIABILITIES**

There are no contingent liabilities to report for the year. The contingent liability reported as at 31 March 2022 related to the contested withdrawal of charitable relief against business rates on elements of the Bloomsbury site with an estimated possible obligation of c. £1.5m. In the 2022-23 financial year the billing authority conceded that charitable relief was applicable, and there is no remaining possible obligation to report.

## 23. FINANCIAL INSTRUMENTS

Set out below are the accounting classifications of each class of financial assets and liabilities as at 31 March 2023, together with net gains and losses for each classification.

Group	Measured at cost £000s	Measured at fair value £000s	Total £000s
Investments	–	166,463	166,463
Investment properties	–	29,450	29,450
Trade debtors	1,609	–	1,609
Current asset investments	3,027	–	3,027
Cash at bank and in hand	35,873	–	35,873
Trade creditors	(3,118)	–	(3,118)
	<u>37,391</u>	<u>195,913</u>	<u>233,304</u>

### Financial risk management

Qualitative information on the BM's approach to financial risk management is disclosed in the "Reserves" and "Investments and financial risks" sections of the Annual Report, and in the Governance Statement. Quantitative disclosures are included here.

#### Credit risk

The BM is not exposed to significant trading credit risks. Most major customers are familiar. Term deposits and cash holdings, other than cash held as part of the investment portfolio, are placed only with approved UK banks and are spread across several institutions where appropriate. The BM has not suffered any loss in relation to cash held by bankers.

#### Liquidity risk

Approximately 51% (2021/22: 61%) of the BM's income before transfers and revaluations is provided by grant-in-aid from the Department for Culture, Media and Sport. The BM's reserves policy is set out in the Annual Report. The Trustees believe that the level of liquid unrestricted reserves at year-end and careful planning based on expected funding levels allows the BM to be free from unacceptably high liquidity risks.

The BM monitors its exposure to liquidity risk by regularly monitoring the liquidity of its investment portfolio and holding appropriate levels of liquid assets. The BM holds highly liquid assets amounting to £36 million as at 31 March 2023 (2022: £46 million), which are comprised of cash at bank and in hand. The level of highly liquid assets held is regularly reviewed by senior management. The BM also mitigates its exposure to liquidity risk through the investment of £147 million (2021/22: £67 million) in funds that are readily realisable.

#### Market risk: interest rate risk

The BM's financial assets, excluding short term debtors and creditors, are made up of investments and cash. Information about the BM's investments is disclosed in the "Investments and financial risks" section of the Annual Report and at note 10.

Cash at bank and in hand and current asset investments are held in a variety of bank accounts, split between non-interest bearing, fixed rate and floating rate accounts as follows:

Currency	Floating rate £000s	Fixed rate £000s	Non- interest bearing £000s	2023 Total £000s	2022 Total £000s
Sterling	30,010	3,027	642	<b>33,679</b>	86,905
US \$	–	–	3,207	<b>3,207</b>	2,495
Euro and other	–	–	2,014	<b>2,014</b>	1,934
	<u>30,010</u>	<u>3,027</u>	<u>5,863</u>	<u><b>38,900</b></u>	<u>91,334</u>

The weighted average interest rate on fixed rate financial assets is 0.7% (2021/22: 0.1%) and the weighted average period of deposit is 58 days (2021/22: 66 days). The interest receivable on the floating rate deposits is at a variable rate determined by the BM's bankers.

Interest income for the year was 0.47% (2021/22: 0.04%) of the BM's income before transfers and revaluations and the BM does not hold any loans, so exposure to interest rate risk is minimal.

*Market risk: foreign currency risk*

The BM has very limited foreign currency risk, with only approximately 4% (2021/22: 5%) of the BM's financial assets denominated in currencies other than pounds sterling, the base currency for the BM's operations.

