



**NATIONAL ARMY MUSEUM**  
**REGISTERED CHARITY NUMBER 237902**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**31<sup>st</sup> MARCH 2024**



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MUSEUM

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Presented to Parliament with reference to the Royal Charter (relating to National Army Museum, 1960)

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**NATIONAL ARMY MUSEUM**

**TRUSTEES REPORT AND REPORT OF COUNCIL**

**YEAR ENDED 31<sup>ST</sup> MARCH 2024**

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## NATIONAL ARMY MUSEUM

### TRUSTEES REPORT AND REPORT OF COUNCIL

YEAR ENDED 31<sup>ST</sup> MARCH 2024

#### Introduction

The accounts of the National Army Museum (NAM) are presented for the financial year ended 31st March 2024. The accounts are prepared in accordance with a direction given by H.M. Treasury in accordance with Article 14 of the National Army Museum Royal Charter 1960 and law applicable to charities in England and Wales.

The NAM is a charity registered with the Charity Commission (reference no. 237902).

#### Address and principal office of the Museum

National Army Museum, Royal Hospital Road, Chelsea, London, SW3 4HT.

#### Professional Advisers

##### Bankers

Lloyds Bank Plc  
25 Gresham Street  
London  
EC2V 7HN

##### Solicitors

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London  
EC4M 7RD

##### Auditors

National Army Museum

The Comptroller and Auditor General  
National Audit Office  
157–197 Buckingham Palace Road  
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Hillier Hopkins LLP  
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51 Clarendon Road  
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Herts  
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##### Internal Auditors until 29 January 2024

RSM Risk Assurance Services LLP  
Third Floor, One London Square  
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Surrey  
GU1 1UN

##### New Internal Auditors appointed 30 January 2024

Azets Audit Services Limited  
Regis House  
45 King William Street  
London  
EC4R 9AN

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## PERFORMANCE REPORT

### OVERVIEW

#### Background Information

The National Army Museum (NAM) is an Executive Non-Departmental Public Body (ENDPB) which was established by Royal Charter in 1960 to collect, preserve, and exhibit objects and records relating to the Regular and Auxiliary forces of the British Army and of the Commonwealth, and to encourage research into their history and traditions. Devolved status was accorded to the Museum under the terms of the National Heritage Act 1983. The annual Grant-in-Aid (GiA), made through the Ministry of Defence (MoD), is administered by the Director of the Museum as Accounting Officer on behalf of the governing body, the Council of the National Army Museum. The Trustees of the Museum are known as Council members.

#### Social Investment and Public Benefit

The Council of the Museum recognises its responsibilities with regard to social investment and public benefit. The Museum pays due regard to its charitable objects and to the Charity Commission guidance, and in particular PB1, PB2 and PB3. The following sections of these accounts show that commitment to the investment and how the Charity Commission guidance has been complied with.

#### Charitable Objectives and Activities

The National Army Museum's objectives are defined in its Royal Charter which was, first granted in 1960. Its preamble states that the National Army Museum was established "for the purpose of collecting, preserving and exhibiting objects and records relating to the history of Our Army so that the achievements, history and traditions of Our Army should be better made known". Additionally, the objectives require the Museum to "collect, collate and publish information relating to, and carry out research into, the history and traditions of Our Army". Further, "to encourage research into the accumulation and dissemination of information and knowledge bearing on the history and traditions of Our Army and all matters connected therewith".

'Our Army' is defined as including 'the Standing Army, Militia, Yeomanry, Volunteers, Territorial Army of the British Islands, Territorial Army and Volunteer Reserve of the United Kingdom, Our Predecessors' Army in India and the Armies of the East India Company and the Land Forces of Our and Our Predecessors' possessions beyond the seas'.

The current Strategic Plan was agreed by the NAM Council in 2018 and reviewed in 2023. It is used by the Museum as the basis for future Business Plans. The Strategic Plan has a single overarching aim, to set the conditions for sustainability and growth in 2019-28 and beyond. In addition, the Museum reviewed its Mission and Core Values as well as introducing a series of values and outputs:

#### Our Purpose

The Museum's Purpose is to be the national home of the history and heritage of the Army.

#### Our Vision

To share the history and heritage of our soldiers and their service in the Army, across the globe and down the centuries. Through our collections we explore the history of the Army from its origins to the present day.

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#### Our Mission

To engage and inspire everyone with the stories of our soldiers and how their service shapes our world; past, present and future.

#### Values

The Museum's values are *Integrity, Teamwork, Respect, Empathy, Inclusivity*.

#### The Museum's Strategic Plans

The current Strategic Plan, supported by the annual Business Plan, has five key Objectives:

- Strategic Objective 1: - Connect the public to the story of Our Army.
- Strategic Objective 2: - Become the leading authority on the history of Our Army.
- Strategic Objective 3: - Safeguard and make accessible our collections and expertise to the widest possible audience. This will be achieved by incremental refreshment across the permanent galleries and temporary exhibitions and providing increased access to the stored collections and archives.
- Strategic Objective 4: - Enable and support networks of Regimental and Corps Museums and similar heritage organisations in the UK.
- Strategic Objective 5: - Build greater financial resilience organisational efficiency and sustainability. (Primary Enabling Objective)

#### Outputs

The Museum's Sponsor Department, MoD, provides Grant-in-Aid for three reasons. Firstly, to engage and inspire the public with the story of Our Army. Secondly, it expects NAM to support the education and research of those no matter what age, with an interest in British military history. Finally, it views NAM as a place where the historical provenance of the Army's values and ethos are explained using history and the stories of those that have served. NAM fulfils these objectives and meets the Army's needs by providing the following four outputs:

- **Output 1:** A National museum, providing free access to the public in Chelsea, that tells the authentic story of our soldiers and the armies in which they have served. This will be achieved by creating memorable, relevant and accessible activities, aligned to audience need, in order to maximise audiences and generate footfall;
- **Output 2:** A National museum, dedicated to collecting objects and archives and to researching the history and heritage of the Army and making it accessible to the public. This will be achieved by growing research and establishing NAM, nationally and internationally, as the first choice for the history and life of the British Army;
- **Output 3:** An institution dedicated to supporting the UK's network of Regimental and Corps military museums and partnering internationally where there is shared history. This will be achieved by continuing the excellent training and mentoring programme not only for the Regimental and Corps Museums but across the sector both nationally and internationally;
- **Output 4:** Digital resources that provide UK and global audiences with accessible and authoritative histories of our soldiers and their armies.



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#### **Achievements, Strategic Objectives and Performance for the Year**

##### Chelsea

The continued refreshment of the Museum at Chelsea as the centre of the “outward facing” Museum continued to be the focus of attention for the Senior Leadership Team (SLT) in an effort to increase visitor numbers and visitor related income. This has been helped by the continuation of the programme of temporary exhibitions, Friday Insight (lecture programme) evening lectures and talks and book launches.

After the cessation of projects during the pandemic, the Museum has consistently worked to build up the cohort of volunteers in specific projects. The Museum recognises the valuable contribution of volunteers in the operations of NAM and was awarded with the “Investing in Volunteers” recognition in January 2024.

Supplementing the gallery refreshment activity and due to demand from both serving and ex-serving service personnel, and feedback from visitors, the temporary exhibition space continues to feature ‘Foe to Friend: The British Army in Germany since 1945’. This exhibition covers the Cold War story, showcasing the Army in Germany (British Army on the Rhine) post World War 2 up to the drawdown from Germany in the 1990s.

##### Stevenage

The work of the collections staff based at Stevenage has been as busy as ever, with a strong focus on the conservation and installation programmes associated with exhibition schedules. Work across all types of objects have been co-ordinated ranging from assessing and improving information and photography on the coats and felted hats to catering equipment and food rations. Staff have been improving access and location of the collection through concentrated projects on auditing and restorage to improve space. Staff have also been at work in data cleaning and mapping information ahead of a new collections management system.

##### Key Financial Risks and Reserves

The risks to the Museum are regularly reviewed by the SLT and the Performance, Audit & Risk Assurance Committee (PARA). The main identified risk was the sustained recovery from the consequences and aftermath of Covid-19 and its effect on NAM’s commercial income. The Museum has seen an uptick in commercial income, but this is mainly due to commercial/corporate hire including birthday parties and entry into its soft play area. As was reported last year the Museum’s retail operations were a concern to the SLT however the reorganisation and refocussing of NAMTL towards the end of the period has seen the seeds of recovery bearing fruit. The NAMTL board are currently working on measures to increase retail income.

The recent Service Museum’s Review recognised NAM’s dependency on Grant-in-Aid funding from the Sponsor Department and continuation of this while also supporting the potential need for capital funding. The review did identify the need for closer cooperation between the three main service museums in order to take advantage of the joint procurement of services to reduce costs.

The Museum again reviewed its Reserves Policy in accordance with guidance from the Charity Commission as detailed in its publication 'Charity Reserves: Building Resilience' and to meet the requirements of SORP 2015 (FRS 102). This policy recognises the cost of closure, including external contracts, local authority rates, utilities, staff salaries (including redundancy costs for those staff not paid via MoD). This policy assumes that those staff currently on analogous terms to Civil Service pay and conditions and currently paid through MoD would continue to be funded through to closure by the Sponsor Department, this would include the liability for any redundancy costs. It is assessed that this, along with the greater emphasis on paid for and hosted visits and events along with greater visibility of the tap to donate system, will allow the Museum to achieve its target of £1,000,000 of unrestricted reserves.

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It is the NAM Council's view that this Reserves Policy, once the value is raised to the target figure, will provide the Museum with adequate financial stability and the means for it to meet its charitable objectives and operational expenditure for at least three months.

#### Current Position

##### *Restricted Reserves*

NAM currently holds a Restricted Reserve, excluding land and buildings and heritage assets, of £683,000 (2022-23: £577,000) to support specific elements of acquisition, care or display of collections or specific projects supporting educational, research or outreach activity.

##### *Unrestricted Reserves*

The current cash and cash equivalent value of Unrestricted Reserves shows a surplus of £530,000 (2022-23: £673,000), a reduction of £143,000 over the year.

#### Oversight

The Council of NAM, via its PARA Committee, reviews the level of funds in both Restricted and Unrestricted Reserves three times a year. The Policy is reviewed annually at the Council's autumn meeting, prior to the Business Plan for the following year being finalised. The Museum regularly utilises non-public income to increase the amount held in investments with Brewin Dolphin.

#### Delegated Authority to utilise Reserves

The Director as Accounting Officer has the delegated authority to utilise both Unrestricted and Restricted Reserves within his delegated financial limits. Any expenditure beyond these limits is to be referred to NAM Council for confirmation.

#### **Assessment of Going Concern**

The National Army Museum is believed by the Director (acting as Accounting Officer), the National Army Museum Council and the SLT to be a going concern for the foreseeable future. This is evidenced by:

- The support it has received historically and continues to receive with its allocation of GiA. NAM has received confirmation of its Grant-in-Aid allocation of £7,181,000 for 2024-25.
- The Museum having an ongoing written commitment of support from the Sponsor Department for 2025-26 issued on 3 May 2024.
- Further evidence of support is contained in the recently signed (with effect 1 April 2024) Financial Framework document between the Sponsor Department and NAM. This document is the agreement between both parties on the Strategic Priorities for the following five years with a status review in five years (2028). The document has been laid in the libraries of both Houses of Parliament and made available to members of the public.
- The Independent Public Body Review of the Service Museums 2023 (formerly known as Triennial Review) recognises the Service Museum's support of the heritage objectives of the MoD and recommends their retention as ENDPBs/NDPBs. The review further also identifies "that there is no immediate economic value for any MOD service museum to cease their operations".

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#### PERFORMANCE ANALYSIS

##### Strategic Objective 1:

##### Connect the British Public to the Story of Our Army

The Museum views that informing and exciting our audiences through events and public engagement has always been at the heart of how the National Army Museum has delivered its objectives in the Royal Charter Mission. This year has seen a modest but steady return of in-person audiences for both well-established and new formats and activities. Our aim is to curate a sustainable and enduring core programme, while retaining the ability to be innovative and creative, responding to opportunities when they arise.

##### 1.1 Public Programme and Special Events

Overall, there were 114 Public Programme and Special Event Activities, 47 of which, were the Friday Insight Programme, during this reporting period. Our in-person attendance grew by 25%, with digital attendance remaining consistent. Overall, our portfolio of public events drew over 13,200 attendees in-person, while around 10,000 attended online. Adult group visits accounted for over 2,000 visitors, including many Army and Veteran groups.

Our longstanding programme of weekly Friday lunchtime talks continues to provide a platform for established and early-career researchers, as well as showcasing new projects and partnerships. The varied topics reflected the range of the Museum's narrative and our rich collections, from Cromwell's "generalship" in the Civil War, to post-1945 challenges, including the Berlin Airlift, the Korean War, and the Falklands conflict.

Our Membership programme continued to offer a deeper level of engagement for enthusiastic supporters of the Museum. Nine exclusive events saw around 150 Members attending, while many more took advantage of discounts on ticketed public events. Our magazine, *Muster*, saw two editions providing a behind-the-scenes insight into the Museum's work.

Many events connected with new audiences and saw visitors engaging with us for the first time. A particular highlight was a packed house to hear the Rolling Stone Bill Wyman speak about his wartime childhood.



Bill Wyman speaking about 'Billy in the Wars' with Dr Glyn Pryor

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The Museum continued to expand its new series of film screenings and expert conversations about the Army on Screen, most recently focussing on the iconic films of Zulu, 1917, The Life and Death of Colonel Blimp, and Ridley Scott's divisive take on the blockbuster film Napoleon.

On a lighter theme, the Museum was again the scene of music and mirth during three sell-out sessions including a new Scottish Cèilidh alongside our perennial crowd-pleaser the D-Day Dance.



Ceilidh Dance at the National Army Museum

#### 1.2 Chelsea History Festival

The Museum participated in the fifth annual Chelsea History Festival in partnership with the neighbouring Royal Hospital Chelsea and the Chelsea Physic Garden. The programme had a total of 82 activities with an in-person attendance of 8,109 across the festival period. As in the previous years, the programme consisted of a series of book talks and discussions, musical performances and a vibrant programme of family activities from living history to stalls and crafts. It also sought to act as a place to pause and reflect on our past. The growth of 'History Street', the interactive event on Burtons Court, engaged visitors, in particular local communities, bringing history to life with living historians, serving military units and local cultural organisations.

#### 1.3 Army Engagement

The Museum has helped the Army to continue to connect with its heritage in some key locations and those areas where there is high level defence engagement. This year we have collaborated with the Royal College of Defence Studies (RCDS) to provide a new hang at their location in Belgrave Square. The Museum has led the work to include partners from the National Museum of the Royal Navy (NMRN) and the RAF Museum (RAFM) to represent works across the defence domains.

#### 1.4 External Collaboration

We expanded our partnership work to leverage the power of collaboration to enhance our reach and impact with audiences. Sixteen different groups and organisations helped us to deliver talks, workshops, and creative sessions, from the Royal United Services Institution to the Dresden Trust and the Museum of Military History, Berlin. We partnered with the military uniform makers Gieves and Hawkes, and Hand and Lock, as well as the Historic Royal Palaces and

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the Poppy Factory. We also worked with Army and Veteran communities, from the Korean Veterans Association to the War Widows Association, and the Women's Royal Army Corps Association

#### 1.5 Schools

For the reporting year 2023-24 the onsite formal visits rose to 9,211 (2022-23, 9,169). Despite the increased uptake for the onsite workshops, the virtual workshops have remained popular with 5,625 attendees (2022-23 4,002). The Learning Team continue to create and publish learning resources for schools. In April 2023, the team launched a free online film with accompanying resources on the British Army liberation of Bergen-Belsen concentration camp in 1945. The film has had more than 100,000 views and is one of the most popular resources produced by the Museum. Additionally, the learning team has begun hosting work experience placements for year 10 and year 12 pupils.



#### **KS4 pupils take part in a history workshop called 'World at War: Soldiers of Empire'**

#### 1.6 Membership Programme

The Membership Programme continued to grow with member-only events and day visits. These included the Honourable Artillery Company, showcasing the incredible work of the military, as well as a visit to the Poppy Factory to explore the history behind the Remembrance poppies.

The Museum, taking onboard some legacy comments from long serving members, sourced a new payment provider, improving the ease of payments for new and renewing members.

#### 1.7 Digital Outreach

It has been another positive year for website engagement, with the Museum achieving website visits for the year of 3,671,732, compared to 3,285,743 for 2022-23, which represents a 12% increase on last year's figure. This shows continued positive improvement and the Museum maintaining its position as a top resource, and relevant and trusted source for Army history and fact checking.

Digital advertising continues to be a useful and cost-effective part of our media campaigns and has seen our audience segmentation model being utilised to target and attract key audience segments more directly. Paid digital advertising is focussed on attracting more generalist audiences, who may not know about the Museum, but are looking for a cultural day out and to learn something new. These audiences cannot be reached with the Museum's owned digital channels, so spend in this area is vital to continue to increase web traffic and raise the profile of the Museum as a visitor attraction. The focus of these campaigns was largely to drive awareness of the Museum and convert as many of those as possible to plan a physical visit to the Museum.

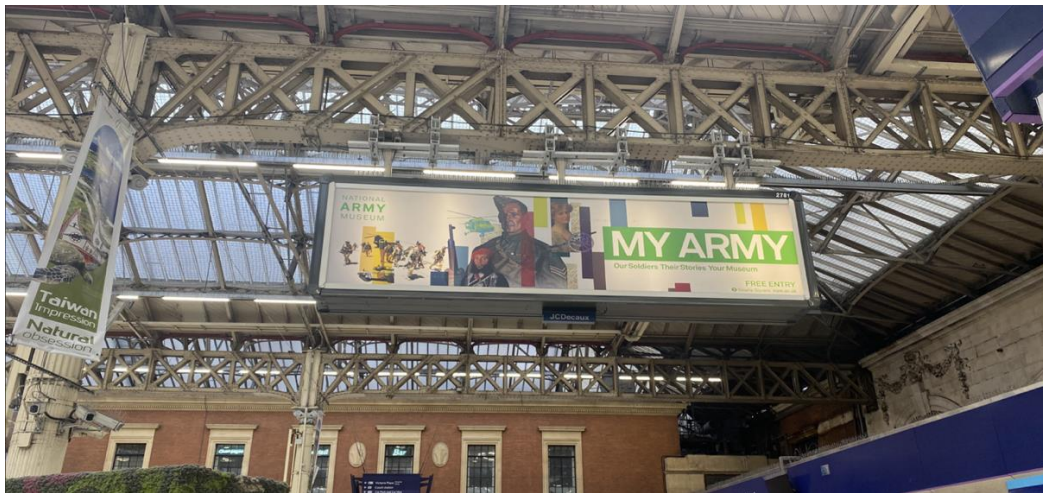
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#### 1.8 Marketing Operations

The Museum continues to build back its marketing and communications work after a halt of all marketing activities during Covid recovery in 2022. The first major outdoor advertising brand campaign was undertaken in April 2023 to coincide with the opening of the refreshed 'Conflict in Europe' gallery. For the first time since 2017, new Museum creative designs could be seen at sites across London, including major landmark poster sites at London Victoria, the nearest main railway station to the Museum. This campaign included marketing of the newly refreshed 'Conflict in Europe' gallery. It included targeted digital marketing activity and a local leaflet drop, all to begin to rebuild local community and footfall awareness of the Museum in line with an audience strategy being developed by the new Communications team.



