IMPERIAL WAR MUSEUMS

Annual Report and Accounts 2025–26

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Imperial War Museum

Annual report and accounts 2025-2026

For the period 1 April 2025 to 31 March 2026

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Executive Summary

1. Executive Summary

The financial year 2025–26 was a year of high-profile public delivery defined by ambitious programming, and continued investment in the organisational foundations needed to sustain long-term impact. Throughout the year, IWM demonstrated its ability to deliver sensitive, complex and wide-reaching programmes of national significance while maintaining effective governance, operational discipline and organisational resilience.

At the centre of the year's achievements was IWM's delivery of a major programme of DCMS-funded national commemorations marking the 80th anniversary of the end of the Second World War, including VJ Day and the atomic bombings of Hiroshima and Nagasaki. Building on the success of earlier VE Day activity, IWM led a bold programme that combined large-scale public events, artistic commissioning and innovative interpretation, reaching audiences across the UK and beyond.

A flagship element of the programme was the commissioned artist film *We Saw the World End* by Es Devlin, which formed the centrepiece of high-profile public screenings in IWM London and Picadilly Circus and associated engagement activity. The use of immersive media and public-realm locations enabled IWM to reach both established audiences and those less likely to engage through traditional museum formats, reinforcing the organisation's role as a national cultural leader capable of innovation and large-scale delivery.

Alongside public programmes and artistic commissions, 2025–26 saw a continued emphasis on learning, participation and accessibility. IWM delivered a wide-ranging programme of schools and family-focused activity aligned to the 80th anniversary commemorations, including curriculum-linked resources, workshops and participatory learning initiatives designed to support thoughtful engagement with history.

This work reflected IWM's commitment to ensuring that national moments of remembrance are underpinned by education and reflection, particularly for younger audiences. Learning activity addressed both global events and individual human experiences, supporting teachers and families to explore complex subject matters in age-appropriate and meaningful ways. By integrating learning into the heart of its public programming, IWM reinforced education as a central element of its public offer.

IWM delivered its first Citizens' Assembly, marking a significant step in embedding public participation at the heart of institutional decision-making. Developed as part of IWM's wider work to strengthen relevance, accountability and public trust, the Assembly gave members of the public a meaningful role in shaping how IWM develops, manages and uses its collections. Working with Ipsos, the Assembly – titled IWM's *Citizens' Assembly on Inspiring Collections* – convened a broad, representative group of 44 members, selected through a civic lottery process to reflect the diversity of the UK population. Participants took part in 30 hours of facilitated deliberation across a series of structured sessions held between January and February 2026.
Members engaged with a wide range of evidence, expert testimony and examples drawn from IWM's collections and professional practice, exploring the central question: 'How do we shape our collections to inspire and connect with people's lives?'. An interim report was presented to Trustees in March 2026 and this will be followed by a set of final recommendations submitted in July.

During the year, IWM progressed the development of a refreshed Vision and Purpose, establishing a clear strategic foundation to guide the organisation's future direction. Extensive research and consultation were undertaken with audiences, staff, volunteers, stakeholders and Trustees to address a growing gap between IWM's work and public perception. Informed by independent insight and audience testing, a new Vision and Purpose framework was developed and formally approved by the Board of Trustees.

The year also marked the transition from definition to delivery, with preparatory work commencing on a refreshed visual and verbal identity and plans put in place to embed the new framework across the organisation. This work will ensure greater clarity, consistency and impact in how IWM communicates its role, relevance and public value in the years ahead. Alongside this, we have also been progressing with an audience segmentation project, commencing a programme of research and internal validation to develop a more robust understanding of current and potential audiences. This work will inform future marketing, programming and investment decisions, supporting more targeted engagement and the delivery of IWM's ambitions to grow and broaden its visitors in the coming years.

As IWM moves forward, the foundations laid during the year position the organisation well to deliver future national milestones, expand its reach and continue to offer meaningful, and accessible experiences for audiences across the UK and internationally.

Introduction

2. Introduction

Who we are
IWM was founded in 1917 to document the First World War in real time, and to preserve for future generations a record of everyone's service and sacrifice, military and civilian, across the UK and the British Empire. IWM's remit was later extended to cover the Second World War and conflicts involving British and Commonwealth service personnel, up to the present day.

We deliver our public purpose across five sites, (IWM London, IWM North, IWM Duxford, Churchill War Rooms and HMS Belfast), via our digital channels, through temporary exhibitions, collection displays, research, learning programmes, publications, and online content. We collect objects and stories that give an insight into people's experiences of war. We preserve them for future generations and bring them to today's audiences in the most powerful way possible. We help people make sense of an increasingly uncertain world, by furthering understanding of the reasons why wars begin, their impact on human lives, their ongoing legacy, and our ability as individuals to shape a more peaceful world. We are uniquely placed to help people better understand the world around them.

IWM is an arms-length body, reporting into the Department for Culture, Media, and Sport (DCMS), our sponsor body. IWM is also an exempt charity. We receive government funding through Grant-in-Aid to care for our collections on behalf of the nation, as part of our statutory responsibilities. IWM generates revenue via a hybrid funding model which includes self-generated income derived from commercial revenue streams, fundraising activities and admission fees. The cost of managing our collections is greater than the amount of Grant-in-Aid we receive, consequently, IWM is dependent upon self-generated income to supplement our collections management responsibilities.

We aim to be a place where everyone feels welcome, a space where challenging subjects can be explored openly, thoughtfully and with compassion, a trusted source of evidence-based knowledge, and a rewarding collaborator. The global nature of IWM's remit reflects Britain's history, cultural diversity and ties to the Commonwealth. We aim to ensure our work is similarly multifaceted and shaped by expertise from those countries and communities whose stories are integral to our collections.

Strategic Objectives

3. Strategic Objectives

In the year IWM's work has been guided by four strategic objectives.

We are committed to **growing and broadening our visitors**, welcoming more people from across the UK and beyond through powerful exhibitions, events and learning programmes, and by improving the experience across all five of our sites.

To support this public mission, IWM is focused on **increasing its reach, sustainability and resilience**. This includes strengthening our commercial activity and partnerships, managing resources carefully and investing selectively in projects that will secure long-term impact and financial stability.

Alongside this, we aim to **broaden engagement with our collections**, ensuring they are accessible, relevant and connected to the issues and questions that matter today, both in our museums and online.

Finally, we are committed to **being a fantastic place to work**, recognising that our people are central to everything we do. We will continue to support an inclusive, skilled and motivated workforce, equipped to deliver our ambition.

Achievements and Performance

4. Achievements and Performance

Notwithstanding the many challenges faced over the last financial year IWM has continued to deliver progress on its strategic objectives and implement priorities as set out in our Corporate Plan.

Our Key Performance Indicators, social impacts and progress against our objectives are outlined below.

4.1. Key Performance Indicators

The results reported below represent the Key Performance Indicators based on our Management Agreement with DCMS.

Performance Indicator (‘000s)	**2025-26**	**2024-25**	**% change**
Number of visits to IWM (excluding corporate hospitality guests and virtual visitors)	2,123	2,239	-5%
Number of unique website visits	9,863	6,534	51%
Number of visits to IWM by children under 16	332	383	-13%
Number of overseas visitors	873	929	-6%
Number of facilitated and self-directed visits to IWM by children under 18 in formal education	151	145	+4%
Number of instances of children under 18 in onsite organised activities	209	204	+2%
Percentage of visitors who would recommend a visit	96%	95%	+1%
Admissions income (gross)	£18,291	£18,924	-3%
Trading net profit	£6,211	£6,377	-3%
Fundraising income	£5,260	£13,332	-61%
Number of UK loan venues *(exact number reported)*	33	31	+6%

4.2. Social Impact and Audience Understanding

IWM developed a Social Impact Framework in 2020 which aims to create a structured approach to considering and measuring the social impact of its activities before, during and after activities are approved and launched. Such audience-related activities include temporary exhibitions, public programmes and other forms of learning activity, formal or informal. Measuring impact is no longer restricted to the personal impact for those who visit a museum – the wide societal impact is becoming a much more significant driver in setting and delivering a museum’s strategy.

- ***Chila Welcomes You*:** After the conclusion of the Chila exhibition at North, we asked visitors about their experience. 52% Strongly agreed that the exhibition was innovative and though-provoking, and 55% strongly agreed that that IWM inspires debate and discussion around war and conflict.

- ***Emergency Exits: The Fight for Independence in Malaya, Kenya and Cyprus*:** We asked visitors who saw *Emergency Exits* to reflect on their experience. Across all of our measures of success, we exceeded each target to ultimately encourage reflective thinking and further our social impact.

- ***Unsilenced: Sexual Violence in Conflict (SVIC):*** IWM commissioned summative research to evaluate the impact of the exhibition *Sexual Violence in Conflict (SVIC*). Findings demonstrated a highly positive visitor response, with audiences engaging deeply with the content and consistently describing the subject matter as both vital and relevant. Visitors reported strong emotional and empathic connections to the exhibition, with responses indicating an increased understanding of and sensitivity to the experiences of survivors of sexual violence in conflict. This impact was evident across a wide range of audiences. Additionally, *Unsilenced* succeeded in attracting new visitors to the Museum, including individuals who stated they would not otherwise have chosen to visit, thereby broadening IWM's reach and social impact.

4.3. Our Awards

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

- Visit England Awards for Excellence, Gold Accolade, Winner: IWM London
- Asian Media Awards, Best Live Event, Finalist: *Chila Welcomes You*, IWM North
- Grierson British Documentary Awards, Best History Documentary, Nomination: Sam Mendes *What they Found* (Neal Street in collaboration with Neal Street and IWM)
- Focal International Awards, Lifetime Achievement Award, Jane Fish, Senior Curator Film
- BAFTA Awards, Specialist Factual, Nomination: Sam Mendes' *What They Found* on BBC2, made in association with IWM

Broaden Engagement with our Collections

5. Broaden the public engagement with our Collections

5.1. Our Collections Management and Care

Our collections are the raw material through which we tell stories, uncover histories, make connections between the past and present, offer digital content, prepare public programmes and engage audiences. We care for our collection across our sites with a range of ongoing projects.

This year as part of our 2025-26 Digital Futures programme, we digitised 765 film reels, and 4,055 artworks to preserve them for the future. For internal and external clients, we digitised 746 films, photographs and objects. Our Conservation team completed 1937 requests for conservation of objects across all media types in 2025-26.

Digitisation enables us to care for the collection, preserve content for future generations, and make it accessible to the public. Making the collections accessible in digital formats, provides the opportunity for our audiences to see and interact with our collections, and enables us to share important stories. We wish to continue and accelerate this digitisation in our Digital Futures Second World War project, particularly as we look ahead to the centenary of the Second World War. Without the digitisation of our Second World War collection, we will be unable to maximise the opportunity that the centenary presents to engage audiences with innovative content and bring communities together through programming.

A flagship achievement within this programme was the deployment of an AI-powered sound transcription and translation platform, developed in partnership with Capgemini and Google Cloud and funded through the Knowledge Asset Grant Fund. This initiative successfully transcribed and made searchable over 20,000 hours of oral history, representing the first time a UK archive or museum has implemented AI transcription at this scale. The project received strong external recognition from both professional and technical audiences, demonstrating IWM's leadership in digital innovation and collections access.

5.2. The Nature and Scale of IWM's Heritage Assets

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

IWM is the national museum of conflict from the First World War onwards. It illustrates and records all relevant aspects of modern war, and of the individual's experience of war and wartime life, whether allied or enemy, service or civilian, military or political, social or cultural.

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

Museum Collections	
Artworks: IWM holds a large and world-class collection of modern British art. The core is paintings, prints and drawings commissioned or purchased during the First and Second World Wars, since added to by the acquisition of historical and contemporary works of art. The collection includes digital and mixed media artworks, sculptures, cartoons and camouflage designs and almost 20,000 international posters.	**83,778 items**
Objects: IWM holds a diverse range of three-dimensional material, covering the full spectrum of objects associated with modern warfare. These include vehicles, aircraft and aero engines, uniforms, medals, models, currency and equipment. HMS *Belfast* is included as a heritage asset and is subject to ongoing conservation assessment and treatment.	**153,932 items**
Sound recordings: Our collection of sound recordings includes personal interviews, speeches and sound effects totalling many thousands of hours, and is one of the largest of its kind in the world.	**39,422 items**
Film: IWM is one of the oldest national film archives and is the official repository for relevant film under the Public Records Act 1958.	**59,887 titles**
Maps: IWM holds official and unofficial maps relating to the conflicts we cover, particularly the First and Second World Wars.	**62,565 items**
Proclamations: These notices, decrees and posters cover the First World War and later conflicts, from the Home Front and global theatres of war.	**31,993 items**
Total Museum Collections	**431,577 items**

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

Archive Collections	
Documents: IWM is among the world's leading repositories for the private papers of those involved in warfare since 1914. We also hold an extensive series of records from Germany, Japan and Italy during the Second World War, deposited at IWM as captured enemy documents under the Public Records Act 1958.	**Estimated 22 million items, managed under 26,747 collections**

Photographs: We hold approximately 11 million images from official, press agency and private photographers. IWM is the official repository for relevant photographs under the terms of the Public Records Act 1958.	**Estimated 11 million images, managed under 19,861 collections**
Total Archive Collections	**Estimated 33 million items, managed under 46,608 collections**

Reference Library Collections	
Reference Library: The reference collection includes over 150,000 books and significant collections of printed ephemera, pamphlets and periodicals. The collection covers all nations involved in war and conflict from 1914 to the present with a particular focus on social, economic, political, literary, artistic, and military history. As a reference library over 95% of the holdings are for access rather than permanent retention and are consequently unaccessioned.	**246,627 items**
Total Reference Library	**246,627 items**

Total collection numbers	
Museum collections	431,577 items
Archive collections	Estimated 33 million items, managed under 46,608 collections
Reference Library	246,627 items
Total	**33,678,204 items**

Changes to the figures since last year:				
Category	**24-25 figures**	**25-26 figures**	**Change**	**Reason for change**
Artworks	83,584	83,778	+ 194	Acquiring new items for the collection.
Objects	153,287	153,932	+ 645	Acquiring new items for the collection.
Sound	39,017	39,442	+ 425	Acquiring new items for the collection.
Film	56,847	59,887	+ 3,040	Acquiring new items for the collection and documenting existing holdings in greater detail.
Maps	63,206	62,565	- 641	Acquiring new items for the collection, balanced with more robust data to exclude items listed among the unaccessioned heritage items disclosure.
Proclamations	31,993	31,993	-	No change

Documents	26,712	26,747	+ 35	Acquiring new items for the collection.
Photographs	19,641	19,861	+ 220	Acquiring new items for the collection.
Reference Library	245,415	246,627	+ 1,212	Acquiring new items for the collection.

Heritage items which are not part of our collections, but which are in our custody, are reported below. Not all of these categories represent material that IWM owns or will own. These numbers fluctuate over the year; our annual reporting takes a snapshot approach. These unaccessioned items are not included in our accessions register.

Heritage items in our custody	
Objects that have entered IWM's care for appraisal	8,287
Objects for use in learning handling sessions	6,196
Loan in objects	1,472
Unclaimed loans	11,982
Display props	2,532
Objects under review	11,036
Total	**41,505**

We do not include figures for collections/ objects held on IWM premises which are owned by our tenants/ partners/ organisations occupying designated areas in any of the disclosures above.

5.3. Notable Acquisitions

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

Some our acquisitions of note from this year, include:

Vera Lynn Collection
A large collection of private papers (including a diary, letters, ephemera), photographs, uniform and other clothing items relating to Dame Vera Lynn. This includes over 600 fan letters from Dame Vera's wartime archive collection and includes letters from Dame Vera to her husband Harry Lewis, a personal diary detailing her 1944 tour of India, and shorts and trousers from her tropical uniform.

Interview with Captain Yavar Abbas and Lieutenant Rangaswamy Pillai
Interviews were conducted with Captain Yavar Abbas in London, and Lieutenant Rangaswamy Pillai in Delhi, for the India's War collecting project, adding Indian voices to our Second World War collections for the first time in more than two decades.

Private Papers of Ian D. McIlwraith

The Ian McIllwraith papers relating to McIlwraith's time as the British Secretary of the General Secretariat of the IMT- Nuremberg Trials. The collection also includes a small number of official papers from his father, Sir Robert Malcom McIlwraith (1898-1916) KCMG, Judicial Adviser to the govt of Egypt.

Private Papers of Miss Jane Lee (aka Joyce Phyllis Lees)

A collection relating to her singing career, in particular a tour of Germany with Combined Services Entertainment (ENSA) in 1946, including a photograph album (c.80 photos), CSE contract, passport, scripts for BBC shows, playbills, programmes, fan letters, a scrapbook and other ephemeral items

Chonky sheep

A stuffed animal crocheted by survivors of the Yazidi genocide as part of a skills building initiative. This object was acquired as a direct result of the *Unsilenced: Sexual Violence in Conflict* exhibition.

Medals awarded to Havildar Sher Mohammad of the 1st Battalion, 2nd Punjab Regiment,

This collection includes a Military Medal for actions on the Gothic Line in Italy in October 1944, and those awarded to Sergeant Muhammad Mushtaq (service number 1232), who served in the Indian Air Force (IAF) during the Second World War and immediately after, and then in the Royal Pakistan Air Force. Mushtaq saw service in North Africa, Italy, and then in Southeast Asia, where he served in the IAF's POW Transport Squadron.

5.5 Collections Access and Research

In 2025-26 the Research Room received 2,129 bookings and 1,124 individual visits. These figures relate to access requests to documents, library, photography, sound archive and museum archive material, which are managed every Tuesday to Friday. During the same period, 60 visits to view artworks on paper, framed artworks and 3D objects, which are managed on Mondays, were recorded.

Grow Visitors

6. Grow and Broaden Our Visitors

6.1. Our Public Programme and Visitor Experience

We have continued to deliver a wide-ranging public programme that combined national cultural leadership with a continued focus on quality, access and audience experience. Across our sites and digital platforms, IWM reached audiences through commemorative programming, exhibitions, learning activity and innovative formats, while continuing to enhance the physical and digital environments in which visitors engage with its work.

A key feature of the year was IWM's leadership of nationally significant commemorative programmes, supported by DCMS, marking the 80th anniversary of the end of the Second World War, including VE and VJ Day. IWM delivered a programme that extended well beyond its museum sites, including screenings at IWM London and Piccadilly Circus, augmented-reality experiences at IWM North, and partner-led events across England and Scotland, enabling audiences to engage with these anniversaries in diverse and accessible ways.

Exhibition programming continued to be a major driver of visitor engagement. During the year, *War and the Mind* closed after attracting over 127,000 visitors, while *Unsilenced: Sexual Violence in Conflict* demonstrated IWM's ability to address complex subject matter with sensitivity and authority. Alongside this, work progressed on multiple exhibitions in development across IWM branches.

Learning and participation remained central to the public programme. IWM delivered extensive schools and family-focused activity aligned to major anniversaries, providing curriculum-linked resources, workshops and participatory opportunities designed to deepen understanding and reflection. Digital tools, film and immersive media were increasingly embedded within this offer, supporting both on-site and off-site engagement and enabling IWM to reach audiences beyond its traditional visitor base.

Visitor experience was further enhanced through continued investment in estates and accessibility improvements. Across the year, a range of physical upgrades were delivered across our sites, informed by AccessAble recommendations and best practice, including improved entrances, upgraded accessible facilities and enhanced wayfinding at several sites. These improvements contributed to creating more inclusive, welcoming and navigable environments for visitors with a wide range of access needs.

6.2. Our Digital Audiences and Engagement

We have continued to grow our digital reach and deepen engagement with audiences across the UK and internationally, consolidating our position as one of the most influential cultural voices online. Digital platforms played an increasingly central role in extending access to IWM's expertise, collections and programmes, complementing on-site activity and enabling the organisation to reach audiences far beyond its physical locations.

Throughout the year, YouTube remained IWM's most significant digital channel, delivering strong and sustained engagement. By mid-year, IWM's YouTube channel had accumulated more than 315 million lifetime views and 750,000 subscribers, with analysis suggesting that approximately 13 million people in the UK may have viewed IWM video content.

Highly performing content played a key role in this growth. Popular long-form and short-form videos included *How did coalition forces take down ISIS*?, *The Reason the Axis Lost the Second World W*ar, and *Why America Nuked Japan*. *Twice*, demonstrating sustained public appetite for accessible, authoritative historical storytelling. Short-form video, including YouTube Shorts, contributed significantly to discovery, with around 40% of views coming from people who had not previously watched IWM content, highlighting success in reaching new audiences.