The total value considered to be exposed to currency risk at 31 March was:

Currency	<b>Value 2023 £000s</b>	Value 2022 £000s
US\$	<b>6,364</b>	6,271
Euro	<b>1,983</b>	1,913
Other	<b>31</b>	21
	<b>8,378</b>	8,205

*Market risk: other price risk*

The BM is exposed to risks associated with market fluctuations on its investments – details of the investment policy and risk management are disclosed in the "investment and financial risks" section of the Annual Report above. For non-investment transactions, exposure to wider market price risks is reduced by competitive tendering and securing two or three year fixed price contracts, where appropriate.

*Concentration of exposure to other price risk*

An analysis of the BM's investment portfolio is shown in note 10(a), the majority of which is held in sterling within the UK.

## 24. POST BALANCE SHEET EVENTS

There were no reportable events between 31 March 2023 and the date the accounts were authorised for issue.

The financial statements were authorised for issue by the Trustees and Accounting Officer on the date they were certified by the Comptroller and Auditor General.

**25. PRIOR YEAR ADJUSTMENT**

The financial statements have been restated to incorporate the impact of an error in the calculation of the property valuations.

<i>Tangible fixed assets adjustment</i>	<b>Group 31 March 2022 £000s</b>	<b>Group 31 March 2021 £000s</b>	<b>Group 31 March 2020 £000s</b>	<b>Museum 31 March 2022 £000s</b>	<b>Museum 31 March 2021 £000s</b>	<b>Museum 31 March 2020 £000s</b>
Tangible fixed assets as previously reported:	869,429	832,132	833,104	869,182	831,820	832,641
Cumulative adjustments relating to prior years:						
Revaluation of fixed assets adjustment	1 21,786	9,873	11,352	21,786	9,873	11,352
Tangible fixed assets as adjusted	891,215	842,005	844,456	890,968	841,693	843,993
Within tangible fixed assets:						
Buildings as previously reported:	448,258	434,608	454,908	448,258	434,608	454,908
Cumulative adjustments relating to prior years:						
Revaluation of fixed assets adjustment	1 15,645	5,926	6,852	15,645	5,926	6,852
Buildings as adjusted	463,903	440,534	461,760	463,903	440,534	461,760
Plant and machinery as previously reported:	127,337	125,153	134,494	127,376	125,153	134,494
Cumulative adjustments relating to prior years:						
Revaluation of fixed assets adjustment	1 6,141	3,947	4,500	6,141	3,947	4,500
Plant and machinery as adjusted	133,478	129,100	138,994	133,517	129,100	138,994

<i>Funds adjustment</i>		<b>Group 31 March 2022 £000s</b>	<b>Group 31 March 2021 £000s</b>	<b>Group 31 March 2020 £000s</b>	<b>Museum 31 March 2022 £000s</b>	<b>Museum 31 March 2021 £000s</b>	<b>Museum 31 March 2020 £000s</b>
The funds as previously reported:		1,171,659	1,103,360	1,061,027	1,142,481	1,074,803	1,051,281
Cumulative adjustments relating to prior years:							
Revaluation of fixed assets adjustment	1	21,786	9,873	11,352	21,786	9,873	11,352
The funds as adjusted		1,193,445	1,113,233	1,072,379	1,164,267	1,084,676	1,062,633
		<b>Group 2022 £000s</b>	<b>Group 2021 £000s</b>		<b>Museum 2022 £000s</b>	<b>Museum 2021 £000s</b>	
Net movement in funds as previously reported		68,299	42,333		67,678	23,522	
Adjustments to prior years:							
Gain/(loss) on revaluation of fixed assets adjustment	1	11,913	(1,479)		11,913	(1,479)	
Net movement in funds as restated		80,212	40,854		79,591	22,043	

1 During the year, the documentation relating to the floor areas of the Museum was reviewed and the Gross Internal Area of the buildings as applied for the valuations was corrected. When applied to previous years, this resulted in increased property valuations as at 31 March 2022, 31 March 2021 and 31 March 2020. The restatement adjustment has increased the fixed assets and gain on revaluation of fixed assets at each date.