**One of the landmark poster sites at London Victoria Station in April 2023**

To start building the grassroots of the Chelsea Heritage Quarter and increase engagement with local supporter, Cadogan, the Museum took part in the annual Chelsea in Bloom competition for the first time in May 2023. The installation was a huge success, increasing footfall, café spend and winning the 2023 Innovation Award.



**WO2 Johnson Beharry VC with the Museum's Chelsea in Bloom exhibit in May 2023**

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The Communications Team focussed efforts in the summer to build an effective campaign for the 2023 Chelsea History Festival, seeing the most tickets ever sold in the festival's 5-year history. Work was also done to promote the opening of the refreshed 'Army at Home' gallery in September, and the temporary exhibition 'Shakespeare and War', in October.

The 2023-24 financial year continued to see improvements in visitor figures and public awareness of the Museum, with a marketing campaign for February half-term 2024 seeing a 40% increase in onsite spend and 10% more attendees to the Museum's free family workshops compared to the same period in 2023. Looking forward, the Museum will continue to focus on paid campaigns targeting generalists with a view to increase awareness of the Museum, conversion to visiting and then to encourage onsite spend as part of their visit.

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#### Strategic Objective 2:

##### Becoming the Leading Authority on the History of Our Army

Our long-term plan is to establish the National Army Museum as a centre of research excellence, an ambition which was highlighted as a priority in the recent Service Museums Review (formerly the ‘Triennial Review’). New infrastructure and processes were established to strengthen our research culture, including a Research Register for staff outputs, and a Collections Research Group bringing together research-active staff across several departments to provide a forum for collaboration and peer support.

Activity for this year can be grouped into the following areas.

##### 2.1 People

The Museum recognised that post Covid-19 there was an opportunity to incrementally refocus its staff organisation to better meet the needs of the Strategic and Business plans going forward. Elsewhere in this report are highlighted the reorganisation of the SLT and reporting chains via the SLT.

Experts from the National Army Museum were supplemented by speakers from 28 different institutions including the Royal Military Academy Sandhurst, as well as many universities across the UK including Birmingham, Bristol, Cambridge, City of London, Edinburgh, Essex, Hull, Kent, King’s College London, Leeds, Liverpool, Liverpool John Moores, London School of Economics, Newcastle, Northumbria, Nottingham Trent, Oxford, Reading, Royal Holloway, Sussex, University College London, Wolverhampton, and York St John.

##### 2.2 Archives

During this period, work continued to improve knowledge and awareness about the archive and library collections, and to provide improved access to the NAM’s research collections. Progress has included the papers of Lord Roberts, the Royal Army Education Corps, and MOD Establishment Tables. A significant donation to the archive has been the papers of the First Aid Nursing Yeomanry (FANY), and the Museum is working with volunteers from the FANY to provide access to the collection, including possible future digitisation. Significant other acquisitions and donations to the archive collections range from the papers of the Army Football Association, an order book from the Seven Years War, papers of Adjutant during the Peninsular War, and correspondence of the Worshipful Company of Founders covering the support given to men of the London Irish Rifles, 1940-1946.

##### 2.3 Research Outputs

National Army Museum staff and Postdoctoral Fellows published new scholarship in a wide range of different formats and channels. This included books, peer-reviewed articles and book reviews in academic journals, from specialist military history publications such as the *Journal of the Society for Army Historical Research* and the *British Journal for Military History*, to mainstream academic outlets such as *History* and *Historical Research*. Staff contributed invited papers at several academic conferences, with settings ranging from Oxford and York to Salzburg and Lisbon. Public history continues to be a key activity for the Museum. Staff have engaged public audiences and shared their expertise through the Museum’s own programmes, and in other institutions and venues, as well as contributing to a range of broadcast media including podcasts. Museum staff also played an active role in the wider research community, by contributing to the Arts and Humanities Research Council’s Peer Review panel, the editorial board of the *British Journal for Military History*, and as Associate Fellows of the Institute of Historical Research.

##### 2.4 Academic Partnerships

Research was a key driver of partnership working, with outcomes for the Museum’s programme and wider benefits. It also contributed to the Museum’s international collaborations, creating opportunities such as a joint event with the



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Dresden Trust exploring and celebrating the Anglo-German relationship. The Museum hosted the annual AGM and Templer Prize ceremony for the Society for Army Historical Research, as well as the annual Denis Showalter Lecture, the flagship public event of the International Society for First World War Studies. Several funding applications were submitted in tandem with academic partners. One successful bid resulted in an award from the University of Essex Enterprise and Knowledge Exchange Fund to enable a project exploring Colchester's identity as a garrison town.

#### 2.5 Army Research Partnerships

The Museum continued to develop its collaboration with the Royal Military Academy Sandhurst (RMAS). The Centre for Army Leadership hosted its annual conference in Chelsea, and a joint CAL-NAM Essay Prize was organised and awarded by experts at both institutions. Several RMAS researchers presented their work through the Museum's public programme, showcasing scholarship in military history and related fields. A more formal partnership is in preparation, with the intention of forming a research institute to enhance and amplify expertise across the Army's academic research environment.

#### 2.6 Grants and Fellowship Scheme

The Museum partnered with the Society of Army Historical Research to support its programme of prizes and grants which encourage research into the history and traditions of Our Army. In addition, the Museum's own postdoctoral fellowship scheme expanded with a new appointment at the University of Birmingham. National Army Museum Fellow Dr Eamonn O'Keeffe was awarded the 2023 André Corvisier Prize from the International Commission of Military History (ICMH), which is awarded to the best PhD thesis in military history completed in the past calendar year, as well as the Pollard Prize for the best presentation at an Institute for Historical Research (IHR) seminar

#### 2.7 War Graves Research

Specialist research continued to be provided on behalf of the Army to support the Ministry of Defence's Joint Casualty and Compassionate Centre to assess cases of potential non-commemoration. Cases dating from both the First and Second World War were investigated, many relating to the Western Front. Several rededications took place thanks to this historical research, many of which were attended by the families of those who died while serving their country but who were not previously identified.

#### 2.8 Regimental and Corps Museums

The National Army Museum Regimental Museums Liaison team has continued face-to-face and hybrid engagement with the Regimental and Corps Museums. Further details of their excellent work is fully highlighted under Strategic Objective 4.

#### 2.9 Templer Study Centre

Visits to the Templer Study Centre (TSC) have continued to increase. The Centre attracted a total of 1,127 users. The Museum answered 2,015 enquiries. This figure although down on previous numbers reflects the addition of online resources provided by the Museum allowing enquirers to find answers to their questions directly. A selection of Army Lists and reference materials have been made available on the open shelves of the TSC to improve the research offer and support users in their studies.

Favourable feedback for the Museum's study centre continues to reflect improved engagement with stakeholders including a steady stream of group visits and participation in learning programmes. The team continues to host overseas placements from the CAPA: Global Education Network scheme, as well as increased engagement with London universities, hosting two history student placements, while the 'secondment' programme for our front of house team provides additional skills and experience through the support of larger projects.

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#### Strategic Objective 3:

#### **Safeguard, and make accessible, our collections, and expertise, to the widest possible audience**

During the period, NAM carried out a phased refresh in the main permanent galleries. This was a planned undertaking post the 2017 redevelopment, taking into consideration the care and rotation of the Collections and visitor feedback. Once the refreshment programme of the permanent galleries is completed, they will provide a coherent understanding of our Army allowing us to engage a wide range of visitors through layered interpretation.

#### 3.1 Gallery Refreshment Programme

The permanent gallery refreshment scheme continued with the opening of the ‘Army at Home’ and ‘Conflict in Europe’ galleries in 2023. The galleries have enabled us to highlight soldiers’ values and the contributions made by regiments from the Commonwealth. Work has commenced to refresh the Soldier Gallery, which examines the experiences and values of soldiers in their own words. Whilst prepared in this reporting period, the gallery will re-open to the public in the Autumn of 2024. Further, the Museum’s Audience testing, which indicates a demand for more family-focussed content, has led to the development of a family stamper trail throughout the galleries for younger audiences which will take place during the latter part of 2024.



**Entrance to ‘Conflict in Europe’ Gallery**

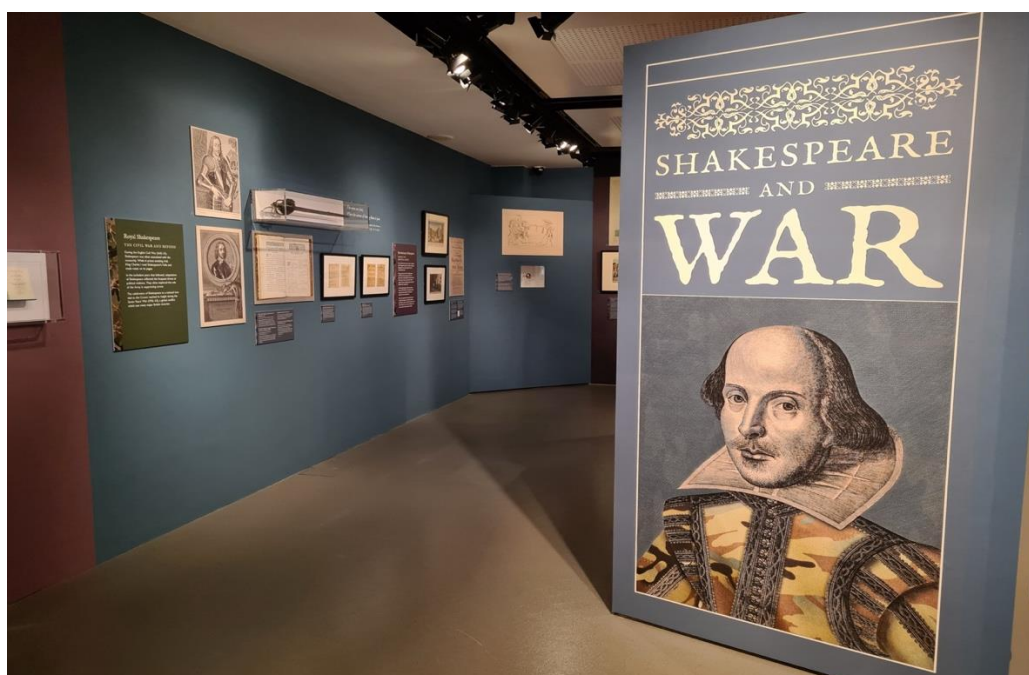
#### 3.2 Focus Gallery

Supplementing the gallery refreshment activity, the Museum has continued its temporary exhibition programme during this period by continuing (due to feedback from visitors) the ‘Foe to Friend’ exhibition which showcases the Army in Germany (British Army on the Rhine) post World War 2 up to the drawdown from Germany in the 1990s.

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#### Shakespeare and War exhibition in Focus

The temporary exhibition ‘Shakespeare and War’ was opened during this period in collaboration with Kings College, London, which connected the public to our Army. Through an innovative, academic narrative this exhibition explored how Shakespeare has been used to recruit, ridicule opponents and sustain morale across the centuries. It was partially funded by Kings College London and provided the opportunity to exploit an academic partnership for mutual benefit. The exhibition explored historical changes to the Army and its enduring legacy whilst also capitalising on the press around the Bard’s 400<sup>th</sup> birthday.

Several smaller exhibitions were also created.

Remembrance and its values have also been a theme in our displays. In November we collaborated with the University of Liverpool to display the War Widows quilt which accompanied an event and explored the impact of losing a serving loved one. In March, as part of a new partnership with the Army Dependents Trust (ADT) and the Army Central Fund (ACF) we also displayed the Army Roll of Honour books on the 4<sup>th</sup> floor which list all those who have died in the service of their country since 1948.

In May, the Museum also marked the accession to the throne by His Majesty King Charles III with a display of coronation medals, documents and imagery charting the involvement of our soldiers at Coronations, and the unique role of the monarch as Commander-in-Chief of the British Army.

#### 3.3 Museum Foyer Displays

The Ukraine exhibition featured in the Foyer at NAM before touring regimental museum locations around the country. This exhibition was curated by Dr Daniel Cowling one of the Museum’s historians. Utilising the in-house academic expertise, it detailed how the roots of conflict were laid after the Crimean War and the current support given, in many forms, by the Army.

As part of our contemporary collecting activity, we commissioned and displayed a bust of a current soldier as a companion piece to the Tommy sculpture from the First World War. The bust by Ian Wolter can be seen on the 4<sup>th</sup> floor. As part of the research undertaken during this project, we now believe that the original Tommy Sculpture was created by the famous sculptor Charles Sargeant Jagger (1885-1934).

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#### 3.4 Collections Centre, Stevenage

Stevenage has continued to facilitate visits for the public with the Collection Division team hosting 22 pre-booked visits where 332 collection objects were made available for study.

#### 3.5 Collections Development

The Museum continues to respond to every offer received for the donations of collections material, as these form the majority of material entering the collections. Offers are considered in line with the Collections Development Policy (CDP) to avoid duplication, or material that would find a more suitable home in another collection. In addition to unsolicited offers, all major sales and specialist auctions continue to be monitored. Activity at auction remains strong, though in some cases success is not always guaranteed.

The Museum has also conducted a survey of military vehicles held in public collections. This census has revealed over 800 vehicles. It will help the Museum consider acquisition of large objects as the Army re-capitalises, and show areas where vehicle types are poorly represented, as well as areas where there is duplication. Both of these factors will help inform not only future collecting activity, but also longer-term storage requirements.

Transfers which have been received from the Army this year have included modern firearms. These have filled gaps in the Museum collection, and the opportunity has also been taken to bid for firearms for Regimental and Corps Museums, which have then been passed on, subject to suitable licences being held.

#### 3.6 Collections Management and Care

The Museum Standards and Care team continues to provide high standards of documentation, care and management of the Museum's collections. This year focus has driven work towards improving documentation in line with the Documentation Plan and over 10,000 items had their locations confirmed and 26,728 items have been audited. Significant work has been undertaken to improve historic backlogs and focused projects around the Sealed Pattern collection have contributed to this. The team also worked to ensure all objects in the collection have an appropriate value to support the valuation of heritage assets in the balance sheet.

The Standards and Care team, working with the Technical Services team and other museum stakeholders, tendered for a new Collections Management System (CMS). The documentation staff supported this procurement with data cleaning and mapping of information.

Significant work has been undertaken by the team to prepare, display and install objects for the At Home Gallery. The team's focus is currently on delivering support to the Operation Refine project by retrieving and assessing items, plus the conservation and documentation of items for the upcoming Soldier Gallery which opens in Autumn 2024.

The team have continued to support the volunteer programme by recruiting over 10 volunteers to a range of projects this year and have contributed towards the Regimental Museum Training sessions by introducing an "Introduction to Conservation" day at Stevenage.

#### 3.7 Notable Acquisitions

The archives collections have acquired through auctions a number of early archives from the 17<sup>th</sup> and 18<sup>th</sup> Centuries. The earliest is a bound parchment book, 'Muster Book of the King's Army, 1641', inscribed to Sir Jacob Astley and dated 5 March 1641. Jacob, first Baron Astley of Reading, was a Royalist army officer, (1579-1652) and this muster book provides details of the army of King Charles I prior to the Civil War.

In addition to this a very early and rare bound volume, bearing the armorial binding of Charles Montagu, 1st Earl of Halifax (1661-1715) and First Lord of the Treasury in 1714, documents the establishment of guards, garrisons and land forces as they existed on 1 April 1692. At the same auction the Museum also acquired a bound order book, in an

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unidentified hand, but possibly that of Sir Frederick Evelyn, Elliot's Light Horse (15th Light Dragoons), covering the period 6 February to 20 May 1761, recording standing orders, movements and instructions for an unidentified regiment during the Seven Years War. A partnership with the National Portrait Gallery (NPG) was established to secure an extremely rare oil on canvas by Philip de Laszlo, depicting two Indian Cavalry officers in 1916. The partnership secured funding from both the National Heritage Memorial Fund (NHMF) and the Art Fund to help meet the purchase price of £650,000. Despite the signing of a contract to secure the work with the vendor, it was sold to a private buyer, before the contract could be completed. Written representations have been made to the Department for Culture, Media and Sport (DCMS) to try and prevent this happening in the future.

#### 3.8 Collections Audit

The Collections Standards and Care Team, based primarily at the Reserve Collection storage site in Stevenage, have been heavily engaged over this period in removing collections from display and preparing collections for the new exhibition displays. Simultaneously the team have been carrying out their audit work in preparation for the transfer of data to the new Collections Management System which is due to be rolled out late 2024.

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#### Strategic Objective 4:

#### Enable and Support Networks of Military Museums and Heritage Organisations, in the UK

##### 4.1 Support to Regimental and Corps (R + C) Museums

This year the NAM's Regimental and Corps Museum Liaison Team has added more new training for Regimental Museums, has increased the accessibility of that training by making more of it available online and has pioneered new forms of training by adding 'bitesize' programmes. These are one-to-two-hour training sessions, exclusively online and covering important practical topics in easily digestible, punchy workshops. At the other end of the scale, Masterclass training has been provided on more niche topics. With the number of taught sessions now exceeding thirty per year, the NAM is unquestionably the sector leader in the provision of specialist training to R+C Museums and is seen as a key ally to those museums offering support and advice, as well as crisis response in the event of an emergency, all of which is offered free of charge.