Social media engagement also continued to scale. During the year, IWM's aggregate social media following exceeded one million, more than doubling over the past four years, while Facebook and Instagram together generated over 200 million views and nearly 30 million engagements. Instagram reached over 100,000 followers, supporting targeted engagement around exhibitions, public programmes and commemorations. In line with the developing digital strategy, channel approaches were increasingly tailored to platform strengths, with YouTube focused on narrative-led content, Instagram on social and contemporary perspectives, and newer platforms used for experimentation.

A notable development in 2025–26 was the launch and early growth of IWM's TikTok channel, introduced in Quarter Three as part of a test-and-learn approach to reaching younger audiences. Early performance was encouraging, with individual posts achieving high levels of engagement, including a short video relating to the Blitz House attracting more than 400,000 views and over 60,000 likes, demonstrating the platform's potential to extend reach through informal, visual storytelling.

Behind the scenes, investment continued in the systems and insight required to support sustainable digital growth. Work progressed on audience analytics, content discoverability and website redevelopment, alongside preparations for a refreshed digital identity aligned to IWM's evolving vision and purpose. Taken together, digital audiences and engagement activity in 2025–26 strengthened IWM's ability to reach, inspire and engage diverse audiences at scale, reinforcing digital as a core pillar of the organisation's public offer.

6.3 Volunteers Impact

Volunteering underpins almost every area of work across IWM through appealing flexible and impactful volunteer opportunities locally and globally. We are hugely proud of our volunteers and our programme which enables us to reach out and proactively involve more people and diverse communities in the work we do and our subject matter.

Our Front of House volunteers continue to deliver a warm welcome, bring insight and connection into our subject matter and promote IWM 'supportership' through volunteer highlights. 'Technical' volunteering offers regular opportunities to support conservation and preservation programmes of work whilst 'Digital' volunteer opportunities draw in a local and global audience remotely for short to longer term commitments.

We remain committed to removing barriers to engagement and delivering an offer that is impact rich and purpose driven with a sense of belonging and community that is accessible to all.

Annual Volunteer Survey results 2025 reported enviable scores of 86% and over across satisfaction, empowering, valuing, supporting volunteers and fostering a sense of belonging alongside clear evidence of volunteering with IWM as a powerful wellbeing intervention, learning experience (new knowledge) and development for our volunteers (new skills). This upward trend can be tracked through our Volunteer Surveys from 2023 onwards and reveals a positive culture of volunteerism with/at IWM.

Excitingly, this year, for the first time - programme wide - we can also proudly evidence volunteering with IWM boosts volunteer sense of purpose, optimism, confidence, removes feelings of isolation and enables volunteers to give back.

Volunteer participation has continued to rise in 2025-26 with 1,179 individuals (an increase of 209) and contribution levels remain high at 80%. We aspire and anticipate continued growth with a target of 150k hours donated by 27/28 and to maintain contribution levels of 80% each quarter as we scale up the operation with further rewarding and life-enhancing opportunities. We begin the co-development of the V&E strategy to 2031 with staff and volunteers in 26-7 part focused on a 'sense check' of the roles now (to align with IWM's new Vision and Purpose and Corporate priorities) and part on scoping new opportunities for the future to match with volunteer motivations and skills.

This year has seen exciting programme developments in response to need (volunteer, staff/org, beneficiary). This has included a pilot programme for social prescription in care, education and community settings across London Branches. Whilst external funding from NHLF at Duxford (Gen-IWM for 14-17 year olds) and York University at North (Discover + for individuals with additional needs) has enabled us to take inclusive and accessible volunteering to the next level.
In 2025-6, 1,179 volunteers across our branches and digitally invested 101,840 hours. Their valuable contribution equates to the time equivalent of around 56 full time posts or SROI of £1,243,466 (calculated using the national living wage p/h as a baseline).

War Memorials Register volunteers have added an estimated 3,720 new war memorial records, updated 21,456 and created 267,228 names in war memorial records. For the first time we had over 1,000,000 page views on the website showing the continued interest of IWM's audiences in finding out more about their family, community and national history.

New digital volunteer opportunities have been trialled throughout the year. This included: the Accessible Pasts, Equitable Futures project (APEF) and the Digital Accelerator Project (DAP) funded by Bloomberg. APEF Volunteers created alt text, long text, narrative audio for 152 objects 113 transcriptions, and 3 audio descriptions for IWM collections. The DAP project has created AI-assisted descriptions combined with structured human validation. This prototyping and pilot resulted in volunteers describing nearly 10,000 photos for IWM Collections Online in less than 6 months.

6.4 Our Community, Family and School Children's Activities

During the year, IWM has continued to broaden and deepen its engagement with communities, families, schools and adult learners, delivering a diverse programme of participatory activity that complemented exhibitions and commemorative programmes, and strengthened IWM's role as a place for learning, dialogue and shared exploration.

Learning and Engagement activity remained central to this work. Across the year, IWM delivered an extensive schools programme supported by trained facilitators and curriculum-aligned resources. Notable developments included the delivery of major anniversary-related learning programmes and the introduction of new formats to support older students, such as IWM's first A-level Study Day, developed in partnership with Oxford University Press which saw 120 students from seven schools registered to attend, reflecting strong demand for in-depth, subject-specific engagement.

Community-focused engagement was a defining feature of the year. At IWM London, the *Emergency Exits: The Fight for Independence in Malaya, Kenya and Cyprus exhibition* was underpinned by a major programme of sustained community participation, involving five commissioned artists and young people working collaboratively to explore themes that resonated with them from the exhibition. Participants were involved in shaping all aspects of decision-making, culminating in a co-designed public showcase event supported by the Learning & Engagement team and colleagues across the organisation. This work demonstrated the value of long-term, relationship-based engagement and reinforced IWM's commitment to shared authority and co-creation.

Family engagement continued to expand with a regular family offer established across holiday periods and weekends, supported by Learning & Engagement facilitators and operations teams, and delivered across multiple sites. This coordinated approach contributed to sustained growth in family engagement, supported by improved programming, clearer visitor journeys and more consistent experiences for families visiting different branches. Activity included creative workshops, trails and participatory sessions designed to support intergenerational learning and enjoyment.

Alongside learning and family activity, the IWM Institute played a growing role in convening discussion, debate and reflection for adult audiences. Throughout the year, the Institute delivered a programme of symposia, workshops and public events aligned to IWM exhibitions and wider public debate. Highlights included the 'Sexual Violence in Conflict: Discussion Day', staged in October to coincide with the closing phase of the *Unsilenced* exhibition. The event brought together leading international figures, academics, journalists and curators.

In the latter part of the year, the Institute also convened senior practitioners, curators and external experts for a two-part workshop series on 'How Wars End', delivered in partnership with Conciliation Resources. These events positioned IWM as a trusted convenor of informed public dialogue, combining historical insight with contemporary perspectives and generating content to inform future engagement activity.

6.5 IWM 14-18 NOW Legacy Fund

In 2025-26, the IWM 14-18 NOW Legacy Fund continued to deliver an extraordinary five-year national programme of contemporary art commissioning, made possible thanks to the success of Peter Jackson's critically acclaimed film *They Shall Not Grow Old*, co-commissioned by IWM and 14-18 NOW. Building on IWM's long history of supporting artists' responses to war and conflict, the IWM-led programme has placed partnerships at the heart of artistic collaboration. Presented across the UK, commissions embodied deep engagement with communities, with activities rooted in place, lived experience and local histories.

During this penultimate year of the programme, commissions addressed a wide range of themes, from displacement and reconciliation to care and intergenerational memory, through film, photography and socially-engaged practice.

In 2025-26 activity focused on the delivery, presentation and culminating public engagement of commissions, alongside the consolidation of learning from this landmark programme. Public relevance and forging sector leadership remained central tenets. In February 2025, IWM hosted the IWM 14-18 NOW Legacy Fund Symposium at IWM London, bringing together artists, commissioning partners and practitioners from across the cultural sector. The event provided a space to reflect on the programme's impact, share learning and explore new approaches to commissioning and community centred practice, reinforcing IWM's role as a national convenor for dialogue around art and public engagement.

As the programme entered its later stages, learning from the Legacy Fund continues to inform IWM's future commissioning and artist engagement activity. Insights gained are shaping longer-term art strategy, including scoping of new artist commissioning and residency opportunities, as well as collections development, demonstrating the lasting influence of the Legacy Fund on IWM's wider practice.

<u>Case study</u>: *Belongers*
Belongers, commissioned in partnership with Ffotogallery, an independent arts organisation in Cardiff, exemplifies the Legacy Fund's approach to long term, community rooted practice. Developed by Mauritian Chagossian artist Audrey Albert, the project explored histories of forced displacement and identity through sustained collaboration with Chagossian communities in Crawley, Manchester and Mauritius. Over a two-year period, the artist worked with participants to shape how they were represented, acting as creative agents of their own portraits. The resulting exhibition combined photography, moving image and installation, placing community voices at the centre of the work. In 2025–26, *Belongers* continued to reach new audiences and contributed to wider dialogue around representation, belonging and historical justice. Work stemming from *Belongers* is being acquired for the IWM collection.

Increase Reach

7. Increase our Reach, Impact, Sustainability and Resilience

7.1 Our Commercial Successes Including the IWM Duxford Airshows

IWM delivers several commercial activities to support our charitable objectives. This includes collaborating through media and licensing, our retail and catering offer, publishing, and commercial events. Our IWM Membership scheme has had a fantastic year ending with 58,269 members.

A major contributor to commercial success during the year was the continued strength of events and experiences, particularly at IWM Duxford. Our Air Shows are a unique opportunity to showcase heritage flying and the IWM Duxford experience. Our Air Shows and Flying Day season saw over 104,000 visitors in attendance. These remain among IWM's most important revenue-generating activities, delivering both direct ticket income and wider commercial benefit through secondary spend, membership acquisition and brand visibility. The Flying Season attracted significant national attention, generating extensive broadcast, print and digital coverage which in turn supported demand, particularly among repeat and enthusiast audiences. Despite broader economic pressures, IWM's events and experiences performed ahead of last year, demonstrating the enduring appeal of Duxford's unique offer.

Commercial marketing activity increasingly focused on data-led targeting and brand-led storytelling, supporting both ticketed events and broader visitor conversion. Paid social advertising achieved strong returns, with improved click-through rates and return on advertising spend compared with previous years, reflecting more effective segmentation and channel strategy. Importantly, marketing for major programming, was more closely aligned with wider organisational brand work, improving clarity and reach across IWM's five branches.

A notable strategic development in 2025–26 was the establishment of a commercial partnership with Liberty, one of the UK's most recognisable luxury brands. Drawing directly on IWM's collections, Liberty collaborated with IWM to develop three new fabric designs, translating key narratives and visual material into contemporary textile form. This partnership represented a significant step in the evolution of IWM's brand licensing and retail activity, opening up new audiences and markets while demonstrating the commercial potential of the collections beyond traditional museum retail environments

Alongside this partnership, IWM expanded its presence through external retail pop-ups at specialist festivals, testing new models for reach and commercial engagement, with early results informing future expansion.

7.1. Our Fundraising Challenges and Achievements

Our fundraising activity secured vital support for priority programmes against a challenging funding backdrop. Trusts, foundations and corporate partners contributed to exhibitions, collections and curatorial capacity, including funding for *Emergency Exits* at IWM London, *Spies, Lies and Deception* at IWM North and the recruitment of a dedicated Holocaust Curator. Engagement with patrons, corporate members and legacy supporters continued through targeted campaigns and events, sustaining important restricted income streams.

Fundraising conditions remained competitive, with pressure on charitable funding and continued reliance on project-specific support. In response, IWM has developed plans to strengthen future fundraising resilience, including growing unrestricted income, renewing the Patron Programme, launching an Annual Giving campaign and building the IWM Foundation Board to support major gifts and long-term ambitions such as the Duxford Masterplan.

7.2. Our Digital Transformation and the Latest Outputs

During the year, IWM continued to deliver tangible progress through its Digital Transformation programme, strengthening both public-facing engagement and core organisational capability. Audience-facing digital channels performed strongly, with sustained growth across video and social platforms supporting reach to new audiences. Behind the scenes, investment focused on building more robust digital foundations, including the use of AI-supported tools to improve collections metadata and discoverability, and preparatory work for a refreshed IWM website.

The year also saw progress in modernising commercial and operational systems, including pilots to improve membership access, enhancements to online retail functionality and the completion of discovery work for a new customer relationship management platform. Together, these outputs improve resilience, support income generation and enable more effective, data-informed decision-making as IWM moves into the next phase of transformation.

7.3. Managing our Estates and Infrastructure

IWM has a complex and nationally significant estate, comprising historic buildings, active airfields, naval vessels and modern gallery spaces, many of which present ongoing challenges in terms of condition, compliance and accessibility. During the year, sustained investment through the Public Bodies Infrastructure Fund (PBIF) enabled IWM to address priority risks and improve resilience across multiple sites.

PBIF funding supported a wide-ranging programme of works focused on health and safety, accessibility, collections care and lifecycle renewal. Projects included asbestos removal, refurbishment of collections spaces at IWM Duxford, upgrades to water, electrical and fire systems, and targeted improvements to visitor facilities across the estate. Accessibility enhancements, informed by AccessAble assessments, delivered improved inclusive facilities at several sites, including upgraded accessible WCs and improved entrances, supporting a more welcoming visitor experience.

7.4 Our Operations and Security

Throughout the year, IWM's Operations and Security teams played a critical role in ensuring the safe, resilient and effective operation of a complex portfolio of sites against a challenging and increasingly unpredictable external environment. The global security context, including ongoing international conflict and heightened protest activity in the UK, required sustained vigilance and close coordination with partners to safeguard visitors, staff, volunteers and collections.

Operational focus centred on maintaining security preparedness while supporting public access and programme delivery. Significant progress was made in strengthening incident readiness, including the delivery of large-scale Major Incident Plan exercises, which tested responses to complex security scenarios across multiple sites. Lessons learned from these exercises informed ongoing training and preparedness planning, reinforcing organisational resilience.

The year also saw sustained efforts to manage protest-related risk and protect sites during periods of heightened tension, particularly in London. Security arrangements were continually reviewed and adapted in response to evolving threat assessments, supported by strong relationships with the Metropolitan Police and other statutory partners.

Alongside security, our teams delivered improvements to visitor flow, wayfinding and customer service, while maintaining high levels of satisfaction during periods of organisational change. Together, operations and security activity ensured IWM remained open, welcoming and safe while responding effectively to a volatile external landscape.

To support public delivery and protect the organisation's digital channels and systems, IWM continued to strengthen its digital resilience during the year. The organisation successfully regained Cyber Essentials certification under the updated framework, restoring baseline assurance and responding to evolving sector-wide threats.

Progress was also made in managing supply-chain digital risk, with expanded oversight of IT suppliers and platforms. Alongside this, IWM used the findings of internal phishing exercises to develop a more continuous and targeted approach to staff awareness, recognising that organisational resilience relies on both technical controls and informed behaviours.

While these activities took place largely behind the scenes, they were essential enablers of public trust and uninterrupted delivery, ensuring that IWM's digital platforms, learning resources and operational systems could continue to support ambitious external programmes.

Staff Report

8. Staff Report

During 2025-26, the People & Culture function played a key role in supporting organisational delivery by strengthening core HR processes, advancing the CP25 transformation programme, and maintaining high-quality day-to-day services. A major focus was the Reward & Recognition programme, where improved calibration and moderation helped ensure fairness and consistency across the organisation. This supported successful trade union engagement and enabled the annual pay award to be implemented on time, while feedback from leaders, managers, colleagues and union partners informed further improvements for the 2026 performance cycle.

The function also made significant progress in reshaping its structure to better align with strategic priorities. A revised HR Business Partner model provided more dedicated support to executive leaders and directorates, while the creation of a Talent Acquisition function strengthened recruitment capability in a competitive labour market. Operational leadership was further enhanced through the appointment of a new HR Manager for Shared Services and Operations, helping the team become more strategic, specialist and responsive.

Alongside structural and operational improvements, People & Culture advanced work on inclusion, wellbeing and employee engagement. Progress included development of the Bright Ideas scheme to encourage staff innovation, an externally informed EDI action plan, and the launch of a Wellbeing intranet hub with improved workplace adjustment processes and specialist neurodiversity support. A strong staff survey response rate of 68% also provided valuable insight into colleague experience. Overall, the year laid solid foundations for continued improvement, balancing immediate operational needs with longer-term cultural and organisational development.

Staff Composition
At the end of 2025-26, 54% of IWM employees were women – this is a drop of 1% over the previous year. The gender pay gap at IWM has slightly increased on the snapshot date in 2025, with women earning on average 2.8% less per hour than men. The median gap was -3.6%, in favour of women, reflecting an overall equitable distribution of hourly pay across the workforce. Although men received marginally higher average hourly rate and bonus.

When analysing other diversity criteria, IWM has 9% of employees who identify as Global Majority backgrounds and 7% of staff identify themselves as disabled (these figures were respectively 7% and 7% in 2024-25). Diversity metrics observed across our volunteer population are similar, with 4% of Global Majority background and 10% declaring disability.

This data is based on voluntary completion of information by staff and volunteers – in the past year circa 69% of our employees had provided this information to us (a welcome increase from just over 65% a year ago) and we continue to make efforts via internal communication campaigns and support from managers to increase completion rates.

The number of staff leaving IWM has reduced by 1% over the past year - overall turnover as at March 2026 was 18%, in comparison with the same period last year which was 19%. Correspondingly unplanned voluntary turnover also decreased from 13% to 12% year on year. 64% of all exits were due to resignation.

The average number of days lost as a result of sickness absence for each full-time equivalent employee was 4.2 days (2024-25: 4.6 days).

During 2025-26 we finalised the programme of Executive level appointments completing the restructure of the Executive Leadership Team announced in August 2024.

Future Strategic Direction

9. Future Strategic Direction

Our latest Corporate Plan 2026–29, spans the next three financial years, setting out a clear and focused strategic framework through which the organisation will respond to persistent financial pressures, evolving audience expectations and the need to modernise its infrastructure and ways of working. The Plan builds directly on the organisational reset achieved under CP25, while embedding the outcomes of the Vision and Purpose programme as a guiding force for future decision-making.

At its core, the Corporate Plan is structured around four enduring strategic objectives, which remain consistent with the previous year, and supported by action plans that have been refined to reflect the challenging operating environment facing the museum and heritage sector. The objectives are to grow and broaden IWM's visitors; broaden engagement with the collections; increase reach, sustainability and organisational resilience; and be a fantastic place to work. Together, they provide a framework for prioritisation, investment and accountability over the next three years.

The Corporate Plan recognises that future success will depend on aligning ambition with realism. It reflects difficult market conditions, particularly in relation to visitor attendance and costs, while reaffirming IWM's commitment to invest selectively in programmes that will drive long-term impact and financial sustainability. The Plan is explicitly linked to a renewed business model that prioritises income diversification, strengthened commercial performance and prudent reserves management to ensure resilience in the face of ongoing uncertainty. The Plan recognises the challenges presented by the visitor number reduction encountered during FY 2025/26 (compared to prior year) and underlines the critical commercial and programming initiatives that will drive change.

Activities in the plan include:

- Delivering coordinated exhibition and public programme seasons, aligned to clear thematic priorities and supported by a new commissioning approach that strengthens planning, impact and value for money.
- Expanding the reach and relevance of the collections, through digitisation, improved collections access online and on site, and programming that connects collections more directly to contemporary themes and lived experience.
- Growing domestic, family and repeat visitation, supported by targeted marketing, improved visitor journeys and a more consistent offer across IWM's five branches.
- Strengthening income-generating activity, including events and experiences at IWM Duxford, commercial hire, retail development, licensing and brand partnerships.
- Progressing major infrastructure and masterplanning programmes, particularly at IWM Duxford and IWM North, to support long-term visitor growth, collections care and environmental sustainability.
- Embedding digital and data capability across the organisation, improving audience insight, operational decision-making, and the effectiveness of marketing, access and engagement activity.
- Deepening civic and public participation, including learning from the Citizens' Assembly and integrating public voice more systematically into policy, collections and programming decisions.
- Strengthening organisational resilience, through disciplined financial planning, improved programme and project controls, and clearer prioritisation of resources.

- Investing in people, skills and culture, supporting leadership development, inclusion, workforce sustainability and cross-organisational collaboration.

Across the period, our refreshed Vision and Purpose is positioned as the unifying lens through which these priorities will be delivered. During 2026–27, the Vision and Purpose framework will be fully embedded into operational planning, commissioning processes, performance measurement and external communications, ensuring greater coherence between what IWM does, how it does it and why it matters.