Training courses provided by the team this year include:

- Regimental Curators' Course (x2, 5-day course)
- Modes (CMS) training, beginners and advanced (x6)
- Radiation safety in museums (x2)
- Introduction to communications
- Public records
- Army 101 (x2)
- Imperial legacies
- Hazards in collections
- Managing our information (archives training)
- Governance training for Curators
- Governance training for Trustees
- Writing a fundraising strategy
- Introduction to museum learning
- Introduction to conservation
- Firearms training (x3)
- Fundraising
- VC Masterclass

Feedback from attendees is invariably extremely positive with attendance for the training continuing to increase necessitating additional courses to be provided due to oversubscription.

##### 4.2 Advisory and Advocacy Service

The ongoing work of the Advisory and Advocacy Service sees the team receiving and processing the many requests for advice and assistance from the network. To assist with this work, NAM's weekly bulletin or e-newsletter has now become a vital element in the teams communication with the network. Not only does it advertise the training and event programmes and offer out NAM disposals, cases, plinths and touring exhibitions, it also offers the Regimental Museums the opportunity to communicate their own events and offers to their fellow museums. Visits to Regimental Museums by the Team continue apace with at least four visits out per month, NAM continues via its own funding to provide membership for all R+C Museums to the Association of Independent Museums (AIM).

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As part of this service, the NAM's annual Regimental and Corps Museums conference, now in its eighth year, is provided every April. It has become the must attend event for all Regimental Museums with presentations by key stakeholders including MOD Heritage branch. This year's conference again broke attendance records. Finally, the team continues to represent the NAM at the MOD heritage committees and panels, providing both advice to the Sponsor Department and representing and advocating for the R+C museums network.

#### 4.3 Networks

The regional and specialist subject networks, convened and supported by the NAM, continue to meet and interact up to four times per year. The networks provide useful opportunities for regional museums to work together and offer mutual support, as well as giving them direct access to the NAM, MOD heritage branch and the Arts Council. NAM's team endeavours to attend all meetings in person. While most of the networks go from strength to strength, it has become clear that two have lost ground since the pandemic, with a reduced meeting schedule. The NAM's team has undertaken to give more focus and support to these networks to bring them back to their pre 2020 positions.

The current established networks include:

- Association of Scottish Military Museums
- Northern Military Museums Network
- Eastern Military Museums Association
- Wales and West Army Museums Network
- London Military Museums Network
- Southern Army Museums Network
- Corps Museums Network

In addition to these networks, there are also the Royal Anglian Heritage Association, The Royal Armoured Corps Network and the Airborne Forces Museums Network. These networks are also supported by the NAM but are not convened by or initially set up by NAM.

This year the NAM, in partnership with the Imperial War Museum and the Tank Museum, has founded a National Military Vehicles Register, with the ambition of locating and logging all military vehicles within the national collection, in the hope of safeguarding and preserving this important piece of our military heritage. The first stage (surveying and logging all vehicles in Regimental and Corps Museums) has been completed.

The NAM continues to view these networks as an important part of the Museum's work, a great opportunity for consortia fundraising efforts and key to maintaining the MOD's regional footprint.

#### 4.4 International Partnerships

This year NAM has continued to welcome senior visitors from foreign and allied powers, with multiple visits from Saudi Arabia, India, Pakistan, Poland and many others.

This year has also seen a marked increase in the NAM's co-operation with the Defence establishment in London. In addition to meeting spaces provided and heritage meetings attended, NAM has partnered with both the Global Defence Network and the consolidation studies course to provide a regular briefing for British Defence Attaches and Advisors about to take up their positions and a regular ceremony of welcome for incoming foreign defence staff taking up positions in the UK. Going forward both of these briefings will continue.

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India remains a key partner under the umbrella of the British Indian Military Heritage Partnership and the annual Military Curators Course was once again held in Delhi in November. This year the team were able to further support the United Services Institute (USI) of Delhi by taking part in their first Regional Military History festival (a weekend conference attended by all three Service Chiefs and the Defence Minister). In addition, the NAM and the USI collaborated on a temporary exhibition on the British Indian Army of the First World War, hosted in Chelsea from August to November. As well as being open to the public, this exhibition was attended by several senior British and Indian Officers including the serving Chief of the Army Staff, General Pande.



#### **Chief of the Indian Army General Staff meets the Museum's Chairman Lt Gen Sir Simon Mayall**

As well as undertaking project work with Hungary and Poland, NAM staff have attended project meetings in Poland, France and Hungary



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#### Strategic Objective 5:

#### **Build greater Financial Resilience, Organisational Efficiency and Sustainability (Primary Enabling Objective)**

##### 5.1 Fundraising

Future financial resilience will depend on a step change in the Museum's ability to raise funds through philanthropy, public sector grants, corporate sponsorship, and donations. With limited internal capacity, the priority during this period was to recruit a small team to focus on these aspects of the Museum's work and support colleagues in achieving external income associated with their areas of professional responsibility. Donations were secured to support a research scholarship, sponsorship income for the Chelsea History Festival was renewed, and the annual Patrons programme included the Director's Battlefield Tour to Crete, which resulted in additional donations from the group.

The target for 2023-24 was to match the level of 2022-23. Unrestricted donation income totalled £56,000, an increase over the previous year's figure of £20,000. In addition, restricted donations excluding donated heritage assets were £70,000 (2023: £28,000).

The Museum is committed to good fundraising practice and has in place policies and procedures to ensure that all fundraising activity is carried out ethically, which is overseen by the Research and Development Committee. No complaints have been received by the Museum about fundraising activities carried out by the charity, or someone on behalf of the charity.

##### 5.2 Trading

Overall trading income saw an uplift to £678K which compares to £599K in the previous year.

Play Base was the largest source of income during this period, generating an income of £153K. However, after 6 years of being open to the public with only necessary maintenance being carried out and to ensure the facility continues to maintain a safe and engaging space for our younger visitors, the Museum made the decision to carry out a major refresh of Play Base. This work entailed full closure for a period of two weeks in January 2024. This closure had a negative impact on income with this falling £6k on 2022-23. However, this drop in income still allowed the facility to match the pre-pandemic figure of £153k.

The popular children's Birthday Party offer was the next largest contributor to income, increasing income to £153K compared to £131K in the previous year. This uplift was a result of price increases for the package, an increase in parties delivered, from 97 parties in 2022-23 to 120 parties in 2023-24 and from an increase in the number of "paid for uplifts" applied to the packages.

Retail income increased this year, with overall income of £131K, compared to the previous year £100K. This was largely due to increased investment, in both time and money. A refreshed merchandise range was launched, with money spent on range planning, sourcing product and ordering. A stabilised and engaged retail team rather than the employment of agency staff also meant a more focused and knowledgeable sales approach.

Venue hire for both corporate and private hire saw a modest increase, with income of £86K across 73 hires as compared to £85k in 2022-23. The lack of appreciable growth was in part due to no Christmas or end of year party hire, compared to 4 hires in 2022-23, which brought an income of £18k.

##### 5.3 IT Systems

During this reporting period, the Technical Services team has continued to refine both customer-facing and back-of-house services to assist in the realignment of the Museum's broader mission.

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Working closely with the exhibition teams on the ongoing update of the in-venue customer experience, the team has successfully refreshed AV exhibits across both permanent and temporary exhibitions, as well as initiating the research and development of new content delivery and control systems.

The team has deployed robust payment and subscription services to better support the Museum's membership and patrons offering and ensuring financial transactions are trustworthy and secure. These services form the foundations for new retail systems currently under development.

During this period the team has also been heavily engaged in procurement, utilising the Government Procurement platform, of a new Collections Management System. Following extensive internal stakeholder discussion around the requirements and specification, vendors were invited to submit proposals in an open tender process. Tender proposals were received offering a wide variety of approaches and a successful vendor was subsequently selected. Work is now underway to migrate existing data and deploy the service.

Our use of best-of-breed, industry standard software platforms continue to deliver both stability and value for money across a wide range of museum operations. Our services offer new and innovative ways of improving productivity and deliver wide-ranging opportunities for expanding the Museum's reach into new, exciting areas. Our cloud-centric systems architecture ensures comprehensive interoperability between systems and ensures all users benefit from the world's foremost technology innovators.

The team continues to deliver valuable support for all aspects of the Museum's work by empowering the wider workforce in using technology effectively, helping to develop skills across the organisation and offering guidance in the use of our expanding digital toolkit.

#### 5.4 Data Protection

Data protection is always at the forefront of the Museum's operations, and this is a standing item on the PARA Committee agenda. Staff carry out regular training on data handling based on the online software training and this is supplemented by regular meetings of the Information Asset Group which identifies issues and best practice. Regular training for new joiners and existing staff on data protection is coordinated with continued data cleansing work on the Museum's systems. There were six incidents of data breaches; all were assessed using the ICO assessment tool and deemed minor with appropriate actions taken, including notifications to data subjects and full documentation. An incident is defined as a loss, unauthorised disclosure, or insecure disposal of information. Recent penetration testing did not identify major issues.

#### 5.5 Fraud

The Museum, working with the MoD Fraud Defence Team, has produced a Fraud Risk Matrix with Heat Map which is regularly reviewed. The last review was carried out in January 2024. The Museum is currently classed as Low/Medium risk. There were no known instances of fraud during this period. Staff carry out compulsory Fraud and Bribery Training as part of their induction which is revisited annually. Fraud is an agenda item which is reported on at the scheduled PARA Committee meetings.

#### 5.6 Health and Safety (H&S)

The Museum continues to ensure that all staff, volunteers and contractors comply with the H&S procedures in place. Accidents are few and regularly reported to the PARA Committee as a standing agenda item. There have been no major accidents during the period of this report and no necessity to report any RIDDOR incidents to the Health and Safety Executive.

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#### 5.7 Fire Safety

Fire safety training both theory, via the Museum's e-learning portal, and practical, are carried out regularly at the Museum. The Museum has regular visits from the local fire brigade where they acquaint all new members of the "watch" on the layout of the building and the potential hazards of the items stored within.

#### 5.8 Emergency Planning

The Museum has its Emergency Plan which is regularly tested. Items requiring attention have all been closed and training for new starters has been implemented, especially with regard to working with hazardous materials e.g. collections containing asbestos and radioactive material. The Emergency Plan procedures were also examined as part of the H&S internal audit, which found no major shortfalls.

#### 5.9 Environmental Policy & Sustainability Report

The Council and staff at the Museum recognise the need to operate in a sustainable manner and have established a committee which looks specifically at these matters. The committee's role is to advise on sustainability and environmental issues across the Museum's estate, its operations, and activities. The committee will monitor these developments, ensuring the National Army Museum meets the aims and objectives contained within the environmental policy.

##### 5.9.1 Background

When the Museum undertook its redevelopment in 2015-17, within consideration of the design was the need to ensure that it met the current Building Information Modelling standards at that time. On completion of the redevelopment in 2017, the National Army Museum, Chelsea was awarded a Very Good BREEAM rating in design and construction.

The Museum has several initiatives in place to help maintain and further promote a more sustainable and environmentally aware institution which includes energy and utility conservation systems, a responsible recycling and waste management programme and conscientious use of environmentally friendly cleaning products.

##### 5.9.2 Environmental Policy Statement & Aims

The Museum is due, in 2024, to review its Environmental Policy which sets out the ongoing commitment to improving sustainability across all our activities and estate. Our goal is to strive to be a more environmentally friendly organisation year on year.

The strategy contained within the current policy has been developed and approved by the Sustainability Committee and sets out clear objectives over a 3-year period to reduce the negative effects of our activities, make informed improvements to sustainability across all sites, and limit our emissions to assist in reducing the impact on Global Climate Change.

Alongside the policy, a series of broad aims inform specific, measurable, objectives. It is the responsibility of the Environmental Committee to monitor performance against these targets.

The National Army Museum has committed to the following policy statement:

1. As a minimum standard, ensure full compliance with relevant UK environmental legislation and other regulations;
2. Implement sustainable operational practices and solutions that will help achieve our long-term target of minimising our carbon footprint;

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3. Train employees and maintain staff awareness on this Policy and environmental matters relating to both the Museum, its activities and wider environmental matters;
4. The Museum is committed to the prevention of pollution, including monitoring discharges and emissions into air, land and water to ensure they do not exceed consent limits;
5. Develop efficient waste management and recycling procedures throughout the Museum, monitor waste generation and recycling rates, follow the Waste Hierarchy, and progressively improve the use of recyclable and recycled materials;
6. Reduce the consumption of fossil fuels by reducing loads, by using renewable energy wherever possible or practicable, by improving the energy efficiency of lighting, power, heating and ventilation systems, and by the environmentally sensitive design of new and refurbished buildings;
7. Establish and maintain systematic procedures for monitoring energy consumption and associated carbon emissions across all sites;
8. Invest in a rolling programme of energy saving measures and commit to cost-effective energy efficiency projects across the Museum;
9. Avoid the unnecessary use of hazardous substances and processes, and take all reasonable steps to prevent damage to the public or the environment where such activities are essential;
10. Ensure product, material and environmental sustainability are considered in the design and construction of our exhibitions and galleries, trying wherever practicable to reuse material, use recyclable materials and reduce waste generation. Sustainability has also been a key factor in the gallery refinement programme and to support this the Museum offers free display furniture for future exhibits and re-cycling materials to regimental partners or NAMTL;
11. Provide improved, sustainable, and more accessible facilities and services to encourage staff, volunteers and the public to walk, cycle and use public transport or low emission vehicles and reduce the impact from exhibitions and collections transport;
12. Maintain and conserve the Museum's estate to protect natural habitats and provide an environment that is of benefit to staff, the public and the local community;
13. Promote a purchasing policy that will give preference to those products and services that cause the least harm to the environment;
14. Collaborate with appropriate external organisations to improve our understanding of environmental problems and their solutions;
15. Evaluate the environmental policy of contractors through the procurement process. Ensure contractors observe good environmental practice when working on Museum premises and work with them to improve environmental performance;
16. Encourage suppliers and contractors, through appropriate specifications, to develop and supply environmentally preferable goods and services;

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17. Give full consideration to the impact on the environment before committing capital expenditure or entering into any new venture or project;
18. Periodically review this policy and the Museum's environmental management performance and monitor progress against objectives and targets to ensure continual improvement.

#### 5.9.3 Performance Report for the period 1 April 2023 – 31 March 2024

##### Introduction

Since the last period of reporting, the Museum has continued with its aims and objectives to become a more sustainable organisation. It has been promising to note both the take up and improvements on previously set initiatives and projects including, for example, the installation of electric car charging points across the Museum estate, the introduction of new waste streams for recycling, efforts to reduce energy consumption and improve efficiency, and a rigorous effort to consolidate data from various sources for emission reporting. Promoting the use of video links, i.e. Teams/Zoom wherever possible to reduce the requirement for 3<sup>rd</sup> parties and colleagues to travel and when such is required to actively promote use of public transport / car sharing.

The Museum also continues to achieve its sustainability goals through its commitment to improving the sustainability of its day-to-day operations and by pursuing its policy aim and objectives. Progress is monitored via a tracker and is reported quarterly to the Council of National Army Museum.

##### Carbon Emissions

##### Overview

The Museum has made great progress calculating its carbon emissions, using the period April 2019 – March 2020 as a baseline. To achieve this, the Museum has developed a carbon emissions tracker to calculate and report its carbon emissions as accurately as possible within the parameters of the available data. The data which is available in this period's performance report and is reported in tonnes of CO<sub>2</sub>e and expressed to two decimal places.

##### Methodology

The data relates to Scope 1, 2, 3 emissions from across the Museum estate, the National Army Museum, Chelsea and the National Army Museum, Stevenage (this includes both sites).

When determining the organisational boundary, the Museum has decided not to include in its Scope 3 reporting, emissions from contractors and partners which provide contracted services on behalf of the Museum.

For consistency all data has been converted into kgCO<sub>2</sub>e using the UK Government GHG Conversion Factors for Company Reporting published annually by the Department for Business, Energy, & Industrial Strategy and the Department for Environment, Food and Rural Affairs.

Other resources include the *Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance* (March 2019) and the *Sustainability Reporting Guidance: 2023-24* published by HM Treasury.

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Scope 1 Emissions		2023-24	2022-23	2021-22	2020-21	2019-20 (Benchmark year)
Non-financial indicators (tonnes CO2e)	Gas (Statutory Combustion)	168.13	162.32	221.08	234.09	250.89
	Fugitive Emissions	5.67	29.13	333.89 <sup>2</sup>	2.80	0
	Business Travel (Owned Vehicle)	1.75	1.86	0.69	0.69	1.98
	Total	175.55	193.31	555.66	237.58	252.87

Scope 2 Emissions						
Non-financial indicators (tonnes CO2e)	Electricity (total)	328.27	309.34	336.58	337.06	433.49

Scope 3 Emissions						
Non-financial indicators (tonnes CO2e) <sup>1</sup>	Transmission and Distribution – Electricity	28.40	25.30	29.78	28.98	36.80
	Business Travel - Air	2.78	<del>1.95</del> 2.66	<del>0.46</del> 0.75	<del>0</del> 0	<del>1.10</del> 1.76
	Business Travel - Land	4.67	<del>1.21</del> 1.83	<del>0.76</del> 1.02	<del>0.55</del> 0.62	<del>1.75</del> 2.44
	Freighted Goods (Transport of Exhibits)	0.26	1.08	0.13	0.34	0

<sup>1</sup> Recalculation of baseline and prior years data (previously reported figures are shown crossed out).

<sup>2</sup> The 2021-22 figure is unusually high due to loss of F-Gas from an air conditioning unit in Stevenage and the installation of a new freezer which required filling with refrigerant.

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Scope 3 Emissions (continued)		2023-24	2022-23	2021-22	2020-21	2019-20 (Benchmark year)
	Waste Disposal	0.74	2.66	0.93	0.56	1.49
	Water Supply	0.53	0.42	0.37	1.00	1.44
	Total <sup>1</sup>	37.38	<del>32.62</del> 33.95	<del>32.43</del> 32.98	<del>31.43</del> 31.50	<del>42.58</del> 43.93
<b>Total GHG emissions &amp; Intensity Ratio</b>						
Net Emissions (tonnes CO <sub>2</sub> e) <sup>1</sup>		541.20	<del>538.26</del> 539.59	<del>624.68</del> 625.23	<del>606.09</del> 606.16	<del>728.94</del> 730.29
Total annual visitors (tonnes CO <sub>2</sub> e)		0.003	0.003	0.084	0.052	0.003
Full-time staff equivalent (tonnes CO <sub>2</sub> e) <sup>1</sup>		6.14	<del>6.28</del> 6.30	8.24	8.22	8.82

<b>Energy Consumption</b>						
Energy Consumption (thousand kWh)	Gas	934,097	901,768	1,207,032	1,273,106	1,364,636
	Electricity	1,585,282	1,599,663	1,585,187	1,445,735	1,695,979
	Total	2,519,379	2,501,431	2,792,219	2,718,841	3,060,615
Financial Indicators(£)	Total Energy Costs (£)	303,158	289,841	252,843	261,899	277,718

The Museum currently monitors and records its consumption of electricity & gas on a monthly basis.

The Museum is committed to procuring renewable energy where practical. Electricity supply at National Army Museum, Chelsea is currently subject to Renewable Obligation.

The Museum will look at options to increase, where possible, the proportion of energy consumption from renewable sources such as solar and wind.

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All lighting in the office, meeting rooms and stairwells are triggered by movement sensors with a set run time. Office and meeting room lights are sensitive to ambient lux levels.

Gallery lighting are LED and utilise sensors to reduce consumption. Lights automatically dim when not required. Back of House lights are similarly controlled. The majority of Chelsea lighting, excluding necessary security elements within public areas, is timed to be turned off at 1800hrs daily.

New LED lighting has been installed partially at NAM Stevenage and Chelsea, with the intention of further replacements year on year, within budgetary constraints.

<b>Water Consumption<sup>3</sup></b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20 (benchmark year)</b>
Non-financial indicators (m3)	2,975	2,830	2,490	2,914	4,179
Financial Indicators (£)	8,114	7,230	12,627	31,729	9,064

The Museum currently implements a daily flushing program as part of its building maintenance program. This is a necessary function to minimise the risk of Legionella for the protection of staff and the public but has disrupted attempts to reduce consumption and waste.

<sup>3</sup> Water Consumption is an estimate based on data provided by the water company.



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**Waste Management and Recycling**

Waste Generated		2023-24	2022-23	2021-22	2020-21	2019-20 (benchmark year)
Non – Financial indicators (metric tonnes)	General Waste (waste to energy)	21.10	20.10	14.70	7.88	27.40
	Recycled	10.34	20.23	15.32	7.88	27.60
	WEEE	0.00	0.02	0.50	0.00	0.00
	Paper	1.23	10.27	8.61	8.94	9.11
	Construction***	3.56	48.00	40.00	40.00	64.00
	Hazardous	0.48	0.36	0.92	0.00	0.00
	Metal	1.24	0.98	1.89	0.00	2.54
	Acrylic	0.32	0.19	0.00	0.00	0.00
	Terracycling	0.02	N/A	N/A	N/A	N/A
	Total Waste	38.29	100.15	81.94	64.70	130.65
Financial indicators (£)	General Waste (waste to energy)	4,037	5,166*	3,734*	1,967*	6,414*
	Recycled	3,140	3,444*	2,489*	1,311*	4,607*
	WEEE	0	0	0	0	0
	Paper	1,399	3,047	2,335	2,266	1,876
	Construction	1,500	2,503	2,060	2,060	2,940
	Hazardous	936	991	2,367	0	0
	Metal**	0	0	0	0	0
	Acrylic	336	224	0	0	0
	Terracycling	267	N/A	N/A	N/A	N/A
	Total Waste	11,615	15,375	12,985	7,604	15,837

\* Costs for General Waste (waste to energy) & Recycling are estimates based on a 60/40 ratio for these periods.

\*\* The cost of metals waste is negative due to income received from recycling.

Alongside regular collections of general waste and recycling, the Museum has dedicated streams for the recycling of metals, confidential, acrylic, batteries, nitrile gloves, crisp & sweet packaging and hazardous waste and operates a Zero to Landfill policy.

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General waste is sent to energy recovery and mixed recycling is collected at all sites. The Museum has in place effective metal recycling. All WEEE and hazardous waste is safely stored, removed, and disposed of by licensed and experienced contractors.

The Museum café is operated by a third-party contractor at National Army Museum, Chelsea who are responsible for the recycling of food waste and cooking oil. As this is outside the Museum's organisational boundary, data has not been included above.

Food waste produced by the Museum's café is currently collected in a separate waste stream to the General Waste. In addition, the café subscribes to the Too Good to Go app for the disposal of certain food items. Food waste from the staff kitchen is included in the General Waste.

\*\*\* For 2023-2024, skip exchange invoicing and weight returns have been used to provide the weight totals. Previously, the construction waste has been an estimate and was calculated by multiplying the maximum load weight of 16-yard skips with the relevant conversion factor.

Paper Use		2023-24	2022-23	2021-22	2020-21	2019-20 (benchmark year)
Non-Financial indicators (A4 reams)	Total	190	305	80	45	345
	% reduction	45	12	77	87	-
Financial indicators (£)	Total cost	1,368	2,414	471	127	1,215

Transport/Travel						
Non-financial indicators (miles)	Distance by train	19,672	28,546	12,360	2,726	27,300
	Distance by plane	9,112	9,966	2,374	0	5,604
	Distance by car	13,156	745	1,201	1,692	2,168
	Distance by Owned Vehicle	4,284	6,607	2,459	2,519	7,059
	Total distance travelled (Miles)	46,224	45,864	18,394	6,937	42,131
Financial Indicators (£)	Total Cost	26,416	43,663	21,506	11,767	46,303

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The above are estimated figures for transport used by staff and are based on work related journeys only. They do not include day to day transport from private homes to either of the Museum's sites.

The distance by car mileage for the 2023/24 year shows a significant increase from previous reporting years. The data has been calculated in a more comprehensive format and it is believed this is a better reflection of actual miles travelled.

The Museum recognises that emissions from travel are a large contributor to climate change and the pollution of air. Therefore, the Museum has set out incentives to encourage the use of bicycles and electric vehicles.

The Museum continues to offer a Cycle to Work Scheme to all staff to encourage use of bicycles to travel to and from work.

The Chelsea Museum, by its very location, is within the ULEZ zone which is deemed as both an offset by the Mayor of London to CO2 emissions and an enticement to reduce vehicle traffic.

There are seven Electric Vehicle Charging Points across the Museum Estate making use of the available OZEV Workplace Charging Scheme grants. These are available for Staff and Contractor use.

Subject to funding, the Museum lease vehicle will be changed to a zero-emission electric vehicle.

#### 5.9.4 Mitigating Climate Change: Working Towards Net Zero by 2050

##### Progress against headline-target

The Museum has not set an official Net Zero target but is currently working on calculating an achievable Net Zero target date which will be achieved prior to 2050. Achieving Net Zero will be possible with investment on building systems which decrease reliance on non-renewable energy sources e.g. photovoltaic panels combined with a procurement strategy which focuses on utilising renewable energy from suppliers which the Museum is already making steps towards.

##### Progress against sub-targets

1. The Museum achieved the Government Fleet Commitment for 25% of the car fleet to be ULEV by 31 December 2022 and is on target to achieve 100% of the Government car and van fleet to be fully zero emission by 31 December 2027.
2. The Museum promotes the use of public transport for domestic travel to help reduce the emissions from domestic business flights and reports the distance travelled by international business flights above.

##### Climate Change Adoption

Climate Change undeniably poses a threat to the wellbeing and health of people and the planet. The impacts of rising global temperatures, increasingly extreme and unpredictable weather patterns, and diminishing resources, present significant challenges to overcome for Museums across the world.

The Museum recognises it must first assess the risk to the NAM estate, assets and operations and set out a programme of goals to mitigate the significant threats presented by climate change.

As such, NAM is developing a new sustainability strategy which will encompass a more targeted and focused approach to the specific risks facing the Museum. The strategy will identify key areas of risk to the NAM estate and operations, present a clearly defined forward sustainability action plan, and appoint working groups to achieve its goals and objectives.

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Progress will be monitored by the Environmental Committee and the National Army Museum Council.

#### Auxiliary Items

#### Training

All staff receive environmental awareness training as part of their staff induction and refresher training through the Museum's e-learning platform is provided at regular intervals.

#### Paper/Cardboard

The Museum continues to minimise the use of paper in the office environment. Staff are encouraged to only print essential items.

All paper and delivery packaging is recycled and collected as part of the Museum's Mixed Recycling stream.

Sensitive documentation is collected and recycled through an appointed contractor.

#### Equipment and Supplies

The Museum continues to be committed to using environmentally friendly products and endeavours to explore all options to repair equipment rather than purchasing new.

Materials from broken equipment continues to be recycled (where possible) through the Museum's approved contractors.

#### Contractors and Suppliers

As part of its tender processes, the Museum requires all suppliers to ensure that all materials are sourced from sustainable sources wherever possible and evidence of this is required to be submitted as part of any bid and is reviewed by the respective appointed tender board.

As part of the tender process all suppliers are required to provide evidence of an environmental policy.

The appointed Museum café contractor continues to source locally produced food.

#### Maintenance and Cleaning

All sites are subject to a regular Planned and Preventative Maintenance Schedule to maximise plant efficiency and minimise consumption of energy.

A Building Management System (BMS) is used to efficiently monitor & control environmental conditions, with lighting, heating and cooling systems on a time scheduling.

## NATIONAL ARMY MUSEUM

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#### Financial Review

##### *Consolidated Results for the Year Ended 31st March 2024*

Total incoming resources for the Museum in 2023-24 amounted to £8,137,000 (2022-23 - £7,867,000). The principal funding source of the Museum is Grant-in-Aid funding received from the Ministry of Defence. In 2023-24 this was £7,181,000 (2022-23 - £7,186,000).

Total resources expended amounted to £8,828,000 (2022-23 - £7,021,000). Resources expended for the year is net of a credit of £780,000 in respect of a rates refund received relating to prior years. Resources expended for 2022-23 included a credit for the reversal of previous impairment provisions of £1,327,000.

After adjustment for the revaluation of the Museum's leasehold property and other recognised gains and losses, the net movement in funds for the year showed a decrease of £214,000 (2022-23 – increase of £2,723,000).

The Museum's net assets as at 31st March 2024 amounted to £114,896,000 (31st March 2023 - £115,110,000).

##### *Changes in Tangible Fixed Assets*

Movements in tangible fixed assets are shown in note 7 to the accounts. During the year, the Museum spent £312,000 on additions to tangible fixed assets.

#### Future Plans

The research and popularity surveys carried out on the 'Foe to Friend' exhibition and the smaller Focus exhibitions indicated a need to increase the size of the smaller Focus Gallery. The better reconfiguration of this space will allow NAM to limit the costs on the movement of gallery walls to suit the size of the exhibition to be installed. Once completed, the Focus Gallery space will be increased from 50m<sup>2</sup> to approximately 150m<sup>2</sup> with a corresponding reduction in size of the large space.

With the completion of the refinement of the galleries in September 2024, with the Soldier Gallery being the last of these due to be completed, the Museum will concentrate on its Temporary Exhibition programme. Once the transformation has been completed, the Museum will open the Victorian Art exhibition which will include several paintings from the Lady Butler catalogue along with loan art from the royal collection.

Working with stakeholders, including the Royal Borough of Kensington and Chelsea and Cadogan Estates, the Chelsea Heritage Quarter will be fully established with the Chelsea History Festival as its centrepiece.

The Museum will work with the Royal Hospital Chelsea to achieve closer collaboration which will include joint tours of both establishments.

The procured Collections Management System, offering greater access for stakeholders to see the collections, will be fully run out in 2024.

NAM is currently investigating without prejudice the possibility of future expansion of the current Chelsea site to provide greater access to the collections and meet the requirements and comments of our audiences. We are also working with the other service Museums on opportunities for significant joint development projects.

Fundraising/development will continue to be an essential priority of the Museum Council to meet its aim of a minimum of £1million unrestricted reserves, working with external bodies e.g. RMAS to develop the NAM Institute and working to become an Independent Research Organisation to unlock potential additional funding streams.

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**Targets and Key Performance Indicators**

Summarised below is the performance of the Museum against some key performance indicators over the last year.

		2023-24	2022-23	Variance
Audiences	Play Base	54,490	54,720	0%
	School visits (physical/virtual)	9,211/5,625	9,169/4,002	0/41%
	TSC visitors	1,127	643	75%
	General visitors	122,602	101,715	21%
	Total footfall	177,092	166,247	7%
	Digital footfall	3,671,732	3,285,743	12%
	Online: collections	13%	13%	0%
	Online: what's on/stories	87%	85%	2%
	Members (Patrons)	412/(39)	411/(37)	0/(5%)
	New blended KPI (average star rating)	4.59	4.48	2%
Trip Advisor rating Note: This will, from 2024/25, be absorbed in the blended KPI for Audiences	80%	79%	1%	

Collections	Enquiries	4,262	3,778	13%
	Objects photographed	2,106	2,989	(30%)
	Objects published online	685	1,946	(65%)
	Accessions (archives and objects)	255	195	31%

People	Full Time Equivalent	88.1	85.6	3%
	Volunteers (active)	38	27	41%
	Turnover	26%	27.7%	(6%)


Finance (Consolidated Group Accounts)	Income	£8,137,000	£7,867,000	3%
	Expenditure including depreciation	£8,828,000	£7,021,000	26%
	Surplus/(Deficit) (before gains and losses)	£(691,000)	£846,000	(182%)
	Donations	£204,000	£48,000	325%

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		2023-24	2022-23	Variance
NAMTL	Venue Hire	£86,376	£85,109	1%
	Other Revenue	£479,305	£432,018	11%
	Total Revenue	£565,681	£517,127	10%
	Expenditure	£523,723	£380,897	38%
	Net Profit before tax	£41,958	£136,230	(69%)



BRIGADIER JUSTIN MACIEJEWSKI DSO MBE  
DIRECTOR AND ACCOUNTING OFFICER



LIEUTENANT GENERAL SIR SIMON MAYALL KBE CB  
CHAIRMAN, ON BEHALF OF COUNCIL

13<sup>th</sup> November 2024

National Army Museum  
13<sup>th</sup> November 2024

## NATIONAL ARMY MUSEUM

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#### ACCOUNTABILITY REPORT

#### CORPORATE GOVERNANCE REPORT

#### DIRECTOR'S REPORT

##### Members of Council

At a Privy Council Meeting on 8<sup>th</sup> July 2009, Her Late Majesty The Queen approved amendments to the Royal Charter of the National Army Museum. In line with para 7(2) of the amended Royal Charter, vacancies in the Membership occurring after the coming into effect of the amended Royal Charter are filled by persons nominated by the Council and approved by the Army Board. Para 8(1) of the amended Royal Charter states that the Chairman of the Council of the National Army Museum shall be nominated by the Council from among its Members and shall hold office (unless he or she shall earlier resign) for the residue of the period for which he or she has been appointed a Member. The relevant clause relating to the appointment of Members of Council is as follows: "7(1) The Membership of the Council shall be such number of persons as the Council shall from time to time determine being not more than twelve nor fewer than five".

The Council has chosen to subscribe to the principles of the Commissioner for Public Appointments Code of Practice for Public Appointments Procedures. In particular, Members of the Council have affirmed their commitment to the Principles of Public Life.

##### Register of Interests

A Register of Interests is maintained for Members of Council. This may be inspected on request at the Museum by prior appointment with the Director. No matters are noted in this Register which have given rise to specific conflicts with regard to Council's management responsibilities. In this period no such interests were declared.

##### Members of Council

Members of Council who served during the reporting period were as follows:

Lieutenant General Sir Simon Mayall KBE CB (Chair)  
Lieutenant General Sir George Norton KCVO CBE (Deputy Chair)  
Dr Jonathan Boff (resigned from Council due to time served November 2023)  
Mrs Judith Donovan CBE  
Mr Guy Perricone (resigned from Council due to time served November 2023)  
Professor the Lord Andrew Roberts of Belgravia  
Dr Paul Schreier  
Mrs Sabine Vandenbroucke  
Professor Ali Ansari  
Mr Timothy Cooke OBE  
Ms Sue MacKenzie  
Mr Paul Davies (joined Council June 2023)  
Mr Neil Johnson (joined Council June 2023)  
Mr Chris Finney GC (joined Council November 2023)

In addition to The Council there were two honorary advisors:

Mr Richard Hughes – Honorary Advisor on legal matters  
Mr Chris Horner – Member Advisory Group Representative and member of Collections Research Committee



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#### Recruitment, Appointment and Training of Council Members

The Council recruited additional replacement members throughout this period to ensure cover for those members who resigned due to time restriction on their tenure. New Members of Council are sought through national channels with applicants being interviewed by members of Council. The Museum follows OCPA guidelines in the appointments which are then approved by the Army Board. All new members receive information as laid down by the Charity Commission. They also visit the Museum for induction training provided by the Director and other members of staff.

#### Organisation Structure and Decision-Making Process

The overall direction and operation of the NAM is vested in the Council of the Museum. The Council of the National Army Museum by Royal Charter consists of up to twelve Members who serve for an initial period of three years from the date of their nomination. The Members, with the agreement of the Chairman and Council, can extend their tenure by an additional three years.

The NAM Council has established a number of committees for specific purposes and to ensure the effective conduct of, and oversight of, Museum business.

Collections & Research Committee

Performance, Audit & Risk Assurance Committee

People and Appointments Committee

Development Committee

Enterprise Committee/NAMTL Board

The full Council has approved the terms of reference of each of these committees and, where it is practical, members do not sit on more than two committees.

The day-to-day operations are controlled by the Director of NAM with the assistance of the Senior Leadership Team (SLT). The following were the members of the SLT during the year:

Brigadier Justin Maciejewski DSO MBE	Director and Accounting Officer
Mr Mike O'Connor OBE	Deputy Director
Mr Ian Maine	Assistant Director (Collections and Programmes)
Ms Teresa Scott	Assistant Director (Human Resources)
Ms Helen Kibblewhite from 2 January 2024	Assistant Director (Operations)
Dr Glyn Prysor from 1 March 2024	Assistant Director (Research and Programmes)
Ms Dawn Watkins (NAMTL) to 12 January 2024	Assistant Director (Enterprise)

At the latter part of 2023 and early 2024 the Museum undertook a re-organisation with the alignment of the SLT to better meet the needs of the revised Strategic and Business Plans. Regular meetings of the SLT take place, together with meetings involving heads of department and subject specialists, to ensure the smooth running of the NAM, with reference to the Museum's Mission Statement and Purpose, Strategic Plan, Business Plan and the Museum's Risk Management Policy & Risk Matrix. The Risk Matrix, which is regularly updated, is used as the basis of Internal Audit. The Museum is also subject to visits and receives advice from the MoD Fraud office who maintain a Fraud Risk Register and heat map across the MoD. The Museum is recognised as low risk.