Our Corporate Plan places renewed emphasis on integrated planning and accountability. Action plans are owned by the Executive Leadership Team, with oversight provided through the Operational Delivery Group, strengthening the line of sight between strategic ambition and delivery. The updated Strategy into Action Plan provides a transparent structure for tracking progress against outcomes, enabling course correction where necessary.

Our Plan reflects a shift from recovery to strategic consolidation and selective growth. Rather than pursuing expansion across all areas, IWM will focus resources on activity that demonstrably supports audience growth, public engagement and financial sustainability, while continuing to fulfil its statutory responsibilities in caring for the national collections.

Our Plan presents a number of opportunities to strengthen IWM's long-term financial sustainability and impact. Central to the Plan is the opportunity to grow and broaden audiences through a more insight-driven approach to programming, exhibitions and audience engagement, supported by the new commissioning process and audience segmentation. Development of fundraising, partnerships and commercial activities is expected to diversify unrestricted income streams. Investment in major initiatives, such as the Vision and Purpose programme and Masterplanning, are projected to unlock new revenue streams and strengthen IWM's relevance to a broader audience base. Collectively, these initiatives are expected to support a more resilient and sustainable operating model.

Key Supporters in 2025–26

10. Key Supporters in 2025-26

While it is not possible to acknowledge all the contributions that we receive, we would particularly like to thank the funders and donors below, as well as those who wish to remain anonymous.

Public Funders

- Department for Culture, Media, and Sport
- Department for Science, Innovation and Technology
- National Lottery Heritage Fund

Trusts and Foundations

- 19th May 1961 Charitable Trust
- The John S Cohen Foundation
- The Borzello Trust
- The Clore Duffield Foundation
- The Finnis Scott Foundation
- The Foyle Foundation
- Simon Gibson Charitable Trust
- The Gerry Holdsworth Special Forces Charity
- National Federation of Cypriots in the UK
- David Pearlman Charitable Foundation
- The Porter Foundation

Corporate

- BAE Systems
- Bedfordshire Police Sports and Social Club
- Bloomberg Philanthropies
- Essex Sports Association
- HCA Healthcare
- Hertfordshire Constabulary Sports & Social Club
- J-Leon Philanthropies
- John Lewis Partnership

- Marshall Sports & Social Club

Individuals

- Robert Crawford
- The Fintan Estate
- Lt Commander Paul Fletcher
- Lord Glendonbrook
- Raymond Gubbay
- Brian Harris
- Leonard Haynes
- Sir Michael Kadoorie
- Peter Livanos
- Linda Mars
- David Pearl
- The Estate of Laura Renfree
- Sir Stuart Rose
- Michael Seward Esq.

Patrons

Exhibitions Circle

- Elisa Segrave
- Dean and Karen Lush
- Commodore Jonathan Lett Royal Navy and Captain Fiona Percival OBE, Royal Navy (Retired)
- Julian Cazalet
- Kathryn Uhde
- Marc Hanson
- Mark and Rosamund Williams
- Rae Byrne
- Timothy Robertson

Learning Circle

- Ian Baggs
- Professor Margaret MacMillan DPhil CC CH OM

Conservation Circle

- Sir Guy Weston
- Romen and Brigid Bose
- Jeffrey and Elizabeth Boyling

Curators Circle

- Julian Schild and Victoria Brahm Schild
- Lucy Shaw
- Winnie Kwan

Financial Review

11. Financial Review

During the 2025–26 financial year, IWM experienced a reduction in total income and endowments compared to the prior year, reflecting lower levels of restricted funding and external fundraising income. Total income decreased to £79.010 million (2024–25: £86.172 million), primarily due to the timing of restricted project funding (received last year).

Visitor-related income remained broadly stable year-on-year, with admissions income of £18.261 million (2024–25: £18.924 million) despite a 5% reduction in visitor numbers (2025-26: 2.1 million v 2024-25: 2.2 million). Commercial income also remained resilient at £11.681 million (2024–25: £12.028 million), reflecting continued strong performance of trading activities delivered through the IWM Trading Company.

The financial statements of IWM include the Grant-in-Aid received from DCMS, as well as the consolidation of the commercial and learning activities carried out by the IWM Trading Company. Further details are provided in the Consolidated Statement of Financial Activities.

The net resources for the year, after accounting for depreciation but excluding revaluation changes, showed an outflow of £1.158 million compared to an inflow of £15.210 million in 2024–25. This movement is primarily driven by a reduction in restricted funds net income to £1.378 million (2024–25: £14.431 million), reflecting the phasing of major capital programmes and associated funding streams. Unrestricted funds recorded a deficit of £2.536 million (2024–25: surplus of £0.779 million), largely due to increased operating cost pressures which have exceeded income growth.

Income from unrestricted sources increased modestly to £61.429 million (2024–25: £60.583 million), supported by stable admissions income and investment income of £1.422 million (2024–25: £1.601 million), partially offset by a reduction in commercial and fundraising income.

Grant-in-Aid income received from DCMS totalled £35.564 million (2024–25: £33.253 million), of which £21.512 million was recognised as unrestricted revenue funding and £14.052 million allocated to restricted funds for capital investment and programme activity. Unrestricted Grant-in-Aid represents 34% of unrestricted expenditure (2024-25: 34%).

Restricted funds income totalled £17.581 million (2024–25: £25.589 million), reflecting lower levels of external funding and project-related income, particularly in relation to major capital programmes including the IWM Duxford Masterplan and other infrastructure projects.

Total expenditure increased to £80.168 million (2024–25: £70.962 million), driven by continued investment in estates, infrastructure and delivery of charitable activities. Staff costs have increased to £31.484 million (2024-25: £28.533 million) as a result of headcount increases, London Living Wage accreditation and pay inflation.

Unrestricted expenditure rose to £63.965 million (2024–25: £59.804 million), reflecting increases in staffing costs, estates expenditure and programme delivery. Restricted expenditure increased significantly to £16.203 million (2024–25: £11.158 million) due to the timing of capital and programme delivery across key projects.

The financial statements include a net loss on revaluation of fixed assets of £5.948 million (2024–25: £18.553 million), split between restricted funds (£5.468 million) and unrestricted funds (£0.480

million). In accordance with accounting policy, land and buildings are subject to regular professional valuation. The revaluation is primarily attributable to the treatment of infrastructure works, whilst this investment supports the underlying value and sustainability of IWM's sites, the full costs incurred are not included in the valuation of land or buildings in accordance with Royal Institution of Chartered Surveyors guidance and IFRS102.

Overall, the level of funds carried forward at 31 March 2026 decreased to £291.952 million (2024–25: £299.058 million), a reduction of £7.106 million during the year. This movement reflects the combined effect of the operational deficit and the revaluation loss on fixed assets.

11.1. Going Concern

The accounts have been prepared on the going concern basis. Under Section 2 of the Imperial War Museum Acts, 1920 and 1955, IWM has a statutory responsibility for keeping its collections and making them available for inspection by the public. 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.

In assessing going concern, the Trustees have reviewed IWM's Corporate Plan covering the period 2026–29, which places financial sustainability at its core and reflects the organisation's strategic realignment around audiences, collections, people and financial resilience.

The Plan has been developed in the context of continued economic uncertainty, including real-terms reductions in government funding (from FY 2021/22 to FY 2024/25), inflationary pressures on the cost base and ongoing challenges in visitor attendance levels across the cultural sector.

The Corporate Plan assumes that income growth will be driven primarily through increased visitor numbers, enhanced commercial performance and growth in externally generated income. Visitor numbers are projected to increase progressively across the Plan period, supported by investment in exhibitions, public programming, marketing and digital engagement. The Plan also assumes that unrestricted income will be supplemented by continued Grant-in-Aid support and growth in fundraising, with the organisation actively diversifying its income streams.

Expenditure assumptions within the Plan reflect continued investment in IWM's workforce, estate, infrastructure and public programme, alongside targeted efficiency measures and active management of recruitment and discretionary spend to maintain financial stability.

The Trustees have also considered the level of reserves and cash balances available to support operations. The Plan maintains unrestricted reserves at a level broadly aligned with IWM's reserves policy, with close monitoring of performance enabling management to adjust expenditure, defer activity or reprioritise investment where necessary in response to financial pressures.

While recognising the sensitivity of financial projections to visitor numbers, inflation, fundraising performance and the wider economic environment, the Trustees consider that the combination of government funding, planned income growth, cost management actions and available reserves provides a reasonable expectation that IWM has adequate resources to continue in operational existence.

Taking into account IWM's statutory responsibilities, financial forecasts, principal risks and mitigating actions, the Trustees have a reasonable expectation that IWM will continue to operate and meet its liabilities as they fall due for a period of at least twelve months from the date of approval of the financial statements.

11.2. Reserves Policy

Objective

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

Contingency

The ongoing regime of expenditure controls and cash flow management will be maintained. Budget holders have real-time access to their budget information including committed expenditure. They are required to complete a formal review of their management accounts on a monthly basis. A comprehensive reforecasting process is also conducted quarterly, and the consolidated position is reported to the Trustees.

In order to maintain appropriate expenditure management across the organisation, IWM applies a business case approval process (in accordance with delegated authorities) for material items of expenditure, projects and other investment proposals. In addition, projects to be funded from income raised externally will not be started until such funding has been secured. These mechanisms have worked effectively in allowing IWM to adapt and respond within financial years without significant disruption or the impediment of commercial activities.

IWM's reserves are expected to remain close to the reserves policy target. They may be temporarily affected by in-year long term investment or external economical factors. To respond to these foreseeable challenges, IWM is continuously monitoring performance and adjusted activities and costs to ensure it remains financially sustainable. IWM is committed to deliver on the following priorities/initiatives:

- Building unrestricted income through increasing visits to our branches and improving commercial revenues
- Improving the financial return from our digital engagement
- Developing unrestricted fundraising
- Achieving a greater financial return from our estate
- Maintaining control of our cost base to core levels with greater flexibility in our resourcing.

In addition, the Corporate Plan includes an annual contingency to support Health and Safety urgencies, commercial initiatives and business development strategies.

Reserves

The reserves policy is an integral part of the strategic approach to the financial management of IWM. Funds held by IWM comprise restricted monies and funds designated for capital expenditure projects. The financial strategy is to maintain unrestricted reserves to build robustness and flexibility, and also to fund future projects and strategies. The policy is to maintain reserves equal to three months of operational expenditure for the longer term. Currently unrestricted reserves as at 31

March 2026 amount to £25.0 million which represents 4.7 months of operational expenditure. A number of unrestricted capital projects have been identified in the Corporate Plan and the reserves balance may be used to support these investments as appropriate and subject to commercial returns in future financial years.

To address the financial pressures arising from inflation and commercial trading challenges, IWM may also use unrestricted reserves to help meet any shortfall and to supplement the contingency ringfenced for strategic initiatives. The Corporate Plan indicates that the unrestricted reserves position will be maintained at the end of the plan term (2029), however reserves funds may be required to support commercial and admissions income initiatives over the plan term. The reserves position is also contingent upon cost management, visitor numbers growth performance and commercial activities.

11.3. Public Sector Payment Policy

IWM has implemented the Confederation of British Industries' Prompt Payers Code. The code applies a target that 100% of all undisputed and valid invoices must be paid within 30 days. All suppliers are informed by standard letter of IWM's payment procedure and the system for addressing complaints and disputes. The percentage of total invoices paid promptly within 30 days in 2025-26 was 85% (82% in 2024-25), however this includes invoices that have been queried or disputed and invoices that are subject to extended payment terms.

Environmental Sustainability Report

12. Environmental Sustainability Report

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

Our Sustainability Strategy was approved by the Board of Trustees in December 2022. The focus of the Strategy is underpinned by the UN Sustainable Development Goals of which a key part was the protection and preservation of heritage. A number of strategic themes have been agreed:

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

Extreme weather is deemed the biggest climate-related threat to IWM's financial stability. This includes flooding, high temperatures and storm damage. Increased climate legislation and policy, disruptions in supply chains/markets and funding the transition to a net zero organisation will also all have material financial impact on IWM.

IWM has determined which climate risks and opportunities could have a material financial impact by implementing a robust risk management approach developed with the support of an expert consultant. This has broken down our organisation by sectors such as Conservation, Operations and Estates. IWM completed a climate risk workshop with key stakeholders across the organisation which fed into the development of a climate change risk assessment.

We have developed a Biodiversity strategy for the estate and aim to develop site specific biodiversity actions plans and habitat management plans. One biodiversity net gain project was completed at our Duxford site which will see the improvement of a low-quality woodland strip through improved tree management, development of ground cover and creation of log piles.

As part of the development of a new fire engine shed at our Duxford site, we have agreed another biodiversity net gain project on site to improve a large area of grassland for biodiversity. We are also delivering biodiversity enhancements through increasing the number of bird and bat boxes on site.

12.1 Greenhouse Gas Emissions

One of IWM's strategic aims is to increase our financial sustainability to secure the long-term financial viability of our organisation and continue to fund our world-class public offer. Efficiency is at the heart of this objective and reducing energy consumption is a priority.

We continue to prioritise sustainability, and the results can be seen in the overall year-on-year decreases (last year -7.5%). The PBIF II funded projects are also reducing our environmental impact. For example, IWM Duxford has an innovative ground source heating loop, designed to heat all hangars and buildings in the historic core, as well as removing over 400 tonnes of carbon with the removal of all oil-fired heating.

We continue to replace lighting with LEDs across our estate.

12.2 Estate Management and Masterplanning

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

Over the last year our Estates team have delivered several projects with sustainability and climate change at their centre. For example, climate adaptation measures have been implemented across our historic hangars to reduce likelihood of flooding incidents during heavy rainfall. IWM continues to expand its award-winning ambient loop system at our Duxford site with the connection of another historic hanger this year. This has drastically reduced our heating oil use on site.

Furthermore, our Lab project, a new state-of-the-art conservation and storage centre, has embedded ambitious sustainability objectives into the design and aims to implement the Net Zero Carbon Building Standards.

12.3 Exhibition Delivery

Our Exhibitions, Interpretation and Design team has been considering the approach to sustainability to see what we could be done differently as waste minimisation continues to be a major objective of our exhibitions production.

The team has put in place an Exhibitions Sustainability Policy which was launched in January this year. A Sustainability Policy Quick Guide for Exhibitions is in use. We developed a Sustainability Flow Chart for Exhibitions which maps the whole development process of exhibitions from initial brief to demolition and final evaluation. It flags key decision-making points where sustainability and environmental impact should be considered such as loans, travel and exhibition build materials.

For new temporary and permanent exhibitions, we aim to take a holistic approach to sustainability and explore sustainable options at the design phase of an exhibition. This approach was first trialled with the design of our new permanent Second World War exhibition. Sustainable materials, material reduction and reuse were some of themes explored which will be embedded into the next design revision. We also continue to expand our stock of reuseable showcases. We now have 19 high quality reusable click cases.

Both our *War and the Mind* and *Unsilenced* exhibitions have completed carbon footprints. As we gather more data on the carbon emissions associated with our exhibitions, we will be able to identify areas where we can have the greatest impact in reducing carbon emissions.

12.4 Performance Review

Total Scope 1 - Greenhouse gas emissions have decreased by 12%
Total Scope 2 - Total electric energy emissions have remained at zero.
We continue to prioritise sustainability and the results table below shows this decrease.

Our domestic travel emissions rose from the previous year by 50%.

Greenhouse gas emissions (actual)	**2025-26**	**2024-25**	**% change 24-25 to 25-26**	**2023-24 actual**	**2022-23 actual**
Scope 1: Total emissions (tCO_2e)	614	698	-12.0%	895	798
Scope 1: Emissions from gas consumption (tCO_2e)	464	502	-7.6%	448	482
Scope 1: Emissions from oil consumption (tCO_2e)	47	72	-34.7	43	305
Scope 1: Emissions from fuel consumption (tCO2e)[1]	103	124	-16.9%	404	11
Scope 2: Energy consumed electricity (tCO2e)	0	0	-	0	0
Scope 2: Energy consumed (kWh) electricity, gas and oil consumption combined (*rounded up to nearest 000's*)	0	0	-	0	0
Scope 3: Domestic business travel (tCO2e)	149	99	50.5%	89	45

Greenhouse gas emissions Financial expenditure '000s	**2025-26**	**2024-25**	**% change 24-25 to 25-26**	**2023-24**	**2022-23**
Carbon offset purchases	£0	£0	-	£0	£0

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

Scope 1: Expenditure of emissions from organisation-owned fleet vehicles (gross)[3]	£12	£12.3	-1.6%	£14.2	£10.4
Scope 2: Expenditure of energy consumed (kWh) electricity, gas and oil consumption combined [2]	£2,468	£2,820	-12.5%	£2,284	£1,950
Electricity expenditure	£2,241	£2,545	-11.9%	£1,936	£1,566
Gas expenditure	£163	£197	-17.3%	£158	£278
Scope 3: Total expenditure of official business travel (subdivided below)	£423	£366	+15.6%	£300	£162
Air travel	£23	£34	-32.3%	£13	£15
Rail and underground	£223	£197	13.2%	£169	£95
Bus or coach	£1	£2	-50.0%	£2	£0
Hire car or taxi	£55	£34	+61.8%	£30	£17
Private vehicle	£121	£99	+22.2%	£88*	£35*

*Includes mileage and electric car charging costs

12.5 Waste Management and Minimisation

We have seen an 8.6% increase on waste disposal from last year. Our waste contractor, OCS, actively avoids sending any waste to landfill, instead ensuring that waste that cannot be recycled or reused is incinerated through waste-to energy schemes, where energy created from remaining waste is channelled back into the National Grid.

This year we introduced food waste recycling across the organisation within our tea point areas which has seen an increase in the amount of composted waste. For example, we reported 73 tonnes of composted waste this financial year which is an increase of 55 tonnes compared to the baseline year.

Where possible IWM is trying to prevent waste being produced in the first place and reusing where possible. For example, we have worked with ReCreate, a Community Interest Company, to support

[4] Expenditure now also includes emissions from leased vehicles and aircraft fuel for improved accuracy.

the decommissioning of a permanent exhibition at our Lambeth Road site. ReCreate rehomed several showcases, props and audio visual equipment to local community groups. We also aim to reuse office furniture and equipment where possible.

Waste minimisation	**2025-26**	**2024-25**	**% change 24-25 to 25-26**	**2023-24**	**2022-23 actual**
Total waste disposed (tonnes)*	652	600	8.7%	561	717
Hazardous waste disposed	0	0	-	0	2
Waste sent to landfill (tonnes)*	0	0	-	0	0
Waste recycled or reused (tonnes)*	217	417	-48%	384	401
Composted waste (tonnes)*	72.7	0	-	0	0
Percentage of waste recycled and composted*	44%	70%	-26.%	68%	56%
Waste incinerated to convert to energy (tonnes)*	169	179	-5.6%	174	311

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

Waste minimisation Financial expenditure '000s	**2025-26**	**2024-25**	**% change 24-25 to 25-26**	**2023-24**	**2022-23**
Total expenditure on waste disposal	£221	£186	18.8%	£161	£155
Expenditure on waste sent to landfill	£0	£0	-	£0	£0
Expenditure on waste recycled/reused	£94	£130	-27.7%	£109	£87
Expenditure on waste incinerated	£99	£55	80.0%	£50	£67
Expenditure on waste converted to energy	£29	£55	-47.3%	£50	£67

12.6 Finite resource consumption

IWM's water consumption from 2025/26 has increased by approximately 16% for both our office and non-office estate compared to the previous year. This is due to a large water leak at our Lambeth Road site which took time to resolve due to its challenging location. Similarly, we have recently identified another leak at our Duxford site which has impacted our water consumption.

Due to our ageing estate, IWM is likely to continue to experience issues with underground pipework and water leaks. We aim to continue to respond quickly to water leaks and resolve the issue swiftly. Our energy management system allows water meters to be connected which has helped us to quickly identify increases in water consumption at our different sites. We are also working to improve our isolation valves at our Duxford site; one of the reasons for doing this is to reduce water loss once a leak has been identified. We will continue to put measures in place to ensure a quick response and resolution to any leaks identified.