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#### STATEMENT OF TRUSTEES' AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Royal Charter relating to the National Army Museum 1960 and law applicable to charities in England and Wales, the Council, as Trustees, is required to prepare financial statements for each financial year which give a true and fair view of the National Army Museum's financial activities and of its financial position at the end of the year.

In preparing financial statements, that give a true and fair view, the Accounting Officer and Council are required to:

- Observe the accounts direction issued by the Secretary of State in compliance with Charity Law, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards and statements of recommended practice as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

Under law applicable to charities in England and Wales, the Council is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity, and which enable the Council to ensure that the financial statements comply with the applicable law. The Council is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees and Accounting Officer confirm that, as far as they are aware, there is no relevant audit information of which the Museum's auditor is unaware, and that all steps have been taken to make themselves aware of relevant audit information and to make this available to the Museum's auditors.

The Trustees and Accounting Officer confirm that the annual report and accounts as a whole are fair, balanced and understandable and that they take responsibility for the annual report and accounts and the judgements required for determining that they are fair, balanced and understandable.

The Secretary of State has appointed the Director, the senior full time Museum official, as the Accounting Officer for the National Army Museum. Their relevant responsibilities as Accounting Officer, including their responsibility for the propriety and regularity of Parliamentary funded (Grant-in-Aid) finances for which they are answerable, for the keeping of proper records and safeguarding of the National Army Museum's assets are set out in the Non-Departmental Bodies' Accounting Officer's Memorandum issued by the Treasury and published in 'Managing Public Money'.

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#### GOVERNANCE STATEMENT

This Governance Statement sets out the arrangements for the governance of the NAM, including the Council (Trustee body) and Committee structure for the Members. It specifically shows how the organisation identifies and manages key risks and provides the assurance from the Chairman of the NAM Council and Accounting Officer. The arrangements and systems for governance have been in place for the year under review and up to the date of the approval of the annual report and financial statements.

#### Relationship with the Sponsor Department

The three main service Museums as Arms-Length Bodies were the subject of an independent review carried out by the Sponsor Department. The review carried out under Cabinet Office direction was to provide assurance to the public, Ministers and the Principal Accounting Officer that the Museums “remain useful and necessary”. It also assessed whether there are more efficient and effective alternatives to deliver the Government’s objectives including merging the body, closing the body or bringing its functions back into the Sponsor Department. The outcome of the review of all three Museums was that the institutions were “useful and necessary” in providing a service to the Sponsor Department and were to remain with the support of the Sponsor.

#### The Governance Framework

The NAM is a charity registered with the Charity Commission (registration number 237902) governed in accordance with its Royal Charter originally issued in April 1960 and subsequent amendments, the latest being in July 2009.

The Museum is a national museum as defined in the National Heritage Act 1983 Schedule 2 and Executive Non-Departmental Public Body (ENDPB) obliged to comply with HM Treasury financial reporting requirements set out in the Financial Reporting Manual and the guidance contained in Managing Public Money. There is a Financial Framework document in place dated May 2018, that defines the arrangements between the Museum and its Sponsor Department - the Ministry of Defence, relating to the receipt of Grant-in-Aid and the conditions for its expenditure. This document has recently been updated effective 1 April 2024. The Museum also complies with applicable government functional standards.

#### The NAM Council and the Committee Structure

The NAM is governed by the NAM Council. The Charities Act 2011 requires the Council Members to exercise proper stewardship over the Museum and to take care of its collections.

The Director of the Museum, as the Accounting Officer, is responsible to Parliament for the day-to-day management of the Museum as set out in Chapter 3 of Managing Public Money. The Accounting Officer has received full induction and access to all records to satisfy themselves on the Governance and the Financial Statements of the Museum.

Council Members are appointed by the NAM Council and approved by the Army Board. They are appointed for a term of three years and can be appointed for a further term of equivalent length. The NAM Council may appoint nominated external members to serve on specific committees to supplement the experience of main Council Members. The nominated external members offer a level of expertise and independence that the Council members may not have.

Full minutes of all NAM Council and Committee meetings are maintained and the attendance of Council Members are recorded therein. Copies of NAM Council minutes are published on the NAM website.

The NAM Council Members receive induction training under the direction of the Director and are encouraged to familiarise themselves with the Museum’s operations through work in committees where they are supported by the Museum’s divisional Assistant Directors. Additionally, all Members of Council received annual trustee training from the Museum’s legal advisors and receive a briefing from the Sponsor Department on the relationship with the Department.

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The NAM Council met for four meetings during 2023-24. Although the preference of Council and Committees is for meetings to be held “in person” the Council recognises that this is not always practical. However, lessons learnt from the Covid-19 pandemic have shown the use of Zoom to be a useful means of holding efficient meetings when, due to other commitments, not all Council members can be present.

Post	Name	Attendance
Chair	Lieutenant General Sir Simon Mayall KBE CB	4/4
Deputy Chair	Lieutenant General Sir George Norton KCVO CBE	3/4
Members	Professor Ali Ansari	3/4
	Dr Jonathan Boff resigned due to time served November 2023	3/3
	Mr Timothy Cooke OBE	3/4
	Mr Paul Davies joined June 2023	3/4
	Mrs Judith Donovan CBE	3/4
	Mr Chris Finney GC joined November 2023	2/2
	Mr Neil Johnson joined June 2023	4/4
	Ms Sue MacKenzie	2/4
	Mr Guy Perricone resigned due to time served November 2023	3/3
	Professor The Lord Andrew Roberts of Belgravia	2/4
	Dr Paul Schreier	3/4
	Mrs Sabine Vandenbroucke	3/4

Attendance represents the number of meetings attended compared to the number of meetings held whilst a member.

#### Register of Interests

A register of Members' relevant interests is maintained for all meetings of Council and Committees. It is brought to the attention at the outset of the meeting. Members are required to declare the fact if they have an interest, pecuniary or otherwise, in any matter being considered by the Council. In this period no such interests were declared.

#### NAM Council Committees

The Committees are listed below with their membership and attendance at meetings.

The full Council has, where required, approved the terms of reference of each of these committees and, wherever practical, members do not sit on more than two committees.

#### Recruitment, Appointment and Training of Council Members

New members of Council are sought through national channels with applicants being interviewed by members of Council assisted by external assessors. Appointments are then approved by the Army Board. All new members receive information as laid down by the Charity Commission. They also visit the Museum for induction training provided by the Director and other members of staff. The Trustees received a briefing from the Sponsor Department on the relationship with the Museum and from the Museum's legal advisors on the Charity SORP in November 2022.

#### Performance, Audit & Risk Assurance Committee

During 2023-24 the Performance, Audit & Risk Assurance (PARA) Committee had three planned meetings. The Committee members and their attendance at the meetings are listed below:

Post	Name	Attendance
Chair	Mrs Sabine Vandenbroucke	3/3
Members	Mr Robin Grimston resigned due to time served after June 2023 meeting	1/1
	Ms Sue MacKenzie joined Committee October 2023	2/2
	Mr Paul Davies joined Committee October 2023	2/2

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Mr Guy Perricone resigned due to time served after October 2023 meeting	2/2
Mrs Angela Marshall joined Committee October 2023	2/2
Mr Timothy Cooke OBE joined Committee March 2024	1/1

The Committee scrutinised the draft Annual Accounts for 2022-23 and recommended them to be approved by NAM Council in November 2023. They selected the Internal Audit topics and reviewed the reports produced by the Internal Auditors. Additionally, at their November meeting, they were briefed on the Performance Awards for the previous reporting period, which were in line with MoD guidance. The Committee were also briefed by the Director on the need to reforecast the approved budget and cash flow due to circumstances beyond the control of the Museum i.e. pay settlement and Cost of Living Award by Central Government. The Committee reviews the abridged version of the Risk Matrix at each meeting where high risks to the Museum operations are discussed.

#### Collections & Research Committee

This Committee held two planned meetings during 2023-24. Listed below are the members of the Committee and their attendance at the meetings:

Post	Name	Attendance
Chair	Lieutenant General Sir George Norton KCVO CBE	2/2
Members	Professor Ali Ansari joined Committee June 2023	1/2
	Dr Jonathan Boff	2/2
	Mr Timothy Cooke OBE joined Committee June 2023 resigned September 2023	1/1
	Mr Chris Horner joined Committee June 2023	1/2
	Professor William Philpott	1/2

The Committee reviewed the development of research activity and collections development. They also approved a number of collections disposals.

#### People and Appointments Committee

This held two planned meetings during 2023-24 where they discussed staffing matters, the Director's salary and remuneration in accordance with the SCS scheme. They were briefed by the Director and Assistant Director (Human Resources) on the pay award and performance pay award. Listed below are the members of the Committee and their attendance at the meetings:

Post	Name	Attendance
Chair	Lieutenant General Sir Simon Mayall KBE CB	2/2
Members	Mrs Sabine Vandenbroucke	2/2
	Mr Neil Johnson joined Committee April 2023	2/2

#### Research and Development Committee

This held three meetings during 2023-24. Listed below are the members of the Committee and their attendance at the meetings:

Post	Name	Attendance
Chair	Dr Paul Schreier	3/3
Members	Professor Ali Ansari joined Committee May 2023	3/3
	Mrs Judith Donovan CBE	3/3
	Mr Guy Perricone	3/3
	Mr Timothy Cooke OBE	2/3

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The Committee refocussed its plans and revised its fundraising focus to coincide with the launch of and financial support for the NAM Institute, and a corporate funded strategy in line with the Chelsea History Quarter.

#### Enterprise Committee

This Committee fulfils two functions: as both the Board of NAMTL, the legally registered company, and in addition beyond its legal duties as a Company Board, as an advisory body to the NAM Council on corporate communications and marketing campaigns in support of the Museum as well as its programme and commercial income generation opportunities. The Enterprise Committee has no executive powers.

Members of the Committee are also NAMTL Board directors with the exception of Mr Chris Finney GC. It held three meetings during 2023-24.

<b>Post</b>	<b>Name</b>	<b>Attendance</b>
Chair	Mrs Judith Donovan CBE	3/3
Board Members	Mr Jonathan Webb	3/3
	Dr James Naylor	3/3
	Mr Chris Finney GC joined Committee June 2023	3/3
	Mr Matthew Hayes	2/3
	Mr Robin Grimston resigned due to time served after October 2023 meeting	2/2
	Mrs Angela Marshall joined Committee October 2023	1/2

This Committee reviews the performance and outcomes of the trading arm. As a committee of NAM Council it provides advice and guidance on marketing and communications of the Museum.

#### **NAM Council Members' Performance.**

The principal achievements of the Museum during the year are highlighted elsewhere in the Annual Report, NAM Council Minutes and Business Plan. The Director attends meetings of the Army Heritage Committee where he reports to the Sponsor Department on the plans of the Museum. Additionally, meetings were held with the Sponsor Department including Director Army Resources and the Chief Accountant Army Resources. These meetings are reported to the full NAM Council. Army Home Command are invited to attend NAM Council meetings to update the Council on matters affecting the Museum and to receive assurance on governance and the use of GiA.

NAM Council minutes are circulated to all Council Members with routine papers for all Council meetings. Committee chairs brief all NAM Council meetings and highlight any matters of particular concern.

NAM Council members received annual briefings from the Sponsor Department and from NAM's legal advisors on Charity Law appertaining to NAM.

There is a wide range of information and data (financial and otherwise) routinely available to Council Members, including management accounts. The Director works closely with the Deputy Director and the Head of Finance to refine the financial information supplied to Council. Members are satisfied that the information is available both on time and in a format that enables the Members to exercise proper oversight of the Museum.

#### **Review of Risk Management and Internal Control Systems**

##### **Risk Management**

A Risk Management Statement has been drawn up with reference to the HM Treasury Publication - Risk Management Assessment Framework (2009), JSP 462 (April 2017) Financial Management and Charging Policy Manual, and the Cabinet Office & HM Treasury publication, *Your Delivery Strategy* (September 2001).

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The NAM Council confirms that the Risk Management Systems in place for this reporting period (2023-24) affirms that in all situations where MOD Grant-in-Aid is concerned, the appetite for risk is conservative. The need to pay the staff, fund the provision of utilities, ensure compliance with Health & Safety at Work and other legislation/mandatory requirements and curate the Collections leaves no room for the assumption of more extreme risks. In all other instances Council's risk assessment is made on a case-by-case basis, and is reviewed by Council at its periodic meetings, having regard to the NAM's Strategic Plan, Business Plan and investment and other professional advice taken by Council and the Director as Accounting Officer, who reports to Council.

The NAM assesses its risks under the following categories:

- a. Governance;
- b. Finance;
- c. Building;
- d. Security;
- e. Employment;
- f. Collections.

The Museum's Risk Matrix is maintained under the guidance of the PARA Committee and focuses on the key risks posed to the Museum. These risks are assessed in terms of likelihood of occurrence and their potential impact. Appropriate mitigation activity is identified and recorded.

The Museum's Risk Matrix is used as a basis for adjudging the risks associated with the operations of the Museum and as a guide for the Internal Auditors to select internal audit topics. Risks are reviewed by the SLT and updated accordingly taking on board any recommendations from previous Internal Audit reports. The two greater risks during this period of reporting were the possibility, no matter how remote, of the withdrawal or lessening of Grant-in-Aid funding and the recovery of non-public finances via the Museum's trading arm. It is recognised that because of the pandemic, there has been a noticeable decrease in visitors to NAM and indeed the majority of "London centric" museums. NAM, during this reporting period, has seen a steady increase in visitor numbers and the signs are that, at the end of next reporting period, visitor numbers will be back to at least pre-pandemic levels.

The PARA Committee regularly receives updates on the highest risks on the Risk Matrix at their quarterly meetings and are fully involved with the Internal Auditors in selecting the internal audit topics. The Committee usually selects areas for audit each year which include the Tri-Service major museum thematic audit. These audits can provide sufficient assurance to the PARA Committee and ultimately NAM Council.

Governance – The NAM Council feels that it is appropriately established with the correct skill sets required to advise, guide and challenge the executive to ensure that the Museum is operated in accordance with its Royal Charter and the objects of the charity. The "timed bound" resignations of Council members and subsequent recruitment continue the assurance.

Finance – A framework contained within the Financial Procedures Manual was approved by the PARA Committee in October 2023. This document lays down the procedures and systems that all staff employed at the NAM must sign up to in order to ensure that financial controls are in place to reduce wasted expenditure and produce value for money. Access to the Museum's accountancy system is restricted to the role of the individual. Levels of access are password protected which expire and must be renewed every thirty days. There is a clear line of responsibility for the authorisation of purchase orders and all staff as part of their induction receive a briefing on financial matters by the Deputy Director. Staff are also required to carry out regular training on the Bribery Act, Data Protection Act and copies of these policies can be found on the NAM Intranet and as part of the induction procedure and Staff Handbook. Additionally, the Team

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Leaders are issued with Management Accounts on a monthly basis with the SLT reviewing budgets and cost centres quarterly to ensure that the spend profile is maintained and any anomalies are accounted for.

Building – The Museum premises at Chelsea was redeveloped in 2017 which included major structural alterations and the installation of plant which maintains the correct climatic conditions for the protection of the collections, staff and visitors. The Museum tendered for and replaced its contracted maintenance providers during the period. They ensure that the building and plant are maintained to the correct levels.

Security – The Museum has both 24/7 physical and digital alarm systems in place for the protection of the collections, staff and visitors from loss, damage and injury. All alarm systems are fully maintained and monitored 24/7 off site. The Museum works closely with the local police and counter terrorism teams and regularly carries out appropriate training.

Employment – NAM is an equal opportunities employer, and its policy is not to discriminate against its staff during recruitment, selection and employment. All staff receive equal opportunities for appropriate training helping them identify discriminatory acts or practices or acts of harassment or bullying. Remuneration for all members of staff follows MoD pay grades with the exception of some members of the front of house teams who are paid London Living Wage. The Museum is committed to equal pay in employment and job evaluations are carried out for all posts. Terms of Employment, benefits and facilities are reviewed from time to time to ensure that there is no unlawful discrimination.

Collections – The Museum, as an accredited Museum, complies with all recommendations of the accreditation awarding body. Collections are collected, located and maintained in line with these standards which are overseen and regularly audited by the Collections Care and Standards Team with the Collections Research Committee who authorise any substantial disposals. The same processes are followed for Archive Accreditation. Review of the Museum's Accreditation status will take place in 2024-25.

#### **Internal Auditors**

The Museum, during this period, as part of the joint tender process with the National Museum of the Royal Navy and the RAF Museum, tendered for new Internal Auditors. The result of this was that AZETS were appointed the new Internal Auditors for the three main service museums in January 2024 taking over from the current internal auditors, RSM Risk Assurance Services LLP (RSM), who were appointed in October 2019 as part of the previous joint tender process. RSM, and now AZETS, work to the Public Sector Internal Audit Standards and provide an independent opinion on the matters subject to review through the internal audit programme. They will also work across the three service Museums to provide a “joined up service” that will measure, where possible, each Museum to achieve best practice.

The Museum has a Risk Matrix to support its management of risk in the normal operations of the Museum. This Risk Matrix is used to identify the work to be undertaken by the internal auditors. Council's PARA Committee signs off the work programme and the same committee receives the internal auditors report at its end of year meeting.

The risks contained in the Risk Matrix have also been taken into account in the development of the Museum's strategic direction (through a process of cross-referencing between the specific risks and the principal strategic objectives) thereby mitigating some or all of those risks. During this reporting period, the Internal Auditors reported on the previous year's internal audit reports and additionally looked at:

Recruitment – Partial Assurance and Payroll – Substantial Assurance

Risk Management – Reasonable Assurance

Governance – Reasonable Assurance

Visitor Experience – Reasonable Assurance



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The necessary procedures have been implemented to address the recommendations made.