Finite resource consumption	**2025-26**	**2024-25**	**% change 24-25 to 25-26**	**2023-24**	**2022-23 actual**
Finite resources, water (in cubic metres/m^3)*. *Rounded up to nearest 000's*	49**	161	-70%	66	47
Paper consumption - A4 (reams of paper). *Actual number reported*	745	840	-11%	821	490
Paper consumption - A3 (reams of paper). *Actual number reported*	50	10	+400%	0	15

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

**This figure no longer includes sewerage/wastewater

Finite resource consumption Financial expenditure '000s	**2025-26**	**2024-25**	**% change 24-25 to 25-26**	**2023-24**	**2022-23 actual**
Expenditure on water supplied	£109	£161	-32.3%	£152	£116
Expenditure on paper A4 & A3	£3.0	£3.2	-6.3%	£2.9	£1.8

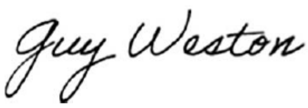
12.7 Future Plans

Looking ahead, we will continue to embed sustainability as a core principle across estate management, programme delivery and organisational decision-making. Building on progress made during 2025–26, future activity will focus on reducing environmental impact while maintaining the integrity and accessibility of a complex and nationally significant estate.

Priority will be given to improving energy efficiency and reducing carbon emissions across IWM's sites, including continued investment in lower-carbon infrastructure, enhanced building performance and improved monitoring of energy use. Recent initiatives, such as the transition towards electric heating systems and targeted estate improvements to increase resilience to climate impacts, will be extended where feasible. Alongside this, IWM will continue to expand its carbon literacy programme, supporting staff to identify and deliver practical, locally led sustainability actions across the organisation.

The next phase will also see increased emphasis on integrating sustainability into major capital and masterplanning programmes, ensuring that environmental considerations are embedded from design through to delivery. Work to improve data quality and reporting will support stronger oversight and more informed decision-making.

These efforts are set against a challenging operating context, including rising costs and the technical complexities of managing historic buildings and collections environments. In response, IWM will prioritise practical, deliverable interventions that balance environmental ambition with operational resilience, ensuring sustainability remains central to long-term stewardship of the estate and collections.



Sir Guy Weston
Chair of the Trustees

Date 14 July 2026

Caro Howell MBE
Director-General and Accounting Officer

Date 14 July 2026

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

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

13.1 Addresses

IWM London
Lambeth Road
London SE1 6HZ

IWM North
The Quays
Trafford Wharf Road
Manchester M17 1TZ

IWM Duxford
Cambridgeshire CB22 4QR

Churchill War Rooms
Clive Steps
King Charles Street
London SW1A 2AQ

HMS Belfast
The Queen's Walk
London SE1 2JH

Website
iwm.org.uk

13.2 Principal advisors

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

Principal bankers

Barclays Bank
Level 12
1 Churchill Place
London E14 5HP

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

13.3 Audit

Under statute, the Comptroller and Auditor General is the principal auditor of IWM's consolidated accounts for the year ended 2025-26. The audit fee in respect of this work was £71,450.

Auditors

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

Imperial War Museum Trading Company Limited
HaysMac LLP
Chartered Accountants
10 Queens Street Place
London EC4R 1AG

Imperial War Museum Film Production Limited
HaysMac LLP
Chartered Accountants
10 Queens Street Place
London EC4R 1AG

Internal audit
BDO
55 Baker Street
London, W1U 7EU

13.4 The Imperial War Museum Trading Company

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

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

The Directors of the Imperial War Museum Trading Company

Rachel Smith (Chair, as of April 2024)
Jo Coomber
Jo Edwards

Françoise Harris ACMA (Secretary)
Caro Howell MBE
Annabel Jack
Carlos Mistry
Andrew Patrick
Vicky Stanbury

13.5 The Imperial War Museum Film Production Limited

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

13.6 Director-General and Accounting Officer

The Director-General and Accounting Officer for IWM is Caro Howell MBE

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

President
His Royal Highness The Duke of Kent KG GCMG GCVO

Vice President and Chair
Sir Guy Weston

Deputy Chair
Suzanne Raine MBE (until 31 December 2025)
Sherin Aminossehe (with effect from 1 January 2026)

Board Members
Rear Admiral Jeremy Bailey (as of 1 February 2026)
Professor Dame Janet Beer
Hugh Bullock CVO (until 31 January 2026)
Lieutenant-General Andrew Figgures CB CBE
Jill Gallard CMG CVO
Bethan Hopkins CMG (as of 12 January 2026)
Emma Loxton
Professor Margaret MacMillan DPhil CC CH OM
Rachel Smith
Air Marshal Edward Stringer CB CBE
Mark Urban (until 15 March 2026)
Sheena Wagstaff
Samantha Washington Wilcke (as of 16 March 2026)
Sir William Worsley (as of 1 February 2026)

His Excellency Jay Weatherill (High Commissioner for Australia)

His Excellency The Honourable William Blair (High Commissioner for Canada)

Vacant (High Commissioner for India)

His Excellency Hamish Cooper (High Commissioner for New Zealand)

Vacant (High Commissioner for Pakistan)

His Excellency Jeremiah Nyamane Mamabolo (High Commissioner for South Africa)

His Excellency Nimal Senadheera (High Commissioner for Sri Lanka)

13.8 Board of Trustees Committee Members

Art Commissions Committee

Sheena Wagstaff (Chair)
Oliver Barker (until 10 December 2025)
Jeremy Deller
Ekow Eshun
Dame Vikki Heywood DBE
Hugh Mulholland

Audit Committee

Lieutenant-General Andrew Figgures CB CBE (Chair, until 31 January 2026)
Air Marshal Edward Stringer CB CBE (Chair, with effect from 1 February 2026)
Professor Dame Janet Beer DBE (from 3 July 2025)
Emma Loxton (from 3 July 2025)
Suzanne Raine MBE (until 31 December 2025)
Kathryn Reid

Development Committee

Sir Guy Weston (Chair)
Hugh Bullock CVO (until 31 January 2026)
Professor Margaret MacMillan DPhil CC CH OM
Lucy Shaw
Paddy Walker

Estates Advisory Committee

Hugh Bullock CVO (Chair, until 31 January 2026)
Sir William Worsley (Chair with effect from 1 February 2026)
Sherin Aminossehe
Graeme Bell
Mark Richardson
Air Marshal Edward Stringer CB CBE
Beth West
Dave Worthington

Nominations Committee

Suzanne Raine MBE (Chair, until 31 December 2025)
Sherin Aminossehe (Chair, with effect from 1 January 2026)
Lieutenant-General Andrew Figgures CB CBE (until 31 January 2026)
Professor Margaret MacMillan DPhil CC CH OM (from 1 February 2026)
Sir Guy Weston

Remuneration Committee

Sir Guy Weston (Chair)
Sherin Aminossehe (from 1 January 2026)
Suzanne Raine MBE (until 31 December 2025)
Lieutenant-General Andrew Figgures CB CBE (until 31 January 2026)
Air Marshal Edward Stringer CB CBE (from 1 February 2026)

Remuneration Report

14. Remuneration Report

The Board's Remuneration Committee meets annually to consider pay awards for the Director-General. The Committee comprises the Chairman and Deputy Chairman of the Board of Trustees and the Chair of the Audit Committee. The Director-General is eligible for an annual discretionary bonus. The annual pay award and other discretionary elements are awarded in accordance with HM Treasury's "Guidance for Approval of Senior Pay". In addition the Committee receives details of the Executive Directors' pay. The Executive Directors are set objectives based on IWM's business plans. The Director-General reviews their performance against these.

A bonus totalling £16,668 (2024-25 £14,500) was paid to the Director-General Ms Howell during the year. Bonuses were also paid to those eligible Directors via the IWM Trading Company Bonus Scheme which forms an important part of IWM's Reward and Recognition package. Bonuses were paid to all eligible employees of the Trading Company, including two of the Directors noted below, the Executive Director of Governance and Resources, the Executive Director of Business Innovation, and the Chief of Staff.

No other bonuses were paid to the Executive Leadership Team during 2025-26 or 2024-25.

IWM operates a "Reward and Recognition" remuneration programme of which an integral component is the application of performance ratings. These ratings determine individual pay progression each year.

For 2025-26, pay increases for staff on IWM Museum and IWM Trading Company contracts were as follows:

Extraordinary Impact – 5.8% pay increase
Meaningful Impact – 3.3% pay increase
Refocus – 0.5% pay increase

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

14.2 Remuneration (including salary) and Pension Entitlements (subject to audit)

During 2025-26 two new Executive Director's, for Collections and Curatorial and for Audiences and Public Engagement, and a Strategic Lead for IWM North joined the Executive Leadership Team.

The salary and pension entitlements, subject to audit, of senior staff with corporate responsibilities who were in post as during 2025-26 and 2024-25 were as follows:

2025-26	**Salary £’000**	**Bonus Payments £’000**	**Civil Service Pension Benefits £’000**	**Defined Contribution Pension Benefits £’000**	**2025-26 Total £’000**
C Howell Director General	155 – 160	15 - 20	55 - 60	nil	230 - 235
T Blyth Executive Director Collections and Curatorial (from 01/09/25)	70 - 75 (FTE 120 - 125)	nil	nil	5 - 10 (FTE 15 - 20)	75 – 80 (FTE 125 - 130)
F Harris Executive Director Governance and Resources	135 - 140	0 - 5	nil	15 - 20	160 - 165
R Ketteridge Executive Director Audiences and Public Engagement (from 22/04/25)	110 - 115 (FTE 120 - 125)	nil	nil	10 - 15 (FTE 10 - 15)	125 - 130 (FTE 130 - 135)
V Stanbury Executive Director Commercial and Operations	125 – 130	0 - 5	nil	15 - 20	145 - 150
R Pullen Chief of Staff	85 – 90	0 - 5	nil	10 - 15	95 - 100
T Simpson IWM North Strategic Lead (from 08/12/25)	25 - 30 (FTE 80 - 85)	nil	nil	0 - 5 (FTE 5 -10)	25 - 30 (FTE 85 - 90)

2024-25	**Salary £’000**	**Bonus Payments £’000**	**Civil Service Pension Benefits £’000**	**Defined Contribution Pension Benefits £’000**	**2024-25 Total £’000**
C Howell Director General	150 -155	10 - 15	60 - 65	nil	225 – 230
F Harris Executive Director Governance and Resources	125 - 130	0 - 5	nil	15 - 20	150 – 155
G Webber Executive Director Content and Programmes (until 23/11/2024)	70 - 75 (FTE 110 - 115)	nil	145 - 150	nil	220 - 225 (FTE 260 - 265)
V Stanbury Executive Director Commercial and Operations	115 - 120	0 - 5	nil	15 - 20	135 – 140
R Pullen Chief of Staff (from 10/02/2025)	10 - 15 (FTE 85 - 90)	nil	nil	0 - 5 (FTE 10 -15)	10 - 15 (FTE 95 - 100)

No member of senior staff received any benefits in kind in either financial year.

Ms Howell is a member of the final salary pension scheme (classic/classic plus/premium) who has transitioned to alpha. The final salary pension of a person in employment is calculated by reference to their pay and length of service. The pension will increase from one year to the next by virtue of any pay rise during the year.

Ms Harris, Executive Director Collections and Governance, and Ms Stanbury, Executive Director Business Innovation and Operations are employed on Trading Company contracts. Both Ms Harris and Ms Stanbury are members of the Aviva pension scheme.

Ms Pullen was appointed to the new post of Chief of Staff from 10 February 2025 on a Trading Company contract. Ms Pullen is a member of the Aviva pension scheme.

Mr Ketteridge was appointed to the post of Executive Director Audiences and Public Engagement on 22 April 2025 on a Trading Company contract. Mr Ketteridge is a member of the Aviva pension scheme.

Dr Blyth was appointed to the post of Executive Director Collections and Curatorial on 1 September 2025 on a Trading Company contract. Dr Blyth is a member of the Aviva pension scheme.

Dr Simpson was appointed to the post of IWM North Strategic Lead on 8 December 2025 on a Trading Company contract. Dr Simpson is a member of the Aviva pension scheme.

The final day in post for Ms Webber was 23 November 2024. An amount of £3,183 was paid to her for outstanding annual leave and is included in the salary figures denoted above. Additionally, a one-off compensation payment for the termination of her appointment was made in line with the Civil Service Compensation Scheme.

No compensation payments were made to any member of senior staff in 2025-26 (2024-25, nil). In the event of early termination of employment, the provisions of the Civil Service Pension Scheme are to be followed.

Ms Howell is employed on a five-year contract of employment. All other members of the Executive Leadership Team have permanent contracts of employment with a six months' notice period.

The Chairman and Board of Trustees received no remuneration for their services during 2025–26 or 2024-25. Travel and subsistence expenses paid to seven Trustees totalled £1,651 (2024-25 £296).

14.3 Pay Multiples (subject to audit)

The banded remuneration pay of the highest paid Director, with bonus, without pension, as at the reporting period end date was £170k - £175k (2024/25 - £160k - £165k). The banded remuneration of the highest paid director, without bonus and pension is £155k - £160k) (2024/25 - £145k - £150k). 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. This is shown in the table below, as at the reporting period end date.

Total remuneration in the below table includes salary and bonuses. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

	Lower quartile	Median	Upper Quartile
31 March 2026			
Remuneration of the workforce	£28.8k	£36.1k	£48.7k
Remuneration of the workforce, excluding bonuses	£28.4k	£35.1k	£47.6k
Highest paid as a multiple			
With bonuses	5.98 times	4.78 times	3.54 times
Without bonuses	5.55 times	4.48 times	3.31 times
31 March 2025			
Remuneration of the workforce	£27.5k	£35.0k	£46.8k
Remuneration of the workforce, excluding bonuses	£27.5k	£34.5k	£45.8k
Highest paid as a multiple			
With bonuses	5.91 times	4.65 times	3.47 times
Without bonuses	5.37 times	4.27 times	3.22 times

The increase in the band of the highest paid director's total remuneration including bonus and excluding pension was 6% of which salary increase was 5% (2024-25 14%, of which salary increase was 3%).

The percentage change in the remuneration of the mean average employee was +4.1% (2024-25: +4.7%); excluding bonuses and benefits in kind: +3.1% (2024-25: +4.1%).

The increase in the total remuneration including (bonuses, excluding pensions,) figures is due to the annual staff pay award which was applied across all quartiles (for eligible employees). The increase in the pay multiples across each quartile is due to the pay award and bonus received by the highest-paid Director during the year.

In 2025-26, no employees (2024-25 nil) received remuneration in excess of the highest-paid Director. Remuneration including bonuses, excluding pensions, ranged from £23.6k to £175k (2024-25 £22.5k to £165k).

14.4 Pension Benefits (subject to audit)

Final salary pension scheme benefits for senior staff are denoted below.

	Accrued pension at pension age as at 31/3/26 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/26	CETV at 31/3/25	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	£'000
C Howell Director General	10 – 15	2.5 – 5	169	107	44	nil
G Webber Executive Director Contents and Programmes (until 23/11/2024)	Nil	nil	nil	501	nil	nil

All other members of the Executive Leadership Team are employed via the Trading Company and as such have elected to be part of the IWM Group Pension plan. Amounts paid to Aviva on their behalf are shown in the tables in 14.2.

14.5 Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Penson Scheme (PCSPS), which is divided into a few different sections – **classic, premium, and classic plus** which provide salary on a final salary basis, whilst **nuvos** provides benefits on a career average basis. From 1 April 2015, a new salary scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha,** which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and **alpha** are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefits arrangements, employees may opt out for a defined contribution pension with an employer contribution, the **partnership** pension account.

In **alpha**, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to **alpha** from the PCSPS had 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.**

As of 2019, all new employees of the Imperial War Museum Trading Company employed under a permanent or a fixed term contract which is not seasonal or shorter than 6 months are contractually enrolled into the IWM Group Pension Plan with Aviva at the start of their employment. The minimum employee contribution made is 2% of pensionable salary, for which the IWM Trading Company will contribute 7% of pensionable salary, giving a total amount paid into an employee pension account of 9%. Employees can choose to increase their contributions, and the corresponding amount paid by The IWM Trading Company will increase accordingly as follows:

Employee contribution of pensionable salary	IWM Trading Company contribution of pensionable salary	Total contribution of pensionable salary paid to employee pension account
2%	7%	9%
3%	8%	11%
4%	9%	13%
5% or more	12%	17% or more

14.6 Cash Equivalent Transfer Value (CETV)

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

The figures include the value of any pension benefit in another scheme which the member has transferred to the Civil Service pension arrangements. They include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETV's are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

14.7 Real increase in CETV

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

14.8 Reporting of Civil Service and other Compensation Schemes – Exit Packages *(subject to audit)*

(Comparative data is shown in brackets for 2024-25)

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	1 (nil)	4 (7)	5 (7)
£10,000–£25,000	nil (nil)	1 (1)	1 (1)
£25,000–£50,000	nil (nil)	3(nil)	3 (nil)
£50,000-£100,000	2 (nil)	1 (2)	3(2)
£100,000-£200,000	nil (nil)	nil (1)	nil (1)
Total number of exit packages	3 (nil)	9 (11)	12 (11)
Total resource cost	£155,199 (nil)	£193,745 (£317,854)	£348,953 (£317,854)

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

14.9 Off-payroll Engagements

For 2025-26 there were no (2024-25 nil) off-payroll engagements in the scope of IR35.

The tables below set out the off-payroll arrangements that IWM has utilised during the year in the format required by HM Treasury, with the numbers for 2024-25 provided in brackets for comparison purposes.

Table 1: Highly paid off-payroll worker engagements as at 31 March 2026, earning £245 per day or greater	
	Number
No, of existing engagements as of 31 March 2026	**0** (9)
Of which	
Of the above, number that have existed for between 6 and 12 months	**0** (1)
Of the above, number that have existed for between 12 and 24 months	**0** (2)
Of the above, number that have existed for 24 months or longer	**0** (6)
Number for whom assurance has been obtained that the individual is meeting their UK tax obligations	**0** (0)
Number for whom assurance has not been obtained	**0** (0)

Table 2: All highly paid off-payroll workers engaged at 31 March 2026, earning £245 per day or greater	
	Number
No of engagements, between 1 April 2025 and 31 March 2026	**5** (9)
Of which	
Of the above, number engaged directly (no agency)	**5** (1)
Of the above, number engaged via an agency/intermediary	**0** (0)
Number for whom assurance was obtained	**0** (0)
Number previously engaged off-payroll by the ALB in the prior year	**0** (0)
Number determined inside IR35 where the ALB/fee-payer operated PAYE/NIC	**0** (0)
Number determined outside IR35 (with supporting SDS & working-practices evidence held)	**0**(8)
Number where engagement exceeded 6 months	**1** (0)
Number where day rate exceeded £1,000	**0** (0)

Table 3: For any off-payroll engagements of board members, and / or senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026	(PY)
No of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year	**0** (0)
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 includes both on payroll and off payroll engagements*	**5** (4)
Details of the exceptional circumstances that led to each of these off-payroll engagements	**n/a**
Details of the length of time each of these exceptional off-payroll engagements lasted	**n/a**

15.10 Consultancy and Contingent Labour

For 2025-26 £82,443 was spent on consultancy, (2024-25 £111,787), the decrease was due to no support expenditure attributable to the IWM Duxford Masterplan, partially off-set by an increase in Data Consultancy. For contingent labour, spend for 2025-26 was £207,657 - (2024-25 £209,254).

The Trade Union (Facility Time Publication Requirements) Regulations 2017

1 Relevant union officials

The total number of the employees of Imperial War Museum who were union officials during 2025-26. Comparative data for 2024-25 is shown in brackets.

Number of employees who were relevant union officials during 2025-26	Full-time equivalent employee number
16 (15)	16 (15)

2 Percentage of time spent on facility time

The number of employees of Imperial War Museum who were relevant union officials employed during 2025-26, and the percentage of their time spent on facility time. Comparative data for 2024-25 is shown in brackets.

Percentage of time	Number of employees
0%	6 (8)
1% - 50%	10 (7)
51% - 99%	nil (nil)
100%	nil (nil)

3 Percentage of pay bill spent on facility time

The percentage of the total pay bill of Imperial War Museum spent on paying employees who were relevant union officials for facility time for 2025-26. Comparative data for 2024-25 is shown in brackets.

Total cost of facility time	£7,182 (£5,444)
Total cost of Imperial War Museum pay bill	£31,494,000 (£28,533,053)
The percentage of Imperial War Museum's pay bill spent on facility time	0.02% (0.02%)

4 Paid trade union activities

How many hours spent by employees, who were relevant union officials during 2025-26, on paid trade union activities. Comparative data for 2024-25 is shown in brackets.

Time spent on paid trade union activities as a percentage of total paid facility time hours	4% (4%)

Statement of Trustees' and Accounting Officer's Responsibilities

15. Statement of Trustees' and Accounting Officer's Responsibilities

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

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

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

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

Guy Weston

Sir Guy Weston
Chair of the Trustees

Date 14 July 2026

Caro Howell MBE
Director-General and Accounting Officer

Date 14 July 2026

Governance Statement

16 Governance Statement

16.1 Introduction

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

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

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

16.2 Corporate Governance Framework

The IWM Code of Corporate Governance, last revised in 2026 and compliant with the latest guidance, Corporate Governance in Central Government Departments Code of Good Practice, July 2005, details the corporate governance framework for the IWM.

16.2.1 Scope of Responsibility

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

16.2.2 Board of Trustees

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

Membership

The Imperial War Museum Acts of 1920 and 1955, as amended by the Museum and Galleries Act 1992, determine the constitution of the Board and the broad means by which the appointments are made. All Board appointments, except for the Commonwealth Government appointments, are made by Ministers in accordance with the IWM Acts and guidance issued by the Commissioner for Public Appointments through DCMS. The Board of Trustees consists of 22 members, including the President, who is appointed by the Sovereign. The remaining members of the Board are appointed as follows by:

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

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

In January the Foreign Secretary appointed Bethan Hopkins CMG as the new FCDO Trustee, succeeding Suzanne Raine. The Prime Minister appointed four new Trustees to join the Board in February 2026. Rear Admiral Jeremy Bailey was appointed as the new Naval Trustee; a post which had been vacant since November 2024, and Sir William Worsley succeeded Hugh Bullock CVO as the new Estates Trustee. The Secretary of State for Culture, Media and Sport appointed Samantha Washington to succeed Mark Urban as the new Media Trustee. Lieutenant General Andrew Figgures' term was extended by nine months to mitigate the second round of recruitment for a new Army Trustee.

Whilst the new Trustees settle into their first terms, the Board will be planning ahead for the election to appoint a new Chair from within their own number as Sir Guy Weston's final term on the Board ends in November 2027.

Role

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

16.2.3 Committees

- The Audit Committee advises the Director-General and the Board of Trustees on the adequacy of audit arrangements, risk management and internal controls. It reviews IWM's Strategic Risk Register and explores high level risks and mitigations in detail at every meeting. The Board of Trustees in turn reviews the effectiveness of our risk management process on an annual basis. The Committee recommends the Annual Report and Accounts for the Museum and the IWM Trading Company Ltd. for approval to the main Board and the Trading Company Board respectively and advises the D-G and her team on policy review. It reviews internal and external audit reports and agrees an Internal Audit Strategy that is responsive to our strategic and key operational risks. The Committee receives annual reports from IWM Duxford's Flight Safety Committee and IWM's Health and Safety, Safeguarding and Security activity. The Committee frequently reviews the status of the threat of cyber-attacks, cyber prevention accreditation actions and mitigations to improve cyber security.

- The Estates Advisory Committee provides assurance to the Board that adequate processes of estate strategic planning and asset management are in place and working effectively. The Committee reviews and advises on the range and sequence of projects to be brought forward to deliver the strategy. It monitors the development and implementation of specific masterplans and makes recommendations to the Board and the Executive Leadership Team as appropriate. Key property related risks are monitored and reported to the Board and the Trustees' Audit Committee.

- The Art Commissions Committee is empowered by the Trustees to select and agree terms with artists for the commission of works relating to all aspects of British and Commonwealth Forces' activities, including their role as part of UN military, humanitarian or civilian operations. It agrees interpretative or retrospective commissions which relate specifically to IWM's remit. In recent years the Committee has held responsibility for oversight of the IWM 14-18 NOW Legacy Fund, a national programme of 21 artist commissions inspired by the heritage of conflict and created in partnership with IWM and 14-18 NOW, the official UK arts programme for the First World War centenary. The final commissions in the programme will go live in 2026 and the Committee will turn its attention to the future of art commissioning at IWM.

- The Development Committee plays a crucial role in helping IWM transform the current fundraising model, helping IWM achieve its objectives of increasing and broadening the individual and corporate fundraising base through providing oversight on fundraising strategy and introducing and cultivating new supporters for IWM. The Committee also oversees the activities of the IWM Development Trust, the IWM Foundation and the American Foundation Board.

- The Nominations Committee takes the lead on succession planning across the main board and Trustee Committees internally, whilst the relevant appointing authority retains control of Trustee appointments on the main Board The Committee provides internal sign-off on person specifications for Trustee roles and takes the lead in outreach to potential candidates. The Committee is responsible for regularly evaluating the balance of skills, knowledge and experience on the Board.

- The Remuneration Committee oversees the review of the Director-General's pay and performance.

16.2.4 Board Effectiveness Review

The Board and Trustee Committees undertake effectiveness reviews on an annual basis. All Trustees and Committee members were sent effectiveness review surveys which assess performance in the following areas:

- Governance and compliance
- Constitution and skills sets
- Meetings and culture including the Board's functioning relationship with the Executive Leadership Team
- Effectiveness of the Chair and Board Secretary

The main considerations and discussion points at the review in 2025 were regarding:

- The need for clearer remits, responsibilities, risk appetite and governance boundaries.
- Membership, skills, diversity and succession planning, with a particular focus on Public Appointments which involve lengthy processes and frequently suffer delays.
- A strong meetings culture and quality of information with a desire for greater strategic focus and streamlined papers.

In line with guidance from the Charity Commission, the Board will undertake an externally facilitated review every three years. The last external review took place in 2024.

Quality of data provided to the Board

In terms of the quality of information presented to the Board, performance against the corporate plan, Key Performance Indicators and financial data are provided and reviewed at every meeting. Trustees also receive an update report on Masterplanning projects, Collections acquisitions, disposals and loans, and a report from the Director-General at every meeting which reports on performance aspects and risks across every directorate in the organisation.

16.2.5 Board and Committee attendance

The Board of Trustees' record of attendance is considered to be important and the ability to attend meetings is a key criterion in the appointment of Trustees. The Board met four times in 2025/26. Attendance has been monitored over the past year with Board attendance averaging at 80%. Trustee attendance is covered within their performance assessment when cases for re-appointment are put to Ministers. There are no current vacancies.

Individual attendances are recorded as follows:

Sherin Aminossehe	50%
Rear Admiral Jeremy Bailey	100% (1/1)
Professor Dame Janet Beer DBE	100%
HE Nimal Senadheera (or representative)	25%
Hugh Bullock CVO	100% (3/3)
HE Mr. Vikram K. Doraiswami (or representative)	75%
HE Dr Mohammad Faisal (or representative)	25%
Lt Gen Andrew Figgures CB CBE	75% [3]
Jill Gallard CMG CVO	100%
HE Hamish Cooper (or representative)	75%
HE Ralph Goodale (or representative)	75%
Bethan Hopkins CMG	100% (1/1)
Emma Loxton	100%
Professor Margaret MacMillan CC CH DPhil OM	100%
HE Jeremiah Nyamane Mamabolo (or representative)	0%
Suzanne Raine MBE	100% (3/3)
Rachel Smith	75%
HE Stephen Smith (or representative)	100%
Air Marshal Edward Stringer CB CBE	100%
Mark Urban	75%
Sheena Wagstaff	100%
Sir Guy Weston (Chair)	100%
Sir William Worsley	100% (1/1)

The Audit Committee met four times this year and attendance is reported to the Board via an annual report to the Board and in accordance with HM Treasury guidelines for best practice. Average attendance over the past year has been 89%.

[3] One absence reflects the timing of an extension request

Committee Member	Attendance
Professor Dame Janet Beer DBE	33% (1/3)
Lt Gen Andrew Figgures CB CBE (Chair until January 2026))	100% (3/3)
Emma Loxton	100% (3/3)
Suzanne Raine MBE	100% (3/3)
Kathryn Reid	100%
Air Marshal Edward Stringer CB CBE (Chair as of February 2026)	100%

The Estates Advisory Committee met five times during the year. Average attendance was 88%.

Committee Member	Attendance
Sherin Aminossehe	60%
Graeme Bell	100%
Hugh Bullock CVO (Chair until January 2026))	100% (3/3)
Mark Richardson	80%
Air Marshal Edward Stringer CB CBE	80%
Beth West	100%
Sir William Worsley (Chair as of February 2026)	100% (1/1)
Dave Worthington	80%

The IWM Trading Company Ltd. Board of Directors met four times this year. Average attendance was 82%.

Director	Attendance
Sherin Aminossehe	0% (0/1)
Joanne Coomber	67% (2/3)
Joanne Edwards	100% (3/3)
Françoise Harris	100%
Caro Howell MBE	100%
Annabel Jack	100%
Carlos Mistry	75%
Andrew Patrick	75%
Rachel Smith (Chair)	100%
Vicky Stanbury	100%

The Art Commissions Committee met three times this year. Average attendance was 67%

Committee Member	Attendance
Oliver Barker	100% (2/2)
Ekow Eshun	33%
Jeremy Deller	33%
Dame Vikki Heywood DBE	67%
Hugh MulHolland	100% (1/1)
Sheena Wagstaff	100% (1/1)

The Development Committee met four times this year. Average attendance was 78%.

Committee Member	Attendance
Hugh Bullock CVO	67% (2/3)
Professor Margaret MacMillan CC CH DPhil OM	75%
Lucy Shaw	100%
Paddy Walker	50%
Sir Guy Weston (Chair)	100%

The Nominations Committee met four times this year. Average attendance was 80%

Committee Member	Attendance
Sherin Aminossehe (Chair as of January 2026)	100% (1/1)
Lieutenant General Andrew Figgures CB CBE	100% (3/3)
Professor Margaret MacMillan CC CH DPhil OM	0% (0/1)
Suzanne Raine MBE (Chair until December 2025)	100% (3/3)
Sir Guy Weston	100%

IWM's Corporate Governance Code was reviewed and approved by the Board of Trustees in March 2024 when Trustees also reviewed and agreed the Conflict of Interest Policy which clearly aligns to the IWM's Anti-Bribery policy, and the Appointments Policy. Over the past year, there has been no departure from the Corporate Governance Code[4].

16.3 Risk Management

IWM's Risk Management Strategy articulates IWM's approach to risk management; that calculated risks must be taken to achieve our agreed vision and corporate objectives. We see the management of risk as a dynamic process and are working continuously to foresee and identify risks and

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

opportunities that may hinder or support the attainment of IWM's vision and strategic objectives. Risk management complies with the requirements of the Orange Book's five principles.

The strategy seeks to embed risk management in every aspect of IWM's work. Risk management discussions are not solely focused on the consideration of risk registers. Discussions around risk and evaluation of risks are honest and consider both internal and external factors. Risk discussions are the responsibility of all staff, not just senior management. As such, we continue to work to empower staff to know when and how to escalate risks where necessary and in a consistent manner. The implementation of the approach to risk escalation and management has been successfully implemented through ad-hoc Trustees' Sub-Committees, formed to work collaboratively with staff to anticipate, assess and mitigate any risks associated to IWM's public programme. This year Trustee sub-committees were formed throughout the development of the *Unsilenced: Sexual Violence in Conflict* exhibition which ran at IWM London from May to November 2025, and *Emergency Exits: The Fight for Independence in Malaya, Kenya and Cyprus* which ran at IWM London from October 2025 to March 2026.

Risks can be considered as the circumstances or events that could have an impact on us attaining or sustaining our strategic objectives. They are measured in terms of the likelihood of an event materialising and the scale of the impact if it is actualised. Once risks are identified we assess the nature of the event and rank the likelihood and impact of each event so that they can be managed appropriately. We assess these by thinking about the likelihood (how likely this is to happen) and impact (if the event/risk were to materialise). A risk response to bring the risk likelihood and impact within an accepted level is set, informed by, and commensurate with, our risk appetite. Our strategic risk register captures the mitigating controls to bring the risk within acceptable levels, with actions that are time-bound to aid the monitoring of risk management. Every risk has an owner identified and are explicitly linked to internal governance boards to ensure accurate mitigation and accountability.

Our Strategic Risk Register identifies current and future mitigations and the actions and timescales attached help monitor whether the mitigations are working. It is formatted based on guidance from DCMS and examples from peer organisations in the sector. The ongoing development of dynamic risk management and building an ecosystem of risk across the organisation has continued to evolve throughout 2025-26.

The focus of the strategic risk register is linked to the achievement of our four strategic objectives: Stewardship, Audience, Financial, and Reputational. Risks are separated out between those relating to our plans, which are identified by the Audit Committee, and external factors which are identified through the discussion of risk at every Governance Board meeting.

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

16.3.1 Risk Profile

At each meeting, IWM's Audit Committee assess the latest version of the strategic risk register, which includes a full evaluation of the management of IWM's four strategic risks, identification of new risks, risk appetite, current and future mitigations, and residual risk rating after mitigation. The strategic risk register is an evolving document which enables the dynamic discussion of risk.

The key risks throughout the year are outlined below.

- Through the year the risk for 'Cyber Security' has been a key area of focus. We have passed the Cyber Essentials compliance assessment. We are working towards the GovAssure standard. We know that we remain at a high risk of cyber-attacks due to our content and in that context work towards ensuring a minimal impact. The Audit Committee received numerous updates through the year assessing the effect of the progresses made.

- We continue to monitor inflation which was at medium risk throughout the period. High inflation creates challenges in budgeting for our own resources as well as having an impact on the cost of living for potential visitors.

- Public Appointments risk continued to be closely watched as a result of changes within Government and in their processes. In line with the Governance Code on Public Appointments, there is no automatic presumption of reappointment and each case should be considered on its own merits, taking into account a number of factors including, but not restricted to, the diversity of the current board and its balance of skills and experience. This means in some instances trustee terms ending after one term. We have shared concerns with DCMS that this could affect the appointment of a Chair, who is normally someone in their second term, and create skills gaps. We have reignited our Nominations Committee in recent years and are working closely with DCMS to mitigate these risks.

- Duxford continues to be a risk on our register, given the scale and complexity of the site and the projects ongoing there. Whilst we have received support from DCMS and the Bloomberg Foundation for the Lab, these are complex project with a large scale of dependencies. The site itself has complex legacy issues, such as aging electrics which need to be managed. PBIF funds have been used to mitigate these risks.

The strategic risk register and the trends of the strategic risks are monitored at regular intervals by the Executive Leadership Team, the Audit Committee and the Board of Trustees to ensure that emerging threats and opportunities are identified and managed, that management actions are being carried out and that the identified controls are effective.

16.3.2 Managing Information Security Risk, Cyber Security and Data Protection

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

Every IWM information asset has a nominated Information Asset Owner (IAO), responsible for regularly auditing their system. The Information Asset Register has been fully reviewed and updated and is based on a template recommended by the Information Commissioner. The Data Protection

Policy is published to all staff via the IWM compliance tool NETconsent. All staff are required to complete a data protection training module on appointment.

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

IWM was first awarded Cyber Essentials accreditation in January 2018. This was temporarily lost from the start of July 2021 owing to stretched resources and complications brought about by Covid and remote working, and the changing standards to achieve accreditation. We regained Cyber Essentials compliance in 2025 and we have been working on the new Government cyber framework, GovAssure. Risks related to cyber security have been a key priority of the Audit Committee throughout the year and the Chief Information Officer has attended meetings regularly to report on mitigations and other updates. The IWM cyber security team has been working closely on managing cyber security with DCMS' own cyber security team and peers across the sector. A representative from DCMS is invited to attend IWM Audit Committee meetings as an observer and receives all Audit Committee papers, further strengthening the relationship.

16.3.3 Response to Challenges

Like many visitor Museums, IWM has not seen a return to pre-pandemic visitor numbers at all its sites. This is also strongly influenced by external factors such as the cost of living and ensuring IWM's financial sustainability remains a key priority as the challenge of high inflation and the impact of this on our supply chain and consumer and visitor behaviours continues.

The agile business model implemented to rebuild and strengthen our financial resources, which includes a more flexible approach to resourcing, minimising fixed costs and being able to adapt to changing circumstances proved effective, and we achieved the ambition of rebuilding our financial reserves to achieve our reserves policy. Nevertheless, it is critical that we continue to build and diversify commercial income and grow other income streams including increasing support from unrestricted fundraising to support a robust financial model.

The costs of delivering our statutory responsibilities to conserve and protect the collections on behalf of the nation is now £8 million higher each year than the Grant-in-Aid received from Government, with self-generated income used to supplement this funding. Our collections storage is at crisis point and we have had to cease collecting large objects due to lack of space to store them. Fulfilling key aspects of the Duxford Masterplan, namely the development of the IWM Lab as a conservation, training and large object facility, will be vital to ensure we can continue to fulfil our remit to document the history of war and conflict through our collections, and secure the long-term future of IWM Duxford as an income generating, visitor attraction.

We continue to respond to live global conflicts within our remit including the ongoing war in Ukraine and more recently, conflicts in the Middle East through our programming both digital and physical. Meanwhile we continue to monitor the economic impact of worldwide conflicts, in particular the increased risk of cyber security attacks, terrorism, and potential loss of overseas visitors, and the impact on supply chains and fundraising.

Following on from 2024-25, 2025-2026 continued to be a year of organisational change. IWM has made significant changes in the last 12 months to set itself up onto a different strategic path. This evolution is in response to the sustained real term reductions in Government Grant in Aid support (from FY 2021/22 to FY 2024/25), the pressures created by the British economy on future income generation, and to respond to our stakeholders' needs and aspirations for IWM.

Our Corporate Plan which spans the next three financial years covering 2026-2029 responds to our key challenges. It is accompanied by a dynamic 'Strategy into Action Plan' which translates the corporate plan into clear definable actions and outcomes. Amongst these are to define IWM's Vision and Purpose and create a 10-year strategy that manifests that vision and purpose to shape priorities.

16.4 Whistleblowing Policy

IWM is committed to the highest possible standards of openness, probity, and accountability in the delivery of its services. The IWM whistleblowing policy complies with the Public Interest Disclosure Act 1998, which reflects article 10 of the European Convention of Human Rights in providing the right to freedom of expression. IWM staff have a right and duty to raise concerns about malpractice, abuse, or wrongdoing at an early stage and in the right way, without fear of victimisation, subsequent discrimination or disadvantage. IWM's whistleblowing policy encourages staff with serious concerns to come forward and voice those concerns, while procedures are in place to enable them to do so. The Audit Committee agreed the latest version of the policy and procedures in April 2026, which were subsequently made available to staff via our policy management system.

16.5 Internal Audit Assessment

At the start of the financial year IWM's Audit Committee approved the 2025-26 internal audit plan. BDO served as IWM's internal auditors for the 2025-26 financial year and carried out audits of the following:

- Contract Governance: Security & Facilities Management
- IWM Duxford Lab Project Review
- Project Management - Estates
- Exhibitions Planning
- Regulatory Compliance
- Collections Acquisitions and Disposals
- Complaints Handling
- Payroll
- Follow up from previous Internal Audit recommendations

An annual report on progress against the internal audit plan for 2025-26 with an annual audit opinion report were also issued over the course of the year. Each internal audit report includes the internal auditors' independent opinion of whether there is an adequate level of assurance presented by the controls in place within the relevant business area audited. Recommendations for improvement are agreed with the Executive Leadership Team and management, who work to an agreed timetable for these to be actioned. Progress on implementing audit recommendations is monitored by ELT and the Audit Committee.

The opinion provided by our internal auditors on IWM's governance is that controls were found to be suitably designed and operating effectively to achieve the specific risk management, control and governance arrangements and value for money. However, there are some areas where weaknesses and/or non-compliance were identified and, therefore, may put the achievement of objectives at risk. No audits received no or "limited" assurance ratings. Where weaknesses have been identified, improvements are required to enhance the design and/or effectiveness of risk management, control and governance arrangements. Overall, the control environment remains stable, with planned management actions expected to further strengthen governance, documentation and assurance arrangements during 2026-27.

16.6 Parliamentary Accountability and Audit Report

The information in this report is subject to audit.

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

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

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

16.7 Assurance Statement by the Audit Committee

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

Guy Weston

Sir Guy Weston
Chair of the Trustees

Date 14 July 2026

Caro Howell MBE
Director-General and Accounting Officer

Date 14 July 2026

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

Opinion on financial statements

I certify that I have audited the financial statements of the Imperial War Museum and its group for the year ended 31 March 2026 under the Museums and Galleries Act 1992.