The overall Internal Audit Opinion for 2023-24 is that the work provides moderate assurance, and that some improvements are required to enhance the adequacy and effectiveness of the controls. Follow up actions which were not completed this period will be assessed by AZETS.

#### External Auditors

The external auditor of the Museum is the National Audit Office (NAO) on behalf of the Comptroller and Auditor General. The accounts are consolidated with the accounts of the NAM's trading subsidiary (NAMTL) which are audited by Hillier Hopkins LLP who were at the request of the NAMTL Board, appointed in December 2022. The NAO is invited to attend the regular meetings of the PARA Committee which includes the "end of year" presentation of the Consolidated Financial Statements where the NAO discusses their findings with the Committee.

#### Information Risk Management

The NAM's Information Asset Ownership group comprises of the Senior Information Risk Officer (SIRO) and Information Asset Owners (IAO) from across the Museum's divisions. The group ensures that the Museum's Information Assurance Policy, Data Protection Act and Freedom of Information Act Legislation is complied with. The group meets regularly and discusses the management of information held by the NAM.

All staff are required as part of their induction to carry out online training in accordance with the National Archives directives. Information Sharing Agreements are in place with bodies that share NAM information.

Any information issues that arise are handled by the appropriate IAOs and referred to the group where necessary. Any incident of data loss or mishandling is handled in accordance with the Information Commissioner's guidance and reported to his office as required.

There were during this reporting period five incidents of data breaches. These were self-assessed in accordance with the Information Commissioners' guidance and graded low. The Information Asset Group addressed the findings and the necessary remedial action was put in place.

#### Whistleblowing

The Museum has a whistleblowing policy which is briefed to staff on induction and contained in the Staff Handbook. Whistleblowing is a standard agenda item for the Performance Audit and Risk Assurance Committee reporting to NAM Council. The agreed procedure for whistleblowing is to the Chairman and/or the NAO. No whistleblowing incidents or reports were noted during this reporting period.

#### Statement of Assurance

The Accounting Officer has responsibility, on behalf of the full NAM Council, for the overall effectiveness of the Museum's governance arrangements and their compliance with Corporate Governance in Central Government Departments Code of Practice 2017 so far as this may be seen to apply to an 'Arms-Length Body' (as defined in *Managing Public Money*).

#### Auditors

These accounts are audited by the NAO on behalf of the Comptroller and Auditor General in accordance with current legislation and the Museum's Royal Charter. No non-audit services are provided to the Museum by the auditor.

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The cost of the audit of the Museum and its trading company for 2023-24 is £52,075 (2022-23: £43,375) of which £43,600 (2022-23: £37,400) relates to the audit of the Museum and £8,475 (2022-23: £5,975) to the audit of NAMTL.

So far as the Accounting Officer (AO) and Council Members are aware, there is no relevant audit information of which the Museum's auditors are unaware. Furthermore, the AO and Council Members have taken all the necessary steps to make sure they are aware of any relevant information and to establish that the Museum's auditors are also aware of that information.

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#### REMUNERATION AND STAFF REPORT

##### Remuneration Policy

The Director of the Museum is employed by the Council of the National Army Museum on terms and conditions that are similar to MOD senior civil servants. He holds an open-ended appointment and his salary is set on an annual basis by the Remuneration and Appointments Committee of Council by reference to the recommendations of the Senior Salaries Review Body. He is the only senior civil service staff or equivalent employee of the Museum.

Other members of the SLT are also employed on terms and conditions similar to MOD civil servants. Staff salaries are set by the Museum's Human Resources Department by reference to strict MOD guidelines and approved by the Director.

The NAM operates a performance appraisal review (PAR) system, which broadly follows the guidelines of the MOD civilian system. The marking system is based on agreed aims and objectives between the Line Manager (LM) and the member of staff. Dependent on direction from MOD on whether it is paying performance awards for the year, the SLT meet and assigns a value to marks in line with the MOD levels of award. The findings of the Group are then passed to the PA&RA Committee for a further check before being passed to the Council for approval.

##### Salary and Pension Entitlements (Subject to audit)

The salary and pension entitlements for the year of the SLT of the Museum as detailed on page 37 were as follows (with comparative salary disclosures for 2022/23). Full Year Equivalent (FYE) amounts are also disclosed where the individual was not part of the SLT for the full period.

	Salary (£'000)		Performance Pay (£'000)		Benefits in kind (to nearest £100)		Pension benefits (£'000)		Total remuneration (£'000)	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Justin Maciejewski <i>Director</i>	155-160	145-150	5-10 <sup>1</sup>	5-10	-	-	-	-	165-170	155-160
Mike O'Connor <i>Deputy Director</i>	75-80	75-80	-	-	-	-	48	(6)	125-130	70-75
Teresa Scott <i>Assistant Director - Human Resources</i>	75-80	70-75	0-5	0-5	-	-	15	(3)	90-95	70-75
Ian Maine <i>Assistant Director - Collections</i>	75-80	70-75	0-5	0-5	-	-	-	-	75-80	70-75
Dawn Watkins <i>Assistant Director - Enterprise (to 12 January 2024)</i>	65-70 (FYE 75-80)	70-75	-	0-5	-	-	-	-	65-70	70-75
Helen Kibblewhite <i>Assistant Director - Operations (from 2 January 2024)</i>	15-20 (FYE 70-75)	-	-	-	-	-	-	-	15-20	-
Glyn Prysor <i>Assistant Director - Research and Programmes (from 1 March 2024)</i>	5-10 (FYE 70-75)	-	-	-	-	-	-	-	5-10	-

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	Accrued pension at pension age as at 31 March 2024 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2024	CETV at 31 March 2023	Real increase in CETV <sup>2</sup>	Employers' contribution to NEST pension or personal
	£'000	£'000	£'000	£'000	£'000	£(nearest £100)
Justin Maciejewski <i>Director</i>	-	-	-	-	-	9,600 <sup>1</sup>
Mike O'Connor <i>Deputy Director</i>	30-35	2.5-5	502	505	10	-
Teresa Scott <i>Assistant Director - Human Resources</i>	25-30 plus a lump sum of 70-75	0-2.5 plus a lump sum of 0	568	513	5	-
Ian Maine <i>Assistant Director - Collections and Programmes</i>	-	-	-	-	-	5,200
Dawn Watkins <i>Assistant Director - Enterprise (to 12 January 2024)</i>	-	-	-	-	-	4,500
Helen Kibblewhite <i>Assistant Director - Operations (from 2 January 2024)</i>	-	-	-	-	-	1,200
Glyn Prysor <i>Assistant Director - Research and Programmes (from 1 March 2024)</i>	-	-	-	-	-	400

None of the above received any benefits in kind during the year (2022/23 £Nil).

No members of the Council received any remuneration during the year (2022/23 £Nil). During the year reimbursements were made to members of the Council totalling £2,999 (2022/23 £4,402) for travel and subsistence and £4,412 (2022/23 £1,302) for Trustee meeting costs. No Trustees were paid for speaking at any events during the year (2022/23 £200 paid for speaking at the Chelsea History Festival).

<sup>1</sup>Justin Maciejewski's performance pay was paid as an additional employer contribution to his personal pension. To avoid duplication this payment is not included in the employers' pension contribution amounts above.

<sup>2</sup>Taking account of inflation, the CETV funded by the employer has decreased in real terms.

#### Salary

"Salary" includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation.

#### Performance Pay

Performance pay relates to bonuses on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in 2023-24 relate to performance in 2022-23 and the comparative bonuses reported in 2022-23 relate to the performance in 2021-22.

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#### **Benefits in Kind**

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument.

#### **Pension Benefits**

Pension benefits are provided through the Principal Civil Service Pension Schemes (PCSPS) in respect of two members of the SLT. This scheme is an unfunded multi-employer defined benefits scheme but the NAM is unable to identify its share in respect of the SLT of the underlying assets and liabilities. A full actuarial valuation is carried out periodically. Details can be found in the resource accounts for these schemes, which are published and laid before the House of Commons.

Other members of the SLT receive pension benefits through membership of the National Employment Savings Trust (NEST) or employer contributions to their own personal pension plan. These contributions are at the same rate as those for all members of staff not eligible to join the PCSPS.

#### **Principal Civil Service Pension Scheme (PCSPS)**

From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS) which has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65. These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year and pensions payable are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha between 1 June 2015 and 1 February 2022.

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary. The accrued pension quoted is the pension the member is entitled to receive when they reach pension age. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages.). Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk).

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#### Cash Equivalent Transfer Values and Real increase in 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 benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax. The real increase in CETV 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 and uses common market valuation factors for the start and end of the period.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2024. HM Treasury published updated guidance on 27 April 2023; this guidance was used to calculate the 2023-24 CETV figures.

#### Compensation for loss of office (Subject to audit)

No amounts were paid in respect of compensation for loss of office to any of the Leadership Team for the current or preceding year.

#### Fair pay disclosure (Subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the remuneration of the organisation's workforce.

The following percentage changes applied to remuneration at the National Army Museum:

	2023/24	2022/23
	%	%
Salary:		
Highest paid director	6.0	3.5
Staff Average	1.6	4.9
Performance pay:		
Highest paid director	0.0	200.0
Staff Average	(24.7)	10.7

Total staff average performance pay is limited by guidance issued by the Museum's Sponsor Department. This year the maximum award is 1.2% of the total wages bill. The reduction is due to the grade and number of staff awarded performance pay under this guidance.

The mid-point of the banded remuneration of the highest-paid director in the National Army Museum in the financial year 2023-24 was £167,500 (2022-23, £157,500). This was 5.9 times (2022-23, 5.9) the 25<sup>th</sup> percentile remuneration, which was £28,251 (2022-23, £26,560), 5.1 times (2022-23, 5.0) the median remuneration of the workforce, which was £33,035 (2022-23, £31,768) and 4.1 times (2022-23, 3.9) the 75<sup>th</sup> percentile remuneration, which was £40,390 (2022-23, £40,126). Changes in ratios result from minor changes in the staff mix at NAM. Comparative amounts have been adjusted from those previously reported to reflect total remuneration. No staff received any benefits in kind in 2023-24 or 2022-23.

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The salary element of the total remuneration noted above for the 25<sup>th</sup> percentile salary was £28,251 (2022-23, £26,560), £32,527 (2022-23, £31,179) for the median salary and £39,668 (2022-23, £39,384) for the 75<sup>th</sup> percentile salary.

No employees received remuneration in excess of the highest-paid director. Remuneration ranged from £23,302 to £167,400 (2022-23, £21,548 to £156,349).

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

Median total remuneration is calculated by excluding the remuneration of the highest paid director on an annualised basis and by including full time equivalent remuneration for all staff.

#### Staff Report

##### Staff costs and staff numbers (Subject to audit)

	2023/24	2022/23
	£'000	£'000
<b>Staff costs comprise:</b>		
Wages and salaries	3,483	2,854
Social security costs	362	299
Pension costs	374	302
Redundancy costs	0	0
Temporary staff	800	659
	<u>5,019</u>	<u>4,114</u>

Excluding the Director and members of the SLT, one employee (2022-23 no employees) received remuneration for 2023-24, excluding pension contributions, in the band £60,000 - £65,000. No further employees received remuneration greater than £60,000.

The average number of senior management and staff based on headcount was:

	2023/24	2022/23
Collections	45	43
Curatorial	24	21
Education	12	12
Publicity	6	2
Trading	13	11
Fundraising	0	0
	<u>100</u>	<u>89</u>

33 (2022-23: 30) of the above staff are male and 67 (2022-23: 59) female (unaudited). 4 (2022-23: 5) staff are employed on short term contracts with all other staff employed on a full-time contract. The above includes an average of 26 (2022-23: 24) part time staff members for the year.

The staff turnover for the year represented 26.00% of the total workforce (2022-23: 27.7%).

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#### **Consultancy and off-payroll arrangements**

NAM has engaged no individuals during the year under short term arrangements that could be seen to be similar to those envisaged by HM Treasury Guidance on off- payroll arrangements (2023: no individuals). Total expenditure for other consultancy services in the year was £1,200 (2023: £25,032).

#### **Sickness and Absence data**

The NAM employed 101 members of staff at 31 March 2024 (71 full-time and 30 part-time) and monitored sick absence as part of its commitment in promoting the health, safety and welfare of all members of staff. Information collated from the Department of Human Resources is available to the Museum's Management Team who are responsible for identifying potential risks arising from any patterns that may occur and also made available to NAM Council. During 2023-24, there were 517 (full time equivalent) days lost to sick absence compared to 688 days lost in 2022-23.

During the period, the average number of days' sickness absence per employee was 5.1 compared to 7.2 days in 2022-23 (long-term incidents of sickness absence have been excluded to give a more accurate picture of sickness absence at NAM). A policy on the management of attendance is in place to promote arrangements for dealing with sickness absence in a manner, which is fair and sensitive to staff, as well as minimising the effect of absences on operational requirements. In addition, the NAM has introduced a wellbeing initiative, which includes establishing and training Mental Health First Aiders, and training all line managers to raise awareness of mental health and wellbeing.

#### **Equality, Diversity & Access**

The NAM is an Equal Opportunities Employer.

The NAM is committed to providing a working environment in which members of staff are able to realise their full potential and contribute to the Museum's success.

The NAM will also take all reasonable steps to provide a work environment in which all workers are treated with respect and dignity and that is free of harassment. In order to create conditions, in which this goal can be realised, the NAM is committed to identifying and eliminating barriers, discriminatory practices, procedures, and attitudes throughout the Museum. Members of staff are expected and required to support this commitment, assisting in its realisation in all possible ways.

It is the NAM's policy not to discriminate against its workers on the basis of their gender, sexual orientation, marital or civil partnership status, any gender reassignment, disability, race, religion or belief, colour, nationality, ethnic or national origin, disability or age, pregnancy or trade union membership or employment status. The NAM will not condone any form of harassment, whether engaged in by workers or by third parties such as clients, customers, contractors and suppliers. Our workers and applicants for employment shall not be disadvantaged by any policies or conditions of service, which cannot be justified as necessary for operational purposes.

The NAM shall, at all times, strive to work within legislative requirements as well as promoting best practice, and is committed to the development of a diverse workforce. The Museum has issued an Equal Opportunities Policy Statement, and undertakes equal opportunities monitoring.

#### **Employee Consultation and Involvement**

The Director and the SLT consult with the staff through the NAM's Staff/Management Forum, which was set up to encourage increased levels of communication and consultation across the whole of the Museum, and in shifting to a different and more progressive, delivery-focussed culture of working, exchanging views and ideas, discussing problems and planning for the future.



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Communication and involvement with the staff is also maintained through various committees/groups, which include the Health & Safety Committee, regular Departmental and Divisional meetings, one-to-ones, monthly staff briefings and internal memoranda.

The Museum runs six monthly employee satisfaction surveys and monthly wellbeing pulse surveys via its in house BambooH software.

#### Employer Pensions

For 2023-24 employers' pension contributions for the Museum of £182,000 were payable to the PCSPS (2022-23 £184,000) at rates based on salary bands as follows:

Band one	-	£23,000 and under	26.6%
Band two	-	£23,001 - £45,500	27.1%
Band three	-	£45,501 - £77,000	27.9%
Band four	-	£77,001 and over	30.3%

Employer contributions are to be reviewed every four years following a full scheme valuation by the Government Actuary. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Members of staff not eligible to join the PCSPS are automatically enrolled in the National Employment Savings Trust (NEST) with employer pension contributions of 7 per cent from May 2023 (previously 6 per cent). Total employer contributions in this regard were £192,000 (2022-23 £118,000).

#### Civil service and other compensation schemes – exit packages (Subject to audit)

There were no approved exit packages during the year (2023: none). There were no special severance packages for 2023/24 or 2022/23.

#### Trade Union Facility Time

	2023/24	2022/23
<b>Table 1</b>		
Number of employees who were relevant union officials during the period	0	0
<b>Table 2</b>		
Percentage of time		
0%	0	0
1-50%	0	0
51-99%	0	0
100%	0	0
<b>Table 3</b>		
Total cost of facility time	£0	£0
Total pay bill	£4,219,000	£3,455,000
Percentage of the total pay bill spent on facility time	0%	0%
<b>Table 4</b>		
Time spent on paid trade union activities as a percentage of total paid facility time	0%	0%

## NATIONAL ARMY MUSEUM

### TRUSTEES REPORT AND REPORT OF COUNCIL

YEAR ENDED 31<sup>ST</sup> MARCH 2024

#### PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

##### Regularity of Expenditure (Subject to Audit)

NAM receives Grant-in-Aid (GiA) from MOD in support of its overall activities.

The total operating GiA for the last five financial years being as follows:

	£'000
2023-24	7,051
2022-23	7,056
2021-22	6,870
2020-21	6,713
2019-20	6,486

Part of the GiA is used to cover the salaries of staff paid directly by MOD whilst the remaining GiA is received by NAM in a separate bank account. Included in the operating GiA for 2023-24 is £120,000 (2022-23 £100,000) which was restricted to supporting NAM's operations in relation to the Commonwealth War Graves Commission and scholarship research activities.

In addition, NAM received additional GiA for the purchase of Heritage Assets of £130,000 in each of these five years.

Controls and procedures are in place to ensure only allowable expenditure is incurred on this account. Annual budgets are prepared for the expenditure of this GiA with monthly reporting of actual expenditure and anticipated outturns being made to the Management Team coupled with regular reporting to the PA&RA Committee.

These procedures help ensure that GiA is appropriately managed and that there is no overspend of GiA that cannot be funded from the Museum's other resources.

##### Other considerations (Subject to Audit)

NAM has no remote contingent liabilities that require notification to HM Treasury.

There are no contingent liabilities, gifts, fees, charges or losses and special payments requiring further disclosure that have not been reported elsewhere in these financial statements.