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

- Consolidated and IWM Balance Sheets as at 31 March 2026;
- Consolidated and Museum Statements 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 Imperial War Museum and its Group's affairs as at 31 March 2026 and its net expenditure for the year then ended; and
- 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 (2024)*. 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 2024*. I am independent of the Imperial War Museum and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. 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:

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

Matters on which I report by exception

In the light of the knowledge and understanding of the Imperial War Museum and its Group and their environment obtained in the course of the audit, I have not identified material misstatements in 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 Imperial War 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 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 and Staff 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 Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Imperial War Museum and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Museums and Galleries Act 1992;
- preparing the annual report, which includes the Remuneration Report, in accordance with Secretary of State directions issued under the Museums and Galleries Act 1992; and
- assessing the Imperial War Museum and its Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and Accounting Officer either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

My responsibility is to examine, certify and report on the financial statements in accordance with 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, I:

- considered the nature of the sector, control environment and operational performance including the design of the Imperial War Museum and its Group’s accounting policies and key performance indicators.
- inquired of management, the Imperial War Museum’s head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Imperial War Museum and its Group’s policies and procedures 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 Imperial War Museum and its Group’s controls relating to the Imperial War Museum’s compliance with the Museum and Galleries Act 1992, the Imperial War Museum Acts 1920 and 1955, the Charities Act 2011 and Managing Public Money.
- inquired of management, the Imperial War 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 relevant component audit teams and the relevant internal and external specialists, including property valuation, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

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

I obtained an understanding of the Imperial War Museum and Group's framework of authority and other legal and regulatory frameworks in which the Imperial War Museum and 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 Imperial War Museum and its Group. The key laws and regulations I considered in this context included Museum and Galleries Act 1992, the Imperial War Museum Acts 1920 and 1955, Managing Public Money, employment law, tax legislation and pensions 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 of Trustees and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I addressed the risk of fraud in income recognition by evaluating the design and implementation of controls; testing income to corroborating evidence; assessing the completeness of revenue streams; and testing the appropriateness of significant estimates made at year-end.

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

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

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence 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

14 July 2026

Comptroller and Auditor General

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

Consolidated Statement of Financial Activities for the year ended 31 March 2026

	Notes	Unrestricted funds 2026 £'000	Restricted funds 2026 £'000	Total funds 2026 £'000	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Total funds 2025 £'000
Income and endowments from:							
Donations and legacies							
Grant-in-Aid	2a	21,512	14,052	35,564	20,054	13,199	33,253
External funds	2b	1,840	2,678	4,518	1,456	11,601	13,057
Lottery funding	2c	-	12	12	-	222	222
Donated objects and services	2d	-	742	742	-	275	275
		23,352	17,484	40,836	21,510	25,297	46,807
Other trading activities							
Income from commercial activities	3a	11,681	-	11,681	12,028	-	12,028
Fees	3b	6,456	97	6,553	6,139	137	6,276
Royalties	3c	257	-	257	381	-	381
Disposals of assets	3d	-	-	-	-	155	155
		18,394	97	18,491	18,548	292	18,840
Investments	4a	1,422	-	1,422	1,601	-	1,601
Charitable activities							
Admissions	4b	18,261	-	18,261	18,924	-	18,924
Total income and endowments		61,429	17,581	79,010	60,583	25,589	86,172
Expenditure on:							
Raising funds							
Fundraising and publicity		3,366	321	3,687	3,638	52	3,690
Commercial costs	15	9,682	35	9,717	9,515	8	9,523
		13,048	356	13,404	13,153	60	13,213
Charitable activities							
Education, exhibitions and visitor services		23,968	5,754	29,722	22,863	2,638	25,501
Building care and preservation		17,376	6,757	24,133	11,865	7,594	19,459
Collections management and conservation		9,528	3,294	12,822	11,815	803	12,618
Grants	16	4	42	46	6	63	69
Purchases for the collection		41	-	41	102	-	102
		50,917	15,847	66,764	46,651	11,098	57,749
Total expenditure	6	63,965	16,203	80,168	59,804	11,158	70,962
Net (expenditure)/ income	5	(2,536)	1,378	(1,158)	779	14,431	15,210
Transfers between funds		2	(2)	-	405	(405)	-
Other recognised gains							
(Loss)on revaluation of fixed assets		(480)	(5,468)	(5,948)	(2,296)	(16,257)	(18,553)
Net movement in funds		(3,014)	(4,092)	(7,106)	(1,112)	(2,231)	(3,343)
Reconciliation of funds:							
Total fund balances brought forward at 1 April 2025		56,701	242,357	299,058	57,813	244,588	302,401
Total fund balances carried forward at 31 March 2026	20a	53,687	238,265	291,952	56,701	242,357	299,058

The notes on pages 94 to 114 form part of these accounts.

Museum Statement of Financial Activities for the year ended 31 March 2026

	Notes	Unrestricted funds 2026 £'000	Restricted funds 2026 £'000	Total funds 2026 £'000	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Total funds 2025 £'000
Income and endowments from:							
Donations and legacies							
Grant-in-Aid	2a	21,512	14,052	35,564	20,054	13,199	33,253
External funds	2b	8,048	2,649	10,697	7,835	11,570	19,405
Lottery funding	2c	-	12	12	-	222	222
Donated objects and services	2d	-	742	742	-	275	275
		29,560	17,455	47,015	27,889	25,266	53,155
Other trading activities							
Income from commercial activities	3a	18	-	18	41	-	41
Fees	3b	2,598	97	2,695	2,655	137	2,792
Disposals of assets	3d	-	-	-	-	155	155
		2,616	97	2,713	2,696	292	2,988
Investments	4a	1,319	-	1,319	1,435	-	1,435
Charitable activities							
Admissions	4b	18,261	-	18,261	18,924	-	18,924
Total income and endowments		51,756	17,552	69,308	50,944	25,558	76,502
Expenditure on:							
Raising funds							
Fundraising and publicity		3,371	321	3,692	3,643	52	3,695
Commercial costs		1	2	3	-	2	2
		3,372	323	3,695	3,643	54	3,697
Charitable activities							
Education, exhibitions and visitor services		22,253	5,676	27,929	21,231	2,516	23,747
Building care and preservation		17,376	6,757	24,133	11,865	7,594	19,459
Collections management and conservation		9,528	3,294	12,822	11,815	803	12,618
Grants		1,804	42	1,846	1,606	63	1,669
Purchases for the collection		41	-	41	102	-	102
		51,002	15,769	66,771	46,619	10,976	57,595
Total expenditure		54,374	16,092	70,466	50,262	11,030	61,292
Net (expenditure)/ income		(2,618)	1,460	(1,158)	682	14,528	15,210
Transfers between funds		2	(2)	-	405	(405)	-
Other recognised gains							
(Loss) on revaluation of fixed assets		(480)	(5,468)	(5,948)	(2,296)	(16,257)	(18,553)
Net movement in funds		(3,096)	(4,010)	(7,106)	(1,209)	(2,134)	(3,343)
Reconciliation of funds:							
Total fund balances brought forward at 1 April 2025		56,987	242,071	299,058	58,196	244,205	302,401
Total fund balances carried forward at 31 March 2026	20b	53,891	238,061	291,952	56,987	242,071	299,058

All income and expenditure is due to continuing activities.

The notes on pages 94 to 114 form part of these accounts.

Consolidated and IWM Balance Sheets as at 31 March 2026

	Notes	Consolidated 2026 £'000	Consolidated 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
Non-current assets					
Fixed assets					
Tangible assets	**8**	**250,626**	255,506	**250,626**	255,506
Heritage assets	**9a**	**10,511**	9,771	**10,511**	9,771
Lease receivables	**10**	**1,376**	1,219	**1,376**	1,219
Investments	**15**	**-**	-	**600**	600
		262,513	266,496	**263,113**	267,096
Current assets					
Stock	**11**	**740**	705	**-**	-
Debtors	**12**	**15,288**	14,721	**14,866**	14,647
Cash at bank and in hand	**13**	**28,418**	32,115	**26,853**	29,932
		44,446	47,541	**41,719**	44,579
Current liabilities					
Creditors: amounts falling due within one year	**14a**	**(12,276)**	(10,848)	**(10,149)**	(8,486)
Long term loan with current portion	**14f**	**-**	(1,000)	**-**	(1,000)
		(12,276)	(11,848)	**(10,149)**	(9,486)
Net current assets		32,170	35,693	**31,570**	35,093
Total assets less current liabilities		**294,683**	302,189	**294,683**	302,189
Creditors: amounts falling due after more than one year	**14b**	**(2,626)**	(3,131)	**(2,626)**	(3,131)
Provisions for liabilities and charges	**14g**	**(105)**	-	**(105)**	-
		(2,731)	(3,131)	**(2,731)**	(3,131)
Net assets		**291,952**	299,058	**291,952**	299,058
Represented by:					
Restricted funds					
Restricted funds	**20**	**202,304**	197,646	**202,100**	197,360
Restricted funds buildings revaluation		**35,961**	44,711	**35,961**	44,711
		238,265	242,357	**238,061**	242,071
Unrestricted funds:					
Designated funds	**20**	**18,852**	18,664	**18,910**	18,710
Designated funds buildings revaluation		**16,694**	17,471	**16,694**	17,471
		35,546	36,135	**35,604**	36,181
General funds	**20**	**24,962**	27,123	**25,108**	27,363
Finance lease reserve		**(6,821)**	(6,557)	**(6,821)**	(6,557)
		18,141	20,566	**18,287**	20,806
Total funds		**291,952**	299,058	**291,952**	299,058

The financial statements on pages 94 to 114 were approved by the Director and the Chair.

Sir Guy Weston
Chair of the Trustees

Caro Howell MBE
Director-General and Accounting Officer

Date 14 July 2026

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

The notes on pages 94 to 114 form part of these accounts.

Consolidated statement of cash flows for the year ended 31 March 2026

	Notes	2026 £'000	2025 £'000
Cash flows from operating activities:			
Net cash provided by operating activities	22a	**10,193**	13,407
Cash flows from investing activities:			
Interest received	4	**1,422**	1,601
Purchase of fixed assets		**(13,673)**	(13,999)
Net cash used in investing activities		**(12,251)**	(12,398)
Cash flows from financing activities:			
Interest element of loan payments		**(2)**	(3)
Interest element of finance lease rental payments		**(192)**	(217)
Repayment of capital element of finance lease rental		**(445)**	(419)
Cash outflows from Loan repayments		**(1,000)**	(1,000)
Net cash used in financing activities		**(1,639)**	(1,639)
Change in cash and cash equivalents in the reporting period	22b	**(3,697)**	(630)
Cash and cash equivalents at the beginning of the reporting period	22c	**32,115**	32,745
Cash and cash equivalents at the end of the reporting period	13	**28,418**	32,115

The Museum has taken advantage of the exemption under FRS 102 to provide the consolidated cashflow statement for the group only.

The notes on pages 94 to 114 form part of these accounts.

Notes to the Financial Statements

1 Accounting policies

(a) *Basis of accounting*

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

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

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

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

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

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

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

The Museum has taken the exemption under FRS 102 from displaying a separate cash flow statement.

Upcoming changes to standards

The FRS 102 Periodic Review 2024 issued in September 2024, which is effective for accounting periods beginning on, or after, 1 January 2026, will result in changes to the accounting and disclosure of key areas such as income and leases.The final version of the Charities Statement of Recommended Practice (SORP) 2026 was published on 31 October 2025, also effective for the 2026-27 accounts, this provides interpretation of the changes to FRS 102 for the Charities sector.

The Group is planning for the implementation of these changes and is at an early stage in evaluating their financial impact. At 31 March 2026, the Group had commitments under operating leases of approximately £12,764k (gross) (see note 18a). Under the new lease accounting requirements, management expects that these amounts would be recognised on-balance sheet, with a lease liability based on the discounted value of the future commitments, plus payments related to optional extension periods if considered reasonably certain, and a related “right-of-use” asset.

Management is reviewing relevant revenue exchange transactions to determine the overall recognition, measurement, presentation, and disclosure impact. Non-exchange transactions, including donations and most grant income, will continue to be recognised on receipt, when the balance can be reliably measured, and when any applicable performance-related conditions have been met.

(b) *Going concern status*

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

The Trustees have reviewed the new Corporate Plan for 2026-29. The trajectory of the Plan sees income levels growing over the course of the term, supported by investment in operating costs and staff resources. Assumptions regarding the rate of inflation have been applied across IWM’s cost base. The Corporate Plan demonstrates that IWM is expected to remain compliant with the Reserves Policy over the course of the plan and have sufficient cash balances to support investment in income generating activities.

The Trustees have reviewed IWM’s financial forecasts for a period of at least 12 months from the date of approval of the financial statements and, having considered the IWM’s current financial position, expected future activities, and available resources, have a reasonable expectation that IWM will continue to operate as a going concern for the foreseeable future; accordingly, the financial statements have been prepared on a going concern basis.

(c) *Funds*

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

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

(d) *Income and endowments*

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

The following accounting policies are applied to Income:

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

This is shown in the SOFA in the year the funding is received. Capital Grant in Aid is credited to Restricted Funds and all other Grant in Aid income is credited to General Funds.

External funds

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

(d) Income and endowments (continued)

National Lottery income

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

Donated objects and services

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

Other Trading income

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

Fees

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

Investment income

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

Incoming resources from charitable activities

Admissions are recognised in line with when the customer visited the IWM.

Government grants

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

(e) Expenditure

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

Allocation of costs

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

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

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

Charitable activities

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

Deferred income:

Income relating to the future provision of services is deferred until the services are provided and entitlement to the income is earned. This includes admissions income from tickets where the provision is based on the date the visit occurs.

Costs of raising funds

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

(f) Heritage assets

Purchased heritage assets

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

Donated heritage assets

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

Depreciation and revaluation of heritage assets

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

Heritage assets not on the balance sheet

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

(g) Intangible fixed assets

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

Customer Relationship Management system - 4 years.

(h) Tangible fixed assets

Tangible fixed assets are stated at cost or valuation.

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

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

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

The useful economic lives, over which the assets are being depreciated on a straight line basis are as follows:

Buildings and runway - structure	- between 7 and 85 years
Buildings - plant and machinery	- between 5 and 34 years
Buildings - fit-out	- between 10 and 50 years
Equipment	- 4 years
Permanent exhibitions	- over the life of the exhibition

A full year of depreciation is provided for in the year of acquisition of an asset, whilst there is none provided in the year of disposal.

Including assets at their value to the business by reference to current costs is achieved as follows:

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

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

(i) Lease receivables

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

(j) Stocks

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

(k) Leases

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

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

(l) Permanent exhibitions

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

(m) Imperial War Museum Trading Company Limited

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

(n) Foreign currencies

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

(o) Pension schemes

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

(p) Financial instruments

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

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

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

(q) Cash and liquid resources

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

(r) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the time of the transaction and, at year end, balances are restated at the year-end rate. All exchange differences are taken to the SOFA.

(s) Imperial War Museum Film Production Limited

IWM Film Production Limited is a wholly owned subsidiary of the Trustees of the Imperial War Museum. The company was incorporated on 28 May 2015, in England and Wales. The authorised share capital of the company is 1 share of £1 each. The IWM Film Production Limited has been dormant during 2025-26 (2024-25: dormant).

(t) Key judgements and estimates

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

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

Revenue recognition - grant income

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

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

Valuation of property, plant and equipment

Property, plant and equipment represents a significant proportion of the Museums balance sheet and therefore the estimates and assumptions made to determine their carrying value and related depreciation (Note 8) are important to the Museums reported financial position and total expenditure. Revaluation of PPE requires management to rely on the expertise of professional surveyors. The freehold property known as Imperial War Museum Duxford was valued as at 31 March 2026 by an external valuer, Newmark Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the requirements of the RICS Valuation – Global Standards (December 2024) and the national standards and guidance set out in the UK national supplement (October 2023), the International Valuation Standards, FRS 102 – the Financial Reporting Standard applicable in the UK and Republic of Ireland, and the current charities SORP'. The valuation of a specialised property was derived using the Depreciated Replacement Cost (DRC) method, and non-operational properties on a Fair Value (equated to Market Value) basis. In 2025–26 this exercise resulted in an upwards revaluation of £221K.

The valuer also made reference to market evidence of land transaction prices for other land sales. An adjustment to any of these assumptions could lead to a material change in the land valuation.

In the interim years between professional revaluations, IWM's land, structure fit-out and plant and machinery are subject to desktop revaluation, provided by Newmark Gerald Eve LLP. Further detail is provided in Note 8.

2a Grant-in-Aid

Grant-in-Aid (from the Department for Culture, Media and Sport) has been received during the year of £35,564K (2024-25: £33,253K). This represents 44% (2024-25: 47%) of the annual expenditure in running the organisation. The balance of funding needs, including most capital improvements, is delivered from resources that are self-generated. £13,664K (2024-25 £13,199K) of the Grant-in-Aid was restricted for critical maintenance work, refurbishment and renewals of buildings, plant and equipment. £388K was restricted for the 80th anniversary of VE and VJ Day programmes of events.

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
2b	**Donations and legacies**				
	Grants and donations	**4,356**	12,423	**10,564**	18,801
	Sponsorship	**29**	30		-
	Legacies	**133**	604	**133**	604
		4,518	13,057	**10,697**	19,405

The total of £4,518K is split between the IWM (£4,486K) and the Imperial War Museum Trading Company (£32K), after intercompany transactions of £8,011K.

Included in Grants and donations there is a £319K pledge from The Clore Duffield Foundation for a Holocaust Curator, (2024-25 £9.87K from Bloomberg Philanthropies' for IWM Duxford).

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		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
2c	**Lottery funding**				
	Lottery funding	**12**	222	**12**	222
		12	222	**12**	222

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
2d	**Donated objects and services**				
	Donated objects and services	**742**	275	**742**	275
		742	275	**742**	275

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
3a	**Income from commercial activities**				
	Income from Commercial activities	**11,681**	12,028	**18**	41
		11,681	12,028	**18**	41

The total of £11,681K is split between the IWM (£18K) and the Imperial War Museum Trading Company (£11,663K), after intercompany transactions of £220K.

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
3b	**Fees**				
	Fees	**6,553**	6,276	**2,695**	2,792
		6,553	6,276	**2,695**	2,792

The total of £6,553K is split between the IWM (£725K) and the Imperial War Museum Trading Company (£5,828K), after intercompany transactions of £1,970K.

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
3c	**Royalties**				
	Royalties	**257**	381	**-**	**-**
		257	381	-	-

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
3d	**Disposals of assets**				
	Disposals of assets	**-**	155	**-**	155
		-	155	**-**	155

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
4a	**Investment income**				
	Interest receivable	**1,194**	1,541	**1,091**	1,375
	Lease revenue and interest	**228**	60	**228**	60
		1,422	1,601	**1,319**	1,435

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

The interest receivable is split between the IWM (£1,319K) and the Imperial War Museum Trading Company (£103K). The lease interest relates to IWM.

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
4b	**Admissions**				
	Admissions	**18,261**	18,924	**18,261**	18,924
		18,261	18,924	**18,261**	18,924

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
4c	**Income from charitable activities by charitable expenditure**				
	Education, exhibitions and visitor services	**8,597**	9,275	**7,968**	8,618
	Building care and preservation	**6,231**	4,813	**6,221**	4,817
	Collections management and conservation	**3,417**	4,793	**3,411**	4,796
	Grants	**1**	2	**646**	652
	Purchases for the collection	**15**	41	**15**	41
		18,261	18,924	**18,261**	18,924

Group income from charitable activities includes admissions £18,261K (2024-25 admissions £18,924K).

			2026 £'000	2025 £'000
5	**Consolidated net income**			
	Net (expenditure)/ income of £(1,158)K, (2024-25 £15,210K) before transfers, are stated after charging:			
	Auditors' remuneration	National Audit Office - auditing of IWM consolidated accounts	**71**	68
		HaysMac LLP - auditing of Imperial War Museum Trading Company	**31**	30
		HaysMac LLP/Moore Kingston Smith LLP - additional Other Services/ Auditing fee for prior year	**2**	1
	Other Services - HaysMac LLP, preparation of corporation tax return in relation to Imperial War Museum Trading Company		**2**	-
	Hire purchase on equipment		**121**	109
	Operating leases - equipment		**174**	81
	Operating leases - land and buildings		**813**	498
	Interest payable on finance lease		**192**	217
	Interest payable on loan		**2**	3
	Depreciation and amortisation of owned assets		**8,579**	9,689
	Depreciation of assets held under finance leases		**264**	341
	Increase in provision for bad debts		**23**	-

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

		Staff costs £'000	Other costs £'000	Depreciation, amortisation & impairment £'000	2026 Total £'000
6	**Consolidated total expenditure**				
	Raising funds				
	Fundraising and publicity	**1,609**	**2,047**	**31**	**3,687**
	Commercial costs	**5,744**	**3,970**	**3**	**9,717**
		7,353	**6,017**	**34**	**13,404**
	Charitable activities				
	Education, exhibitions and visitor services	**13,813**	**14,415**	**1,494**	**29,722**
	Building care & preservation	**801**	**16,244**	**7,088**	**24,133**
	Collections management and conservation	**9,517**	**3,078**	**227**	**12,822**
	Other grants	**-**	**46**	**-**	**46**
	Purchases for the collection	**-**	**41**	**-**	**41**
		24,131	**33,824**	**8,809**	**66,764**
	Total resources expended	**31,484**	**39,841**	**8,843**	**80,168**

6 Consolidated total expenditure (continued)

Consolidated total expenditure (2025 comparative)	Staff costs £'000	Other costs £'000	Depreciation, amortisation & impairment £'000	2025 Total £'000
Raising funds				
Fundraising and publicity	1,957	1,704	29	3,690
Commercial costs	5,295	4,226	2	9,523
	7,252	5,930	31	13,213
Charitable activities				
Education, exhibitions and visitor services	11,560	12,550	1,391	25,501
Building care & preservation	851	10,235	8,373	19,459
Collections management and conservation	8,870	3,513	235	12,618
Other grants	-	69	-	69
Purchases for the collection	-	102	-	102
	21,281	26,469	9,999	57,749
Total resources expended	28,533	32,399	10,030	70,962

Resources expended are shown after eliminations on consolidation of transactions between IWM and the Imperial War Museum Trading Company of £10,201K (2024-25 £10,173K).

6a **Division of direct and indirect expenditure**	**Direct costs £'000**	**Allocated support costs £'000**	**2026 Total £'000**	Direct Costs £'000	Allocated support costs £'000	2025 Total £'000
Raising funds						
Fundraising and publicity	**3,057**	**630**	**3,687**	2,964	726	3,690
Commercial costs	**9,717**	**-**	**9,717**	9,523	-	9,523
	12,774	**630**	**13,404**	12,487	726	13,213
Charitable activities						
Education, exhibitions and visitor services	**17,382**	**12,340**	**29,722**	15,174	10,327	25,501
Building care and preservation	**17,854**	**6,279**	**24,133**	18,867	592	19,459
Collections management and conservation	**8,398**	**4,424**	**12,822**	8,676	3,942	12,618
Other grants (Note 16)	**46**	**-**	**46**	69	-	69
Purchases for the collection	**41**	**-**	**41**	102	-	102
	43,721	**23,043**	**66,764**	42,888	14,861	57,749
Total resources expended	**56,495**	**23,673**	**80,168**	55,375	15,587	70,962

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

6b **Allocation of support**	**Directorate & office services £'000**	**Human resources £'000**	**Finance and planning £'000**	**IT and commun-ication £'000**
Raising funds				
Fundraising and publicity	2	18	182	148
	2	18	182	148
Charitable activities				
Education, exhibitions and visitor services	24	219	1,762	1,763
Building care and preservation	1	12	33	99
Collections management and conservation	18	164	603	1,316
	43	395	2,398	3,178
	45	**413**	**2,580**	**3,326**

6b	Allocation of support (continued)	Facilities management £'000	Depreciation & amortisation £'000	Support salary costs £'000	Allocated Support costs Total 2026 £'000
	Raising funds				
	Fundraising and publicity	-	31	249	630
		-	31	249	630
	Charitable activities				
	Education, exhibitions and visitor services	5,516	158	2,898	12,340
	Building care and preservation	5,962	11	161	6,279
	Collections management and conservation	-	153	2,170	4,424
		11,478	322	5,229	23,043
		11,478	**353**	**5,478**	**23,673**

6b	Allocation of support comparative 2025	Directorate & office services £'000	Human resources £'000	Finance and planning £'000	IT and commun-ication £'000
	Raising funds				
	Fundraising and publicity	6	29	62	227
		6	29	62	227
	Charitable activities				
	Education, exhibitions and visitor services	37	192	919	1,581
	Building care and preservation	3	17	38	139
	Collections management and conservation	30	156	339	1,248
		70	365	1,296	2,968
		76	394	1,358	3,195

6b	Allocation of support (continued)	Facilities management £'000	Depreciation & amortisation £'000	Support salary costs £'000	Allocated Support costs Total 2025 £'000
	Raising funds				
	Fundraising and publicity	-	29	373	726
		-	29	373	726
	Charitable activities				
	Education, exhibitions and visitor services	4,979	149	2,470	10,327
	Building care and preservation	154	11	230	592
	Collections management and conservation	-	144	2,025	3,942
		5,133	304	4,725	14,861
		5,133	333	5,098	15,587

Support costs are allocated on two basis. Some Support costs can be directly attributed to a particular function. All others are allocated on a staff number basis.
The amount of support costs from the Trading Company included in the figures above are £Nil, (£2K - 2024-25)

6c	Analysis of expenditure on charitable activities	Activities undertaken directly £'000	Grant funding of activities £'000	Support costs £'000	Total 2026 £'000
	Education, exhibitions and visitor services	17,382	-	12,340	**29,722**
	Building care and preservation	17,854	-	6,279	**24,133**
	Collections management and conservation	8,398	-	4,424	**12,822**
	Grants	-	46	-	**46**
	Purchases for the collection	41	-	-	**41**
		43,675	**46**	**23,043**	**66,764**

		Activities undertaken directly	Grant funding of activities	Support costs	Total 2025
6c	**Analysis of expenditure on charitable activities 2025 comparative**	£'000	£'000	£'000	£'000
	Education, exhibitions and visitor services	15,174	-	10,327	25,501
	Building care and preservation	18,867	-	592	19,459
	Collections management and conservation	8,676	-	3,942	12,618
	Grants	-	69	-	69
	Purchases for the collection	102	-	-	102
		42,819	69	14,861	57,749

		Group 2026	Group 2025	**IWM 2026**	IWM 2025
7	**Staff costs**	**£'000**	£'000	**£'000**	£'000
	Salaries and wages	**24,091**	22,160	**19,522**	17,858
	Temporary / agency staff	**208**	209	**166**	194
	National Insurance	**2,986**	2,205	**2,454**	1,821
	Superannuation	**3,781**	3,546	**3,268**	3,078
	Early retirement, early exit and compensation costs	**312**	318	**286**	243
	Apprenticeship Levy	**106**	95	**44**	44
		31,484	28,533	**25,740**	23,238

In addition £207K (including £10K for Alpha Superannuation and £14K for Aviva Superannuation) of staff costs relating to staff working exclusively on capital projects was capitalised in 2024-25 (2024-25 £364K, including £23K for Superannuation).

Pensions

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) - known as "Alpha" - are an unfunded multi-employer defined benefit scheme. IWM is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary valued the scheme as at 31 March 2020. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2025-26, employers' contributions of £2,387K were payable to the PCSPS (2024-25 £2,405K) at a rate of 28.97% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2025-26 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees may opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £28K were paid to one or more of a panel of appointed stakeholder pension providers (2024-25 £28K). Employer contributions are age-related and range from 8% and 14.75%. Employers also match employee contributions up to 3% of pensionable pay. In addition employer contributions of 0.5% of pensionable salary were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £3K (2023-24 £3K). Contributions prepaid at that date were nil.

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

Employer contributions to IWM Group Pension Plan are between 7% and 12%. Employees contribute a minimum of 2% of pensionable salary.

Employer's contributions of £1,390K were paid in 2025-26 (£1,156K in 2025-26). Contributions due to Aviva at the balance sheet were £182K (2025-26 £145K).

Number of employees

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

	Group 2026	Group 2025	**IWM 2026**	IWM 2025
£60,001 - £70,000	**36**	26	**16**	26
£70,001 - £80,000	**16**	14	**8**	14
£80,001 - £90,000	**11**	3	**1**	3
£90,001 - £100,000	**2**	3	**1**	3
£100,001 - £110,000	**2**	3	**1**	3
£110,001 - £120,000	**2**	-	**-**	-
£120,001 - £130,000	**1**	1	**-**	1
£130,001 - £140,000	**1**	1	**-**	1
£140,001 - £150,000	**-**	-	**-**	-
£150,001 - £160,000	**-**	1	**-**	1
£160,001 - £170,000	**-**	-	**-**	-
£170,001 - £180,000	**1**	-	**1**	-
	72	52	**28**	52

7 Staff costs (Continued)

No member of staff received employee benefits (excluding pension contributions) of over £60,000 in either the Group or the Museum (2024-25 - nil).

The number of staff paid above £60K (2024-25, Aviva, 31, £261k) to whom retirement benefits are accruing under defined contribution schemes is ; 45 , Aviva, £372,045 and under defined benefit schemes is 27, Alpha, £575,659 (2024-25, Alpha, 21, £450K).

Please see the Remuneration report on page 60 of the Annual Report for more details of senior staff costs.

The average number of staff (including fee paid staff) employed by the Imperial War Museum group across the year was 878 (2024-25 786), (Imperial war Museum, 280 (2024-25 217)).
Full Time Equivalent members of staff averaged at 586 (2024-25 544) across the year in the group (museum, 579 (2024-25 434)) analysed across the following activities.

Consolidated full time equivalent staff per activities	Permanent staff	Temporary Staff	Managerial staff	**2026 Total No of staff**	2025 Total No of staff
Education, exhibitions and visitor services	271	3	10	**284**	233
Building care & preservation	12	-	2	**14**	19
Collections management and conservation	179	3	8	**190**	180
Trading / commercial	74	-	1	**75**	81
Fundraising and publicity	18	-	3	**21**	31
	554	6	24	**584**	544

Museum full time equivalent staff per activities	Permanent staff	Temporary Staff	Managerial staff	**2026 Total No of staff**	2025 Total No of staff
Education, exhibitions and visitor services	242	3	9	**254**	211
Building care & preservation	12	-	2	**14**	19
Collections management and conservation	179	3	8	**190**	173
Trading / commercial	-	-	-	**-**	6
Fundraising and publicity	18	-	3	**21**	25
	451	6	22	**479**	434

In addition to the above, there were 8 (2024-25: 11) full time equivalent of members of staff directly employed to work on capital projects and their costs have been capitalised.

Managerial staff represents the members of the Museum group's Executive Leadership Team which consists of the Director General, four Executive Directors, the Chief of Staff and IWMN Strategic Lead (FTE of 5 during the year) , and the Operational Delivery Group which consists of the full time equivalent of 18 Directors.

Trustees

The Chairman and Board of Trustees received no remuneration for their services during 2025-26 (2024-25 £Nil). Travel, subsistence and entertainment expenses paid to seven Trustees amounted to £1,651 (2024-25 £298).
The Trustees are appointed for periods of up to four years and may be reappointed for one further four year term.

Volunteers

An average of 1,179 volunteers (2024-25: 936) worked across the five branches, and digitally, equating to a total of 101,840 hours (2024-25: 127,650) at an estimated average cost, calculated at the average cost of living wage across the branches, of £12.21/hr (2024-25: £11.44/hr), of £1,243,466 (2024-25: £1,460,316). This equates to around 56 full time equivalent posts (2024-25 71 full time equivalent posts).

Ex-gratia payments

During the year the IWM made no ex-gratia payments (2024-25: £Nil).

8 Consolidated and museum tangible fixed assets	Land freehold and leasehold £'000	Structure £'000	Plant and machinery £'000	Fit-out £'000	Assets under construction £'000
Cost/valuation at 1 April 2025	36,295	146,685	44,536	20,658	2,443
Additions	-	3,199	4,387	3,733	3,252
Adjustments	-	-	-	-	-
Transfers between categories	-	15	706	-	(769)
Transfers (out)	-	-	-	-	(125)
Revaluation	(436)	(4,640)	(9,658)	(4,043)	-
Disposals	-	(4,734)	(483)	(548)	-
Value at 31 March 2026	35,859	140,525	39,488	19,800	4,801
Depreciation at 1 April 2025	-	2,560	2,618	878	-
Provided in year	-	2,915	2,871	1,013	-
Net Revaluation Depreciation due to revaluation	-	(5,475)	(5,487)	(1,891)	-
Disposals	-	-	(2)	-	-
Depreciation at 31 March 2026	-	-	-	-	-
Net book value at 31 March 2026	35,859	140,525	39,488	19,800	4,801
Net book value at 1 April 2025	36,295	144,125	41,918	19,780	2,443

8 Consolidated and museum tangible fixed assets (continued)	Exhibitions £'000	Equipment £'000	Assets held under finance lease £'000	Total £'000
Cost/valuation at 1 April 2025	33,128	8,660	4,343	296,748
Additions	582	628	-	15,781
Adjustments	-	27	-	27
Transfers between categories	48	-	-	-
Transfers (out)	-	-	-	(125)
Revaluation	-	-	(813)	(19,590)
Disposals	(4,008)	(239)	(1,449)	(11,461)
Value at 31 March 2026	29,750	9,076	2,081	281,380
Depreciation at 1 April 2025	25,500	7,713	1,973	41,242
Provided in year	1,126	654	264	8,843
Depreciation due to revaluation	-	-	(789)	(13,642)
Disposals	(3,998)	(239)	(1,450)	(5,689)
Depreciation at 31 March 2026	22,628	8,128	(2)	30,754
Net book value at 31 March 2026	7,122	948	2,083	250,626
Net book value at 1 April 2026	7,628	947	2,370	255,506

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

IWM Duxford was valued as at 31 March 2026, all the other museum sites apart from IWM North were valued as at 31 March 2023. IWM North was valued as at 31 March 2024. All valuations were by external professional valuers Newmark Gerald Eve LLP, in accordance with the Royal Institution of Chartered Surveyors guidance notes and IFRS102 - The Financial Reporting Standards for Tangible Fixed Assets. The next full valuation is due to take place for the year ending 31 March 2028. All sites except IWM Duxford have had a desktop valuation provided by Newmark Gerald Eve LLP.

The valuation of the non-specialised properties was undertaken on an Existing Use Value (EUV) basis. Specialised properties were valued on a Depreciated Replacement Cost (DRC) basis

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

In assessing the land value of Specialised properties Newmark Gerald Eve LLP have determined with what other uses a buyer of an alternative site for the specialised use would have to compete in the market. The valuation of land was based on the site area and developed accommodation. To guide the land value, the valuers considered other land sales, whilst also taking into account the amount of accommodation provided, leasehold tenure and the restricted use made of the actual site.

There is a positive relationship between other land values and the land valuation which would cause an increase in the price per acre to result in a proportional increase in fair value. Using the lowest and highest other land sales considered by the valuers, an increase in the market rate of £423K per acre would result in an increase in the IWM Duxford's property by £116M, whilst a decrease of £54K per acre would reduce the property valuation by £15M.

All tangible fixed assets are used for charitable activities.

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

Property	Title	Net book value at 31 March 2026 £'000	Net book value at 1 April 2025 £'000	Basis of valuation
IWM London, Lambeth Road, London SE1 including	Long leasehold	**93,697**	98,881	Depreciated replacement cost
Gate Lodge, Lambeth Road, London SE1	Freehold			Depreciated replacement cost
Parkside Building , Austral Street London SE11	Freehold	**5,377**	5,901	Existing use
Duxford Airfield, Cambridgeshire	Freehold	**98,466**	97,556	Depreciated replacement cost
Ickleton Film Store, Cambridgeshire	Long Leasehold	**Nil**	Nil	Depreciated replacement cost
IWM North, Manchester	Long Leasehold	**33,499**	34,678	Depreciated replacement cost
HMS Belfast Pavilion, London SE1	Long Leasehold	**2,580**	3,970	Depreciated replacement cost
Churchill War Museum, London SW1	Long Leasehold	**4,141**	3,509	Depreciated replacement cost

At 31 March 2026 the valuers were of the opinion that the valuation of the Ickleton Film store should be written down to Nil, now that the buildings have been vacated.

9a Heritage assets	Acquisition at historic costs £'000	Donated assets at valuation £'000	Total £'000
Valuation at 1 April 2025	5,023	4,748	9,771
Additions	11	729	740
Disposals	-	-	-
Value at 31 March 2026	5,034	5,477	10,511

IWM acquires donated objects by gift, bequest and from the translation of long term loans for the collections into permanent acquisitions. Objects wholly or partially donated to the IWM in 2025-26 were valued at £729K comprising assets and equipment capitalised in the IWM's Balance Sheet (2024-25: £275K). Values were assessed by relevant experts and other information, including valuations for tax purposes. Historical cost is not known given the unique nature of the assets.

9b Five year financial summary of heritage asset transactions

Additions	**2025-26 £'000**	2024-25 £'000	2023-24 £'000	2022-23 £'000	2021-22 £'000
Purchases	**11**	15	35	10	115
Donations	**729**	275	400	40	20
Disposals	**-**	(64)	(50)	-	-
Total additions	**740**	226	385	50	135

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

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

IWM is the national museum of conflict from the First World War onwards. It illustrates and records all relevant aspects of modern war, and of the individual’s experience of war and wartime life, whether allied or enemy, service or civilian, military or political, social or cultural.

We manage our museum collections by recording each individual item. For our film collection, we report the number of titles (individual moving image works), rather than by physical elements, as each film may be represented by multiple reels and duplicate elements. This better communicates the number of unique content items for which we are responsible and enables us to report more effectively on the progress of digitisation. Please see 5.2 on page 15 of the Annual report for more details

9d Collections Development Policy

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

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

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

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

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

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

9e Collections management policies and procedures

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

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

9e Collections management policies and procedures (continued)

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

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

Documentation

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

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

IWM is committed to the protection of vital records and information about the collections. Paper records are archived in line with the *Code of Practice on Archives for Museums and Galleries in the United Kingdom (* 3rd ed., 2002). Electronic collection records and digital collections are maintained by IWM’s IT department. IWM follows sector best practice for data preservation. Digital assets are replicated offsite using immutable snapshots. Collections information held in Axiell Collections, our system of record, is backed up nightly and replicated offsite to immutable storage. Both systems have backups to the tape archive for long-term, immutable, retention

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

Access

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

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

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

Collections care

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

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

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

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

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

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

Specific IWM legislation

Imperial War Museum Act, 1920
Imperial War Museum Act, 1955
Museums and Galleries Act, 1992

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

Collections Development Policy
Collections Management Policy
Due Diligence Policy

Collections Management in Practice Spectrum-based procedure and policy for developing our collections (Entry, Acquisition and accession, Exit, Deaccession and disposal); managing our collections (Inventory, Labelling and marking, Location and movement, Cataloguing, Condition checking, Condition reporting, Conservation, Risk management, Valuation, Audit, Rights management, Use of collections), responding when things go wrong (Loss, Reporting Damage) and lending and borrowing (Loans In, Loans Out, Insurance and indemnity) (as published in 2022 and under periodic and stringent review).

9f Obstacles to a meaningful valuation of the Collection

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

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

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

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

10 Lease receivables

The following table sets out the maturity analysis of lease receivables, showing the undiscounted lease payments to be received after 31 March 2026.

	2026 Land and other buildings £'000	2025 Land and other buildings £'000
Finance leases which expire:		
Within one year	**84**	67
In the second to fifth years inclusive	**335**	300
Over five years	**9,110**	8,219
	9,529	8,586
Unearned finance income	**(8,153)**	(7,367)
Net investment in the lease	**1,376**	1,219
Within one year	**1**	1
In the second to fifth years inclusive	**1**	7
Over five years	**1,374**	1,211
	1,376	1,219

The IWM leases two buildings, the All Saints building on Austral Street and the Officers Mess at IWM Duxford. The IWM has classified both leases as finance leases.

11 Stock	**Group 2026 £'000**	Group 2025 £'000	**IWM 2026 £'000**	IWM 2025 £'000
Stock consists of retail goods and IWM Publications. There is an insignificant difference between stocks existing value and its replacement cost.	**740**	705	**-**	-

12a Debtors	**Group 2026 £'000**	Group 2025 £'000	**IWM 2026 £'000**	IWM 2025 £'000
Amounts falling due within one year				
Trade debtors	**2,565**	1,612	**1,804**	957
Other debtors	**34**	44	**27**	38
Amount owed by Imperial War Museum Trading Company Ltd	**-**	-	**114**	521
VAT debtor	**1,492**	922	**1,832**	1,179
Prepayments	**870**	807	**823**	778
Accrued income	**8,683**	3,642	**8,580**	3,460
Provision for bad debts	**(44)**	(21)	**(2)**	(1)
Total debtors falling due within one year	**13,600**	7,006	**13,178**	6,932
Amounts falling due after more than one year				
Accrued Income	**1,688**	7,715	**1,688**	7,715
Total Debtors	**15,288**	14,721	**14,866**	14,647

The amount owed by Imperial War Museum Trading Company is repayable on demand. No interest is charged.
Group - Largest pledges included in accrued income are; £7,715K, (2024-25: £9,875K).