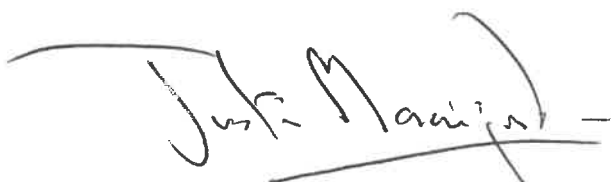
**NATIONAL ARMY MUSEUM**  
**TRUSTEES REPORT AND REPORT OF COUNCIL**  
**YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**Long-term expenditure trends**

Expenditure over the last five financial years as reported in the financial statements is summarised as follows:

	2023/2024	2022/2023	2021/2022	2020/2021	2019/2020
	£'000	£'000	£'000	£'000	£'000
Staff costs	5,019	4,114	4,044	4,199	4,160
Premises costs	407	1,106	888	1,028	1,050
Collection maintenance	498	696	542	530	357
Events and promotion	553	324	398	270	528
Depreciation and (profit)/ loss on disposal	1,257	1,206	884	970	862
Impairment and impairment reversal	0	(1,327)	(4,898)	0	(378)
Administration and other	1,094	902	795	690	834
	<u>8,828</u>	<u>7,021</u>	<u>2,653</u>	<u>7,687</u>	<u>7,413</u>

Premises costs for the year have been reduced by £780,000 as a result of a rates refund relating to the period 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2023.



BRIGADIER JUSTIN MACIEJEWSKI DSO MBE  
DIRECTOR AND ACCOUNTING OFFICER



LIEUTENANT GENERAL SIR SIMON MAYALL KBE CB  
CHAIRMAN, ON BEHALF OF COUNCIL

13<sup>th</sup> November 2024

National Army Museum  
13<sup>th</sup> November 2024

## NATIONAL ARMY MUSEUM

### AUDITORS' REPORT

YEAR ENDED 31<sup>ST</sup> MARCH 2024

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

##### Opinion on financial statements

I have audited the financial statements of the National Army Museum and its Group for the year ended 31 March 2024 under the Charities Act 2011 and under the Royal Charter relating to the National Army Museum 1960.

The financial statements comprise the National Army Museum and its Group:

- Consolidated and Charity Balance Sheet as at 31 March 2024;
- Consolidated Statement of Financial Activities, 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 National Army Museum and its Group's affairs as at 31 March 2024 and its net expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Charities Act 2011, the Royal Charter relating to the National Army Museum 1960 and HM Treasury directions issued thereunder.

##### Opinion on regularity

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

##### Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the National Army 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.

## NATIONAL ARMY MUSEUM

### AUDITORS' REPORT

YEAR ENDED 31<sup>ST</sup> MARCH 2024

#### Conclusions relating to going concern

In auditing the financial statements, I have concluded that the National Army 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 National Army 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 report.

#### Other information

The other information comprises information included in the Trustees' Report and Report of Council but does not include the financial statements and my auditor's report thereafter. 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 report, 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 and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Royal Charter relating to the National Army Museum 1960.

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

- the parts of the Trustees' Report and Report of Council subject to audit have been properly prepared in accordance with HM Treasury directions made under the Royal Charter relating to the National Army Museum 1960; and
- the information given in the Performance and Accountability Reports 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 National Army Museum and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustees' Report and Report of Council.

## NATIONAL ARMY MUSEUM

### AUDITORS' REPORT

YEAR ENDED 31<sup>ST</sup> MARCH 2024

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

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

As explained more fully in the Statement of Trustees and Accounting Officer's Responsibilities, the Trustees and the Accounting Officer is 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 National Army 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 the Charities Act 2011, the Royal Charter relating to the National Army Museum 1960 and HM Treasury directions issued thereunder;
- preparing the Trustees' Report and Report of Council, which includes the Remuneration and Staff Report, in accordance with directions made under the Royal Charter relating to the National Army Museum 1960 and HM Treasury directions issued thereunder; and
- assessing the National Army Museum and its Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and the Accounting Officer either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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

My responsibility is to audit and express an opinion on the financial statements in accordance with section 151 of the Charities Act 2011 and the Royal Charter relating to the National Army Museum 1960.

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 report 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

## NATIONAL ARMY MUSEUM

### AUDITORS' REPORT

YEAR ENDED 31<sup>ST</sup> MARCH 2024

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 National Army Museum and its Group's accounting policies,
- inquired of management, the National Army Museum's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the National Army 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 National Army Museum and its Group's controls relating to the National Army Museum's compliance with the Royal Charter relating to the National Army Museum 1960, the Charities Act 2011, and Managing Public Money;
- inquired of management, the National Army Museum and its Group's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team including significant component audit teams 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 National Army Museum and its Group's for fraud and identified the greatest potential for fraud in the following areas: revenue 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 controls.

I obtained an understanding of the National Army Museum and its Group's framework of authority and other legal and regulatory frameworks in which the National Army Museum and its Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the National Army Museum and its Group. The key laws and regulations I considered in this context included the Royal Charter relating to the National Army Museum 1960, the Charities Act 2011, Managing Public Money, employment law and tax Legislation.

## NATIONAL ARMY MUSEUM

### AUDITORS' REPORT

YEAR ENDED 31<sup>ST</sup> MARCH 2024

#### *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 Performance, Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Council 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
- In addressing the risk of fraud in revenue recognition, I assessed the recognition of income in line with the accounting framework and undertook procedures to test the completeness of income.

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

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

#### *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**

**Date: 15 November 2024**

**Comptroller and Auditor General**

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



**NATIONAL ARMY MUSEUM**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31<sup>ST</sup> MARCH 2024**

	NOTE	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2023/24 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2022/23 £'000
<b>Income and endowments from:</b>							
Donations and legacies	3						
Grant-in-Aid		6,931	250	7,181	6,956	230	7,186
Other		56	148	204	20	28	48
		<u>6,987</u>	<u>398</u>	<u>7,385</u>	<u>6,976</u>	<u>258</u>	<u>7,234</u>
Trading activities	3	636	42	678	553	46	599
Investments		1	14	15	1	3	4
		<u>7,624</u>	<u>454</u>	<u>8,078</u>	<u>7,530</u>	<u>307</u>	<u>7,837</u>
<b>Other</b>	<b>3</b>	59	0	59	26	4	30
<b>TOTAL</b>		<u><b>7,683</b></u>	<u><b>454</b></u>	<u><b>8,137</b></u>	<u><b>7,556</b></u>	<u><b>311</b></u>	<u><b>7,867</b></u>
<b>Expenditure on:</b>							
Raising funds	4	1,056	118	1,174	859	(45)	814
Charitable activities	4	6,576	1,078	7,654	6,413	(206)	6,207
<b>TOTAL</b>		<u><b>7,632</b></u>	<u><b>1,196</b></u>	<u><b>8,828</b></u>	<u><b>7,272</b></u>	<u><b>(251)</b></u>	<u><b>7,021</b></u>
<b>Operating surplus/(deficit)</b>		<b>51</b>	<b>(742)</b>	<b>(691)</b>	<b>284</b>	<b>562</b>	<b>846</b>
Net gains/(losses) on investments	9	0	34	34	0	(20)	(20)
<b>Net income/(expenditure)</b>		<u><b>51</b></u>	<u><b>(708)</b></u>	<u><b>(657)</b></u>	<u><b>284</b></u>	<u><b>542</b></u>	<u><b>826</b></u>
<b>Transfers between funds</b>		(270)	270	0	(519)	519	0
<b>Other recognised gains/(losses):</b>							
Gains/(losses) on revaluation of fixed assets		103	340	443	245	1,652	1,897
<b>Net movement in funds</b>		<u><b>(116)</b></u>	<u><b>(98)</b></u>	<u><b>(214)</b></u>	<u><b>10</b></u>	<u><b>2,713</b></u>	<u><b>2,723</b></u>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward		65,080	50,030	115,110	65,070	47,317	112,387
<b>Total funds carried forward</b>		<u><b>64,964</b></u>	<u><b>49,932</b></u>	<u><b>114,896</b></u>	<u><b>65,080</b></u>	<u><b>50,030</b></u>	<u><b>115,110</b></u>

None of the Museum's activities were acquired or discontinued during the year. All of the Museum's recognised gains and losses for the year are included above.

The Statement of Financial Activities for the Charity alone is detailed in note 2 to the financial statements.

The notes of pages 64 to 83 form a fundamental part of these financial statements

**NATIONAL ARMY MUSEUM**  
**CONSOLIDATED AND CHARITY BALANCE SHEET**  
**YEAR ENDED 31<sup>ST</sup> MARCH 2024**

	NOTE	2024				2023			
		Group		Charity		Group		Charity	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>									
Intangible assets	6	72		72	-		-		
Tangible assets	7	45,813		45,812	46,302		46,301		
Heritage assets	8	68,230		68,230	68,083		68,083		
Investments	9	468		518	402		452		
			114,583		114,632		114,787		114,836
<b>CURRENT ASSETS</b>									
Stocks		57		-	31		-		
Debtors	10	338		425	607		781		
Cash at bank and in hand	11	772		625	594		317		
		1,167		1,050	1,232		1,098		
<b>CURRENT LIABILITIES</b>									
<b>CREDITORS:</b>									
Amounts falling due within one year	12	(854)		(786)	(909)		(824)		
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>			313		264		323		274
<b>TOTAL NET ASSETS</b>			<u>114,896</u>		<u>114,896</u>		<u>115,110</u>		<u>115,110</u>
<b>RESERVES</b>									
Unrestricted Funds			64,241		64,241		64,460		64,460
Unrestricted Revaluation			723		723		620		620
<b>Total Unrestricted Funds</b>	13		<u>64,964</u>		<u>64,964</u>		<u>65,080</u>		<u>65,080</u>
Restricted Funds			45,187		45,187		45,625		45,625
Restricted Revaluation			4,745		4,745		4,405		4,405
<b>Total Restricted Funds</b>	13		<u>49,932</u>		<u>49,932</u>		<u>50,030</u>		<u>50,030</u>
	14		<u>114,896</u>		<u>114,896</u>		<u>115,110</u>		<u>115,110</u>

The financial statements were approved by the Council on 13<sup>th</sup> November 2024 and signed on its behalf by:



BRIGADIER JUSTIN MACIEJEWSKI DSO MBE  
 DIRECTOR AND ACCOUNTING OFFICER



LIEUTENANT GENERAL SIR SIMON MAYALL KBE CB  
 CHAIRMAN, ON BEHALF OF COUNCIL

The notes on pages 64 to 83 form a fundamental part of these financial statements

**NATIONAL ARMY MUSEUM**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**YEAR ENDED 31<sup>ST</sup> MARCH 2024**

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2023/24 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2022/23 £'000
<b>Cash flows from operating activities:</b>						
Net cash provided by/(used in) operating activities	(16)	685	669	391	270	661
<b>Cash flows from investing activities:</b>						
Purchase of intangible assets	(85)	0	(85)	0	0	0
Purchase of tangible assets	(42)	(270)	(312)	(110)	(519)	(629)
Proceeds from sale of tangible assets	0	0	0	2	0	2
Purchase of heritage assets	0	(69)	(69)	0	(112)	(112)
Purchase of fixed asset investments	0	(25)	(25)	0	(57)	(57)
Net cash provided by/(used in) investing activities	(127)	(364)	(491)	(108)	(688)	(796)
<b>Cash flows from financing activities:</b>						
Repayments of borrowing	0	0	0	(51)	0	(51)
Net cash provided by/(used in) financing activities	0	0	0	(51)	0	(51)
<b>Change in cash and cash equivalents in the reporting period</b>						
	(143)	321	178	232	(418)	(186)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	673	(79)	594	441	339	780
<b>Cash and cash equivalents at the end of the reporting period</b>	530	242	772	673	(79)	594

An analysis of cash and cash equivalents together with an analysis of changes in net debt is given in note 11 of the financial statements.

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

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2023/24 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2022/23 £'000
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	51	(708)	(657)	284	542	826
<b>Adjustments for:</b>						
Depreciation charges	295	961	1,256	287	921	1,208
Loss/(profit) on the disposal of tangible assets	1	0	1	(2)	0	(2)
Interest payable	0	0	0	3	0	3
Net dividends reinvested	0	(7)	(7)	0	0	0
Impairment and impairment reversal	0	0	0	0	(1,327)	(1,327)
Transfer of quoted investments to fixed assets	0	0	0	0	(365)	(365)
Donated heritage assets	0	(78)	(78)	0	0	0
Transfer between funds	(270)	270	0	(519)	519	0
(Increase)/decrease in stocks	(26)	0	(26)	45	0	45
(Increase)/decrease in debtors	(12)	281	269	313	(40)	273
Increase/ (decrease) in creditors	(55)	0	(55)	(20)	0	(20)
Net unrealised investment loss/(gains)	0	(34)	(34)	0	20	20
Net cash provided by/(used in) operating activities	(16)	685	669	391	270	661

The notes on pages 64 to 83 form a fundamental part of these financial statements

**NATIONAL ARMY MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**(a) Basis of Preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1<sup>st</sup> January 2019) – (Charities SORP (FRS 102)) and guidance issued by H.M. Treasury in that the Financial Reporting Manual is applied insofar as it does not contradict the Statement of Recommended Practice.

NAM meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**(b) Basis of Consolidation**

Consolidated financial statements have been prepared in respect of the charity and its wholly owned subsidiary, National Army Museum Trading Limited (“NAMTL”) (Company Number: 06707366).

The Consolidated Statement of Financial Activities and Balance Sheet include the results and net assets of NAMTL on a line by line basis.

The financial statements of NAMTL used in consolidation are those for the period ended 31 March 2024.

**(c) Going Concern**

The financial statements have been prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Museum’s needs. We have considered a period of at least twelve months from the date of approval of the financial statements. The assumption relies on the continuation of Ministry of Defence funding at a similar level for the foreseeable future. The Museum has received confirmation of funding for 2024-25 together with an ongoing commitment and letter of support from its Sponsor Department for the period to March 2026. In order to ensure financial stability NAM Council has reviewed and approved budgets and cash flows through to March 2026.

**(d) Incoming Resources**

Incoming resources are included gross without the deduction of expenditure.

**(e) Donations and Legacies**

Grant-in-Aid is recorded on a received basis.

Grant-in-Aid is a payment by a public sector funder to finance part of NAM’s operations in support of NAM’s overall activities. Except where Grant-in-Aid has been awarded for a specific purpose such as the purchase of exhibits or redevelopment of NAM it is regarded as an unrestricted fund as it relates to the general operations of NAM without significant restrictions being placed on how the funds can be spent.

Other revenue grants are credited to incoming resources on the earlier of the date of receipt or when they are receivable, unless they relate to a grant for expenditure in future accounting periods, in which case they are deferred.

Grants for the purchase of fixed and heritage assets are credited to a restricted fund within incoming resources when receivable.

The Museum derives other income from donations, legacies, gifts and monies placed in donation boxes in the Museum. The income is recognised in the statement of financial activities where there is evidence of entitlement, receipt is probable and its

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amount can be measured reliably. Donated services and facilities are included as income based on management's judgement of their market value.

**(f) Expenditure on Charitable activities**

NAM has allocated its expenditure on charitable activities to the following areas of activity:

Collections costs are those incurred in acquiring and preserving objects and records relating to the British Army for the education, inspiration and enjoyment of the present generation and its successors, together with the presentation of the Museum's collections to its users.

Curatorial costs are those incurred in the research and interpretation of the Museum's collections to its users, including dealing with enquiries from the general public.

Education costs are those incurred in engaging and educating the general public, including children, in historic and contemporary issues relating to the British Army.

Publicity costs are those costs that are incurred in promotion of the Museum, specific exhibitions and in support of the off site activities of the NAM.

**(g) Allocation of support and governance costs**

Support and governance costs are those functions that assist NAM but do not directly undertake either Charitable or Fundraising activities. These costs include general administration, finance, personnel and governance costs which support NAM's activities. These costs have been allocated between the cost of raising funds and expenditure on charitable activities. Costs not directly attributable to a specific category have been allocated based on the cost of staff time incurred.

**(h) Pensions Cost**

Long serving Museum staff, are covered by the provisions of the Principal Civil Service Pension Scheme ("PCSPS"), which provides benefits based on final pensionable pay. The pensions cost charged to the Statement of Financial Activities is represented by the contributions payable under the PCSPS to the Cabinet Office at rates determined from time to time by the Government Actuary's Department. PCSPS is a multi-employer scheme and NAM is unable to identify its share of any pension liability. Those staff not covered by the PCSPS are also entitled and are paid contributions to National Employment Savings' Trust or personal pension policies.

**(i) Taxation**

As a Registered Charity, the National Army Museum's charitable status has been recognised by HM Revenue & Customs. Non-recoverable Value Added Tax (VAT) arising from expenditure is charged to the statement of financial activities. All expenditure including capital expenditure is stated net of any recoverable VAT. VAT is then reclaimed from HM Revenue & Customs in accordance with section 33 of the VAT Act 1994.

All of the income is applied for charitable purposes and therefore the charity is exempt from Corporation Tax. All of the taxable profits of the trading subsidiary are distributed to the Charity under Gift Aid. The Corporation Tax liability of the trading subsidiary for the period ending 31 March 2024 was £43 (2023: £127).

Deferred tax is recognised on any tax losses in the trading subsidiary to the extent that it is probable that these will be recovered against future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

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**(j) Intangible Fixed Assets and Amortisation**

Intangible fixed assets represent the investment by NAM in a collections management system to manage and improve relationships with customers and to generate income in future years. They are stated at cost less accumulated amortisation.

They reflect website development costs including software licences and other directly attributable costs where future economic benefits are expected to flow that can be reliably measured.

Amortisation is charged yearly on a straight-line basis over the estimated useful life. These assets are only capitalised where they relate to a specific project that meets this criteria with a budget exceeding £20,000 and an individual cost exceeding £1,000.

Intangible assets under construction are not amortised until completion of the project.

Given the nature of these costs and projects NAM has determined that the maximum estimated useful life of these assets cannot exceed 5 years.

This represents a change in policy to that previously adopted by NAM where such costs were treated as expenditure in the Statement of Financial Activities as they were incurred. In accordance with Paragraph 18.17 of FRS102 no prior year adjustment is included in respect of these intangible assets.

**(k) Tangible Fixed Assets and Depreciation**

Fixed assets are stated at their estimated current cost. For land and buildings this estimate is based on independent professional valuations obtained every five years, updated in the intervening years by the application of appropriate government issued indices provided by the Ministry of Defence. The land and buildings were professionally revalued at 31<sup>st</sup> March 2022 (see note 7). For other assets, the estimate is based on historic cost updated thereafter by the application of these indices. Fixed assets with a cost of less than £1,000 are not capitalised.

Any revaluations are recorded as other recognised gains and losses in the Statement of Financial Activities and reflected in revaluation reserves except where they relate to the reversal of previous impairment provisions.