12a Debtors (continued)

12b Intra-Government debtor balances	**Group 2026 £'000**	Group 2025 £'000	**IWM 2026 £'000**	IWM 2025 £'000
Balances with other central government bodies	**4,138**	2,736	**4,478**	2,993

13 Cash at bank and in hand	**Group 2026 Total £'000**	Group 2025 Total £'000	**IWM 2026 Total £'000**	IWM 2025 Total £'000
Balances held with commercial banks and cash in hand	**4,707**	2,754	**3,142**	1,571
Balances held on 95 days notice accounts	**17,711**	20,861	**17,711**	20,861
Balances held on Treasury Deposits	**6,000**	8,500	**6,000**	7,500
	28,418	32,115	**26,853**	29,932

The total of £28,418K is split between the IWM (£26,853K) and the Imperial War Museum Trading Company (£1,565K).

14a Creditors	**Group 2026 £'000**	Group 2025 £'000	**IWM 2026 £'000**	IWM 2025 £'000
Amounts falling due within one year				
Trade creditors	**2,223**	1,129	**2,179**	1,005
Other creditors	**504**	466	**321**	320
Taxation and social security creditor	**675**	548	**249**	217
Obligations under finance lease	**471**	444	**471**	444
Accruals	**6,402**	6,223	**6,232**	5,800
Deferred income	**2,001**	2,038	**697**	700
Total creditors falling due within one year	**12,276**	10,848	**10,149**	8,486
14b Amounts falling due after more than one year				
Obligations under finance lease	**2,188**	2,659	**2,188**	2,659
Deferred income	**438**	472	**438**	472
Total creditors falling due after more than one year	**2,626**	3,131	**2,626**	3,131
Total creditors	**14,902**	13,979	**12,775**	11,617

The deferred income falling due within one year is income received in advance for admissions, memberships and gift vouchers.

The deferred income falling due after more than one year of £438K (2024-25: £472K) represents funds given to the Museum by the Airborne Forces in relation to its occupation of certain office and gallery spaces in the Museum. An amount representing an annual rental payment is released each year. Of the £438K, £266K is due after more than five years.

14c Intra-Government creditor balances	**Group 2026 Total £'000**	Group 2025 Total £'000	**IWM 2026 Total £'000**	IWM 2025 Total £'000
Balances with other central government bodies	**914**	789	**488**	458

14d Deferred income	**Group 2026 £'000**	Group 2025 £'000	**IWM 2026 £'000**	IWM 2025 £'000
Deferred income brought forward	**2,510**	2,755	**1172**	1222
Released in year	**(2,072)**	(2,259)	**(734)**	(750)
Deferred in year	**2,001**	2014	**697**	700
Deferred income carried forward	**2,439**	2,510	**1,135**	1,172

14e Consolidated and museum obligations under finance leases

At 31 March 2026 IWM had commitments under finance leases as set out below:	**2026 Exhibitions £'000**	**2026 Total £'000**	2025 Total £'000
Finance lease obligations: payments due			
Within one year	**471**	**471**	444
in the second to fifth year	**2,188**	**2,188**	2,171
in more than five years	**-**	-	489
	2,659	**2,659**	3,104

		Group 2026 £'000	Group 2025 £'000	IWM 2026 £'000	IWM 2025 £'000
14f	**Loans**				
	Amounts falling due within one year				
	Long term loan with current portion	-	1,000	-	1,000
		-	1,000	-	1,000

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

		Balance as at 1 April 2025 £'000	Additions in year £'000	Provision Utilised £'000	Balance as at 31 March 2026 £'000
14g	**Provisions for liabilities and charges**				
	Early exit scheme - IWM/Group	-	105	-	105
	Amounts falling due within one year				105
	Amounts falling due after more than one year				-
	Total provisions				105

The provision represents the Early exit scheme obligation that existed at 31 March 2026

15a IWM Trading Company Limited

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

Profit and loss account	**2026 £'000**	2025 £'000
Turnover	**17,967**	18,049
Cost of goods sold	**(11,721)**	(11,492)
Gross profit	**6,246**	6,557
Other operating income	**1,832**	1,629
	8,078	8,186
Administrative expenses	**(1,970)**	(1,975)
Operating profit	**6,108**	6,211
Interest receivable	**103**	166
Profit	**6,211**	6,377
Amount paid to IWM under gift-aid	**(6,211)**	(6,377)
Profit after gift-aid	**-**	-
Reconciliation of results of the trading company to the Consolidated SOFA		
Turnover	**17,967**	18,049
Intercompany transactions	**(219)**	(222)
Included in trading income per SOFA	**11,663**	11,987
Included in fees income per SOFA	**5,828**	5,459
Included in royalties per SOFA	**257**	381
External funds	**1,832**	1,629
Intercompany transactions	**(1,800)**	(1,600)
Included in external funds per SOFA	**32**	29
Included in government grants per SOFA	**-**	-
Cost of goods sold	**11,721**	11,492
Intercompany transactions	**(214)**	(217)
Included in commercial costs (£9,714K) and education (£1,793K) per SOFA	**11,507**	11,275
Indirect costs	**1,970**	1,975
Intercompany transactions	**(1,970)**	(1,975)
	-	-
Interest receivable	**103**	166
Included in investment income per SOFA	**103**	166

Balance sheet	**2026 £'000**	2025 £'000
Current assets	**3,181**	3,741
Current liabilities	**(2,581)**	(3,141)
Net assets	**600**	600
Called up share capital	**600**	600
Profit and loss account	**-**	-
Capital and reserves	**600**	600

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

15b IWM Film Production Limited

The IWM Film Production Limited has been dormant during 2025-26 and 2024-25.

16 Other grants

Other grants are split between 14 -18 NOW First World War Centenary Art Commissions (£4K) and the IWM 14-18 NOW Legacy Fund (£42K).

14 -18 NOW First World War Centenary Art Commissions, was an independent programme hosted within Imperial War Museum and received public funding from the National Lottery and Arts Council England, during the year 14 -18 NOW paid out co-commission grants of £4K (2024-25: £29K) to support the completion of projects delayed due to COVID-19 and to realise opportunities to extend several projects. All grants related to 14-18 NOW have been distributed.

In 2022, IWM established the IWM 14-18 NOW Legacy Fund, a national partnership programme of artist commissions across the UK, reflecting on the theme of conflict. The partnership was made possible thanks to the success of Peter Jackson's critically acclaimed film They Shall Not Grow Old which was co-commissioned by IWM and 14-18 NOW and a share of the film's royalties were re-invested by IWM to establish the IWM 14-18 NOW Legacy Fund. In 2025-26, grants totalling £42k (2024-25 £40K) were paid to partners to start and develop their art commissions.

17 Capital commitments

At the balance sheet date, the IWM had outstanding tangible commitments, authorised by the Board of Trustees but not yet contracted of £9,162K (2024-25: £11,084K) and outstanding tangible commitments contracted but not provided of £1,697K, (2024-25: £145K).

At the balance sheet date, the IWM had outstanding intangible commitments, authorised by the Board of Trustees but not yet contracted of £NIL (2024-25: £NIL) and outstanding intangible commitments contracted but not provided of £NIL (2024- 25: £NIL).

18a Consolidated and museum commitments under operating leases

At 31 March 2026 IWM had annual commitments under non cancellable operating leases as set out below:

	2026 Land and other buildings £'000	2025 Land and other buildings £'000	**2026 Equipment £'000**	2025 Equipment £'000
Operating leases which expire:				
Within one year	**540**	560	**178**	154
In the second to fifth years inclusive	**1,922**	1,888	**503**	582
Over five years	**10,302**	10,644	**-**	-
	12,764	13,092	**681**	736

18b Consolidated and museum commitments under hire agreements

At 31 March 2026 IWM had annual commitments under non cancellable hire agreements as set out below:

	2026 Equipment £'000	2025 Equipment £'000
Hire agreements which expire:		
Within one year	**126**	46
In the second to fifth years inclusive	**266**	72
	392	118

19 Contingent liabilities

IWM has been working with the Environment Agency to support investigative work taking place at the Duxford site under Part 2A Environmental Protection Act 1990. This is as a result of contamination of water on land owned by IWM. The technical advice we have currently received is estimating some further detailed work on this to take place during the financial year 2026-27 and potentially some financial estimate for remediation works will be computed and agreed with the Environment Agency. The Duxford site has also a complex historical ownership with MOD, South Cambridgeshire County Council managing the airfield before 2009.

The IWM contingent liability is related to the costs associated with land remediation. These costs cannot be reasonably estimated at this time. An estimate of the consultancy costs associated with the ground investigation and associated legal fees for 2026-27 is £0.5 million. (2025-26: £NIL).

20a Consolidated statement of funds

	At 1 April 2025	Income	Expenditure	Revaluations/ capital restructure	Transfers	At 31 March 2026
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds						
Designated funds:						
Buildings, collections, equipment and exhibitions	18,664	202	(14)	-	-	18,852
Buildings revaluations	17,471	-	(297)	(480)	-	16,694
Total designated funds	36,135	202	(311)	(480)	-	35,546
General funds	27,123	61,227	(63,390)	-	2	24,962
Finance lease reserve	(6,557)	-	(264)	-	-	(6,821)
	20,566	61,227	(63,654)	-	2	18,141
Total unrestricted funds	56,701	61,429	(63,965)	(480)	2	53,687
Restricted funds						
Buildings, collections, donated objects equipment and exhibitions	183,280	15,936	(10,721)	-	428	188,923
Buildings revaluations	44,711	-	(3,282)	(5,468)	-	35,961
Tied funds	14,366	1,645	(2,200)	-	(430)	13,381
Total restricted funds	242,357	17,581	(16,203)	(5,468)	(2)	238,265
Total funds	299,058	79,010	(80,168)	(5,948)	-	291,952

The tied funds (£13,141K) (2024-25 £14,366K) comprise funds donated for the application to specific projects. These include Masterplanning at IWMD (£10,183K) (2024-25 £11,792); 14-18 NOW Legacy (£559K) (2024-25 £803K); Aircraft Restoration (£Nil) (2024-25 £250K); the AirSpace at IWM Duxford (£136K) (2024-25 £206K); the VCGC Gallery at IWM London (£Nil)(2024-25 £8K); £689K for AHRC projects (2024-25 £281K) and the Holocaust exhibition at IWM London (£221K) (2024-25 £220K).

Funds of £10K (2024-25 £210K) have been transferred from general funds to Buildings, collections, equipment and exhibitions and £5K to tied funds to cover payments

Funds of £1,278K (2024-25 £867K) have been transferred from tied funds to cover buildings, collections, donated objects, equipment and exhibitions for capital projects. This includes £582K for SWW Immersive Spaces and £568K for the Lab at IWM Duxford.

Funds of £7K (2024-25 £Nil) have been transferred from tied funds to general funds to cover payments.

Funds of £10K (2024-25 £615K) have been transferred from buildings, collections, donated objects equipment and exhibitions to General funds to cover expenditure . Restricted funding has now been used to replace the unrestricted funds originally used.

Funds of £850K (2024-25 £10,470K*)* have been transferred to tied funds to cover future cost of buildings, collections, donated objects equipment and exhibitions for capital projects.

The unrestricted buildings, collections, equipment and exhibitions funds of £18,852K, the buildings revaluation of £16,694K, the restricted buildings, collections, donated objects, equipment and exhibitions funds of £188,923K, the buildings revaluation of £35,961K, together represent the net book value of the intangible fixed assets, tangible fixed assets and heritage assets less the assets held under finance leases £260,430K.

20b Museum statement of funds

	At 1 April 2025	Income	Expenditure	Revaluations/ capital restructure	Transfers	At 31 March 2026
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds						
Designated funds:						
Buildings, collections, equipment and exhibitions	18,710	214	(14)	-	-	18,910
Buildings revaluations	17,471	-	(297)	(480)	-	16,694
Total designated funds	36,181	214	(311)	(480)	-	35,604
General funds	27,363	51,542	(53,799)	-	2	25,108
Finance lease reserve	(6,557)	-	(264)	-	-	(6,821)
	20,806	51,542	(54,063)	-	2	18,287
Total unrestricted funds	56,987	51,756	(54,374)	(480)	2	53,891
Restricted funds						
Buildings, collections, donated objects equipment and exhibitions	183,234	15,924	(10,721)	-	428	188,865
Buildings revaluations	44,711	-	(3,282)	(5,468)	-	35,961
Tied funds	14,126	1,628	(2,089)	-	(430)	13,235
Total restricted funds	242,071	17,552	(16,092)	(5,468)	(2)	238,061
Total funds	299,058	69,308	(70,466)	(5,948)	-	291,952

Building revaluations increased/(decreased) IWM London by £(4,064)K; IWM North by £(363)K; IWM Duxford by £220K; HMS Belfast by £(1,153)K; Churchill War Museum by £(89)K; Parkside by £(475)K and the finance lease by £(24)K.

21 Consolidated analysis of group net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2026 £'000
Fund balances at 31 March 2026 are represented by:			
Fixed assets	**37,629**	**224,884**	**262,513**
Net current assets	**18,555**	**13,615**	**32,170**
Provisions for liabilities and charges	**(105)**	**-**	**(105)**
Long-term creditors	**(2,188)**	**(438)**	**(2,626)**
Total net assets	**53,891**	**238,061**	**291,952**

22 Consolidated cash flow information

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

	2026 £'000	2025 £'000
Net income for the reporting period (as per the SOFA)	**(1,158)**	15,210
Investment income	**(1,422)**	(1,601)
(Increase) in lease receivables	**(157)**	-
Equipment adjustment	**(27)**	-
Interest element of finance lease rental payments	**192**	217
Interest element of loan payments	**2**	3
Loss on disposal of tangible fixed assets	**5,772**	69
Reclassification from capital costs to revenue costs	**125**	-
Donated heritage assets	**(729)**	(275)
Depreciation and impairment charge for the year	**8,843**	10,030
Increase in stocks	**(35)**	(113)
(Increase) in debtors	**(567)**	(9,352)
(Decrease) in creditors	**(646)**	(781)
Net cash provided by operating activities	**10,193**	13,407

(b) *Analysis of cash flows*

	2026 £'000	2025 £'000
(Decrease) in cash in the year	**(3,697)**	(630)
Cash flow arising from decrease in finance lease	**445**	419
Movement in net debt in the year	**(3,252)**	(211)
Net funds at start of year	**29,011**	29,222
Net funds at end of year	**25,759**	29,011

(c) *Changes in net debt/funds*

	1 April 2025 £'000	Cash flow £'000	31 March 2026 £'000
Cash at bank and in hand	**32,115**	**(3,697)**	**28,418**
Finance lease	**(3,104)**	**445**	**(2,659)**
Net funds	**29,011**	**(3,252)**	**25,759**

23 The role of financial instruments

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

The following disclosures relate to the whole group.

Credit, liquidity or market risk

Grant-In-Aid from the Department for Culture, Media and Sport comprises 45% of total incoming resources. The remaining amount is funded via self generated income, which tends to fluctuate around historically predictable performance. The majority of financial instruments relate to contracts to buy non-financial items in line with IWM's expected purchase and usage requirements. As a result, IWM is exposed to some credit, liquidity or market risk.

IWM is exposed to credit risk of £2,565K of trade debtors - however this risk is not considered significant as major customers are familiar to IWM. Bad and doubtful debts are provided for on an individual basis.

IWM has sufficient unrestricted funds to cover its current liabilities. The IWM'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 IWM to be free from unacceptably high liquidity risks.

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

Interest rate risk

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

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

23 The role of financial instrument (continued)

Interest rate profile	Fixed rate financial assets £'000	Non- interest bearing financial assets £'000
As 31 March 2026		
Sterling	28,418	-
	28,418	-
As 31 March 2025		
Sterling	32,115	-
	32,115	-

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

Foreign currency risk

IWM's exposure to foreign currency risk is not significant. As at 31 March 2026 there was $1,497K in US dollar accounts, equivalent to £1,135K.

24 Related party transactions

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

	Amount Purchased £'000	Amount Sold £'000	Donations / Grants Received £'000	Donations / Grants Given £'000	Year End Balance £'000
American Air Museum in Britain (AAMiB)	-	-	93	-	-
IWM Development Trust	38	2	453	-	-
The Clore Duffield Foundation			319		240
National Trusts	1	1	-	-	-
Film London	2	-	-	-	-
Amazon	33	-	-	-	-
The house of Minerva Group Ltd	7	-	-	-	-
York Minster	-	1	-	-	-
Associated Newspapers Ltd	1	-	-	-	-
British Film Institute	103	2	-	-	-
British Library	-	1	-	-	-
Historic England	3	-	-	-	-
National Lottery Heritage Fund	-	-	-	-	112
National Maritime Museum	20	-	-	-	-
	208	**7**	**865**	**-**	**352**

The nature of these related parties is as follows:

Caro Howell, Director General is a Vice-Chair of the American Air Museum in Britain. During the year IWM received an operational grant of £93,416 (£86k 2024-25), reimbursement costs of £nil (£4k 2024-25).

IWM Development Trust payments made £38k (£38k 2024-25) and received £2k (£2k 2024-25) for service charges as per the operating agreement and received a grant of £453k (£500k 2024-25)**.**

IWM Foundation Trustee **Dame Vivien Duffield**, is a Director of The Clore Duffield Foundation £319,400 (£nil 2024-25) grant payable to IWM over four financial years for the funding of a new Holocaust curator post for four years.

IWM Trustee **Rachel Smith,** is a Director of SQLI UK. SQLI UK has delivered pro bono work to IWM in the form of an experience review of the Shopify website for IWM's online shop.

IWM Director General **Caro Howell**, is Chair, Collections and Interpretation Advisory Group to National Trust. £1,325 was received by IWM for fees from media sales, media licence and merchandise sales (£3,178 2024-25); And payments made £500 (£1,455 2024-25) for training.

IWM Director General **Caro Howell**, is a Trustee of The Holburne Museum, Bath. £261 (£nil 2024-25) was received by IWM for fees from media sales and media licence.

IWM Executive Director **Vicky Stanbury**, is Trustee/Board Director for Film London. £1,750 (£1750 2024-25) was paid by IWM for LSA membership fees.

IWM Executive Director **Tilly Blyth**, is a Blue Plaques Panel Member of the English Heritage. £376 (£292 2024-25) was received by IWM for media sales and licences.

IWM Foundation Trustee **Lord Rothermere**, is employed by Associated Newspaper Limited. £0 (£110 2024-25) was received as fees from media licence and payments made £500 (£600 2024-25) for media usage.

IWM Trustee **Mark Urban,** holds shares in Amazon. £33,390 (£22,826 2024-25) was paid to Amazon for items and services purchased through their website.

IWM Trustee **Sir William Worsley,** is a Trustee and Chapter member of York Minster. £863 (£nil 2024-25) was received by IWM for media sales and licences.

IWM Trading Company Director **Jo Edwards,** is a Director and shareholder of The House of Minerva Group Ltd. £6,975 (£nil 2024-25) was paid by IWM for brand licensing services.

24 Related party transactions (continued)

IWM Foundation Trustee **Lord Black**, is employed by The telegraph Media Group. £310 (£167 2024-25) was received as fees from media licence and image sales; And subscription payments of £224 (£280 2024-25).

£103,180 (£101k 2024-25) was paid to the DCMS funded **British Film Institute** for the transport and storage of cellulose nitrate films. £1,797 (£1,132 2024-25) was received for digitisation and licensing.
£nil (£268 2024-25) was received from DCMS funded **British Museum** for advisory services and media sales, licensing.

£1,104 (£nil 2024-25) was received from DCMS funded **British Library** for loans preparation and conservation fees.

£2,655 (£3,100 2024-25) was paid to DCMS funded **Historic England** for advisory services and training courses. £98.45 (£150 2024-25) was received for media sales and licensing.

£19,959 (£25,065 2024-25) was paid to the DCMS funded **National Maritime Museum** for rental and storage services.

£255 (£200 2024-25) was paid to the DCMS funded **National Portrait Gallery** for image licensing fees.

£nil (£220 2024-25) was paid to DCMS funded **Victoria & Albert Museum** for licencing fee and . £150 (£750 2024-25) was received for speakers fee.

£nil (£338 2024-25) was received from DCMS funded **Tate Gallery** for loans preparation and conservation fee.

A balance of £111,228 is due from DCMS funded **National Lottery Heritage Fund** for the SWW -Stories for a New Generation (IWMD Hangar 3 and 4 new exhibitions) next financial year.

25 Losses, special payments and gifts

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

26 Post balance sheet events

There were no reportable events between 31 March 2026 and the date the accounts were authorised for issue.

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

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Cover image: Three fabric designs created by Liberty in collaboration with IWM; *Obscured Landscape, Passage of Time, Stitch and Community.*