Depreciation is provided on all tangible fixed assets on a straight-line basis over their estimated useful lives. These were principally:

Leasehold Buildings	52 years
Fit-out of Buildings	43 years
Plant and Machinery	27 years
Short Leasehold Improvements	41 years
Computer Equipment	5-10 years
Fixtures and Fittings	10-20 years

The remaining useful lives for leasehold buildings, fit-out of buildings and plant and machinery have been based on those advised as part of the 2022 property revaluation.

Expenditure on permanent exhibitions is capitalised in accordance with this policy whilst all expenditure on temporary exhibitions is written off as the expenditure is incurred.

The Museum continuously reviews its fixed assets to ensure they do not fall below recoverable amounts. Any asset that falls below its recoverable amount is adjusted to reflect the fall in value or is disposed of.

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**(I) Heritage Assets**

**(i) Valuation and Management**

Heritage assets are recorded at the deemed cost carrying value established at 31<sup>st</sup> March 2010 adjusted for the cost of additions and the value of disposals since this date and any impairments in respect of material elements of the collection.

NAM conducts periodic reviews of its heritage assets for any impairment to the collection. No impairments were identified for the current or preceding year.

Donated assets are included based on internal estimates by the relevant curator using their experience and judgement and by reference to third parties, if considered appropriate.

Heritage assets comprise of approximately one million items. For the 2010 valuation the Collection was divided into two categories. The first category comprised Victoria Crosses, George Crosses, field marshals' batons, oil paintings and other high-value items of fine and decorative art, coatees, rare books, oral history interviews, sound discs and film records. These were valued by expert members of staff, some of them with the assistance of former colleagues. The valuations of the historic military vehicles part of the collection is supported by a third-party valuation of the historic military vehicles made in 2008-9 by Julian Shoolheifer Limited (Fine Art Valuers) PO Box 186, Saffron Walden, CB10 9AY.

The remainder of the Collection was valued by expert members of staff on the basis of auction realisations, knowledge of their specialist areas and inflation-adjusted prices paid for exhibits purchased by the Museum.

The valuation of heritage assets only reflects those assets which have been fully accessioned into the collection and recorded on the Museum's collections database. Work is ongoing to see whether it is practicable to ascribe a value to assets where this information is not currently available.

**(ii) Depreciation**

Depreciation is not provided on historic heritage assets due to the fact that they have an indefinite life. The carrying value of individual items is periodically reviewed and written down where required.

**(iii) Preservation Costs and Management**

Expenditure which, in the Council's view, is required to preserve or clearly prevent further deterioration of individual collection items is written off and recognised in the Statement of Financial Activities when it is incurred.

**(iv) Acquisitions and Disposals**

The Museum's collecting activities are subject to the availability of objects and financial resources with every effort made to achieve a balanced collection in terms of both geography and chronology. The Acquisition and Disposals Policy also takes into account the needs of other museums.

By definition, the Museum has a long-term purpose and maintains a permanent Collection in relation to its stated objectives. The Council accepts the principle that, except for sound curatorial reasons, there is a strong presumption against the disposal of any items from the Museum's Collection.

Final approval for the disposal of a heritage asset rests with the Acquisition and Disposal Committee and this authority is devolved from the Museum's Trustees, the Council of the NAM. A curator recommends the object for disposal and relevant paperwork is counter-signed by the head of department concerned and the Assistant Director (Collections).

A copy of the Museum's Full Acquisition & Disposal Policy is available on its website.

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**(m) Investments**

Investments are included at their market value as at the year-end. Gains or losses arising from disposals of fixed asset investments, together with unrealised gains and losses are included in the statement of financial activities.

**(n) Stocks**

Stocks which represent goods for resale are stated at the lower of cost or net realisable value.

**(o) Debtors**

Debtors are stated at the amount expected to be received by the museum, being the amount it will receive from a debt or the amount it has paid in advance for goods or services.

**(p) Cash and cash equivalents**

Cash and cash equivalents represent cash held in bank accounts with no other near cash investments being held by the Museum.

**(q) Liabilities**

Where expenditure has been incurred but remains unpaid at the year-end a liability is recorded by the Museum. Where amounts have not been invoiced an estimate is made of the amount to be accrued and included as a liability.

**(r) Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

All Museum leases are currently operating leases, except for the long leasehold land and building of the NAM Museum in Chelsea, which is capitalised under tangible fixed assets on the Balance Sheet and where the present value of minimum lease payments is not material over the life of the lease.

**(s) Financial Instruments**

The Museum's financial assets and liabilities consist of cash and cash equivalents, investments, trade debtors, trade creditors, and accrued expenses. The fair value of these items approximates their carrying value due to their short-term value. Unless otherwise noted, the Museum is not exposed to significant interest, foreign exchange or credit risks arising from these instruments.

**(t) Restricted and unrestricted funds**

Restricted funds are to be used for specified purposes as laid down by the donor, details of restricted funds are given in note 13 of the financial statements. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead costs.

Unrestricted funds are donations and other incoming resources received or generated for the Museum's charitable purposes.



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**2. Statement of Financial Activities for the Charity alone**

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2023/24 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2022/23 £'000
<b>Income and endowments from:</b>						
Donations and legacies						
Grant-in-Aid	6,931	250	7,181	6,956	230	7,186
Other	56	148	204	20	28	48
	<u>6,987</u>	<u>398</u>	<u>7,385</u>	<u>6,976</u>	<u>258</u>	<u>7,234</u>
Trading activities	69	42	111	43	46	89
Investments	1	14	15	2	3	5
Gift aid from subsidiary undertaking	42	0	42	102	0	102
	<u>7,099</u>	<u>454</u>	<u>7,553</u>	<u>7,123</u>	<u>307</u>	<u>7,430</u>
<b>Other</b>	59	0	59	26	4	30
<b>TOTAL</b>	<u><b>7,158</b></u>	<u><b>454</b></u>	<u><b>7,612</b></u>	<u><b>7,149</b></u>	<u><b>311</b></u>	<u><b>7,460</b></u>
<b>Expenditure on:</b>						
Raising funds	566	118	684	435	(45)	390
Charitable activities	6,541	1,078	7,619	6,457	(206)	6,251
<b>TOTAL</b>	<u><b>7,107</b></u>	<u><b>1,196</b></u>	<u><b>8,303</b></u>	<u><b>6,892</b></u>	<u><b>(251)</b></u>	<u><b>6,641</b></u>
<b>Operating surplus/(deficit)</b>	<b>51</b>	<b>(742)</b>	<b>(691)</b>	<b>257</b>	<b>562</b>	<b>819</b>
Net gains/(losses) on investments	0	34	34	0	(20)	(20)
<b>Net income/(expenditure)</b>	<u><b>51</b></u>	<u><b>(708)</b></u>	<u><b>(657)</b></u>	<u><b>257</b></u>	<u><b>542</b></u>	<u><b>799</b></u>
<b>Transfers between funds</b>	(270)	270	0	(519)	519	0
<b>Other recognised gains/(losses):</b>						
Gains/(losses) on revaluation of fixed assets	103	340	443	245	1,652	1,897
<b>Net movement in funds</b>	<u><b>(116)</b></u>	<u><b>(98)</b></u>	<u><b>(214)</b></u>	<u><b>(17)</b></u>	<u><b>2,713</b></u>	<u><b>2,696</b></u>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward	65,080	50,030	115,110	65,097	47,317	112,414
<b>Total funds carried forward</b>	<u><u><b>64,964</b></u></u>	<u><u><b>49,932</b></u></u>	<u><u><b>114,896</b></u></u>	<u><u><b>65,080</b></u></u>	<u><u><b>50,030</b></u></u>	<u><u><b>115,110</b></u></u>

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**3. Income and endowments**

	Unrestricted Funds	Restricted Funds	Total Funds 2023/24	Unrestricted Funds	Restricted Funds	Total Funds 2022/23
	£'000	£'000	£'000	£'000	£'000	£'000
<b>(a) Donations and legacies comprise:</b>						
Grant-in-Aid:						
-Operating	6,931	120	7,051	6,956	100	7,056
-Exhibits	0	130	130	0	130	130
	<u>6,931</u>	<u>250</u>	<u>7,181</u>	<u>6,956</u>	<u>230</u>	<u>7,186</u>
Other restricted donations						
- Donated heritage assets	0	78	78	0	0	0
- Grant towards display cases	0	16	16	0	0	0
- Research fellowship	0	38	38	0	20	20
- Other projects	0	16	16	0	8	8
	<u>0</u>	<u>148</u>	<u>148</u>	<u>0</u>	<u>28</u>	<u>28</u>
Other unrestricted donations	56	0	56	20	0	20
	<u>56</u>	<u>0</u>	<u>56</u>	<u>20</u>	<u>0</u>	<u>20</u>
Total other donations	56	148	204	20	28	48
Total donations and legacies	<u>6,987</u>	<u>398</u>	<u>7,385</u>	<u>6,976</u>	<u>258</u>	<u>7,234</u>
<b>(b) Trading income comprises</b>						
- Shop sales	131	0	131	100	0	100
- Play Base and childrens parties	306	0	306	290	0	290
- Exhibitions	69	42	111	43	46	89
- Room hire	86	0	86	85	0	85
-Catering commission	41	0	41	39	0	39
- Other	3	0	3	3	0	3
	<u>636</u>	<u>42</u>	<u>678</u>	<u>560</u>	<u>46</u>	<u>606</u>
Taxation on NAMTL profit	0	0	0	(7)	0	(7)
	<u>636</u>	<u>42</u>	<u>678</u>	<u>553</u>	<u>46</u>	<u>599</u>
<b>(c) Other operating income comprises</b>						
- Membership income	37	0	37	23	0	23
- Interest on rates refund	21	0	21	0	0	0
- Other	1	0	1	3	4	7
	<u>59</u>	<u>0</u>	<u>59</u>	<u>26</u>	<u>4</u>	<u>30</u>

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**4. Expenditure**

**(i) Year ended 31<sup>st</sup> March 2024**

**(a) Expenditure on Raising Funds comprise:**

	Trading	Fundraising	Total 2023/24
	£'000	£'000	£'000
Staff costs	474	91	565
Premises costs	6	2	8
Cost of sales	157	0	157
Subsidiary overheads	19	0	19
Collections maintenance	0	7	7
Depreciation and (profit)/loss on disposal	103	26	129
General administration costs	36	41	77
Consultancy	2	0	2
Insurance and professional fees	28	7	35
Support costs	82	18	100
Governance	62	13	75
	969	205	1,174

**(b) Expenditure on Charitable Activities comprise:**

	Collections	Curatorial	Education	Publicity	Total 2023/24
	£'000	£'000	£'000	£'000	£'000
Staff costs	1,910	932	464	281	3,587
Premises costs	359	15	8	5	387
Collections maintenance	491	0	0	0	491
Event costs	18	0	120	0	138
Promotion costs	0	0	0	415	415
Depreciation and (profit)/loss on disposal	460	250	129	83	922
General administration costs	156	82	42	29	309
Consultancy	8	4	2	1	15
Insurance and professional fees	124	67	35	23	249
Support costs	351	134	80	83	648
Governance costs	267	102	61	63	493
	4,144	1,586	941	983	7,654

**(c) Governance and support costs comprise:**

	Finance	Human Resources	Information Technology	Total Support	Governance
	£'000	£'000	£'000	£'000	£'000
Staff costs	196	201	150	547	320
Premises costs	3	3	2	8	5
Depreciation and (profit)/loss on disposal	46	45	29	120	86
General administration costs	15	14	9	38	29
External audit	0	0	0	0	52
Internal audit	0	0	0	0	17
Consultancy	1	1	0	2	10
Insurance and professional fees	13	12	8	33	42
Trustees expenses and meeting costs	0	0	0	0	7
	274	276	198	748	568

Premises costs for the year have been reduced by £780,000 as a result of a rates refund relating to the period 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2023.

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**(ii) Year ended 31<sup>st</sup> March 2023**

**(a) Expenditure on Raising Funds comprise:**

	Trading	Fundraising	Total 2022/23
	£'000	£'000	£'000
Staff costs	261	109	370
Premises costs	55	18	73
Cost of sales	157	0	157
Subsidiary overheads	19	0	19
Collections maintenance	0	(2)	(2)
Depreciation and (profit)/loss on disposal	84	28	112
Impairment and impairment reversal	(93)	(31)	(124)
General administration costs	28	38	66
Consultancy	2	1	3
Insurance and professional fees	12	4	16
Support costs	57	18	75
Governance	37	12	49
	619	195	814

**(b) Expenditure on Charitable Activities comprise:**

	Collections	Curatorial	Education	Publicity	Total 2022/23
	£'000	£'000	£'000	£'000	£'000
Staff costs	1,642	810	353	162	2,967
Premises costs	628	179	64	34	905
Collections maintenance	698	0	0	0	698
Event costs	16	0	114	0	130
Promotion costs	0	0	0	194	194
Depreciation and (profit)/loss on disposal	472	275	99	53	899
Impairment and impairment reversal	(519)	(303)	(108)	(58)	(988)
General administration costs	162	92	34	18	306
Consultancy	11	7	2	1	21
Insurance and professional fees	64	38	14	7	123
Support costs	351	122	63	45	581
Governance costs	224	78	40	29	371
	3,749	1,298	675	485	6,207

**(c) Governance and support costs comprise:**

	Finance	Human Resources	Information Technology	Total Support	Governance
	£'000	£'000	£'000	£'000	£'000
Staff costs	194	154	179	527	250
Premises costs	33	29	16	78	50
Depreciation and (profit)/loss on disposal	50	45	24	119	76
Impairment and impairment reversal	(55)	(49)	(27)	(131)	(84)
General administration costs	18	14	10	42	25
External audit	0	0	0	0	43
Internal audit	0	0	0	0	29
Consultancy	1	1	1	3	2
Interest payable	2	0	0	2	1
Insurance and professional fees	7	6	3	16	22
Trustees expenses and meeting costs	0	0	0	0	6
	250	200	206	656	420

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Governance and support costs in respect of staff, premises, depreciation and administration have been allocated based on the estimated time spent by staff on these activities and the cost of these staff. Other costs have been allocated based on the amounts invoiced for these services.

Trustees' expenses of £2,999 (2023: £4,402) relate to travel expenses reimbursed for 7 trustees (2023 – 5 trustees). In addition, NAM incurred £4,412 (2023: £1,302) in relation to Trustee meeting costs. A Trustee was paid £Nil (2023: £200) for speaking at the Chelsea History Festival.

<b>5. Total expenditure is stated after charging the following items:</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2023/24</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2022/23</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Auditors' remuneration						
- audit services	52	0	52	43	0	43
Staff costs						
- wages and salaries	3,483	0	3,483	2,854	0	2,854
- social security costs	362	0	362	299	0	299
- pension costs	374	0	374	302	0	302
- redundancy costs	0	0	0	0	0	0
- temporary staff	800	0	800	659	0	659
	<u>5,019</u>	<u>0</u>	<u>5,019</u>	<u>4,114</u>	<u>0</u>	<u>4,114</u>
Operating lease costs						
- land and buildings	284	0	284	284	0	284
- other	11	0	11	15	0	15
	<u>295</u>	<u>0</u>	<u>295</u>	<u>299</u>	<u>0</u>	<u>299</u>

The external audit fee for the Charity was £43,600 (2023: £37,400). During the year NAM did not contract any non-audit services from its external auditor, the National Audit Office (NAO).

The external audit fee for the subsidiary NAMTL was £8,475 (2023: £5,975). No non-audit services were provided by the auditor of NAMTL.

There were no approved exit packages during the year (2023: none). There were no special severance packages for 2023/24 or 2022/23.

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**6. Intangible Fixed Assets**

<u>GROUP</u>	<b>Assets Under Development</b>	<b>Website Development</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<u>VALUATION</u>			
At commencement of year	0	0	0
Additions at cost	20	65	85
On revaluation	0	0	0
Disposals	0	0	0
At end of year	20	65	85
<u>AMORTISATION</u>			
At commencement of year	0	0	0
Charge for year	0	13	13
On revaluation	0	0	0
Disposals	0	0	0
At end of year	0	13	13
<u>NET BOOK VALUE</u>			
At 31 March 2024	20	52	72
At 31 March 2023	0	0	0

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**7. Tangible Fixed Assets**

<b>GROUP</b>	<b>Long Leasehold Land and Buildings</b>	<b>Short Leasehold Improvements</b>	<b>Computer Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b><u>VALUATION</u></b>					
At commencement of year	45,585	902	577	2,284	49,348
Additions at cost	270	0	21	21	312
On revaluation	340	0	8	95	443
Disposals	0	0	(52)	(65)	(117)
At end of year	46,195	902	554	2,335	49,986
<b><u>DEPRECIATION</u></b>					
At commencement of year	921	235	454	1,436	3,046
Charge for year	937	22	45	160	1,164
On revaluation	24	0	5	50	79
Disposals	0	0	(52)	(64)	(116)
At end of year	1,882	257	452	1,582	4,173
<b><u>NET BOOK VALUE</u></b>					
At 31 March 2024	44,313	645	102	753	45,813
At 31 March 2023	44,664	667	123	848	46,302

All fixed assets are owned by the Charity with the exception of £2,000 of fixtures and fittings owned by National Army Museum Trading Limited with a net book value of £1,000 (2023: £1,000).

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Included in long leasehold land and buildings is a sum of £8,890,000 (2022/23 £9,165,000) for land, which has not been depreciated.

The long leasehold property known as the National Army Museum was valued as at 31 March 2022 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the requirements of the RICS Valuation – Global Standards 2022 and the national standards and guidance set out in the UK national supplement (November 2018), as well as FRS102, the Charities SORP and guidance issued by HM Treasury. The valuations of specialised properties were derived using the Depreciated Replacement Cost (DRC) method. The valuation is reported under the special assumption to exclude any value of development opportunities for which planning permission would be required and has not been granted or where development has not yet commenced.

The valuation apportioned as at 31 March 2022 for the total land and buildings was as follows:

	£'000
Land	9,352
Structure of buildings	16,930
Fit-out of buildings	5,579
Plant and machinery	10,226
	<u>42,087</u>

The Museum is housed in a purpose-built property in Chelsea on land owned by the Royal Hospital Chelsea, the lease is for 999 years at a peppercorn rent of one guinea per annum. The lease restricts the use of the building to that of a Museum for the collection, preservation and exhibition of objects and records relating to the history of the Military Forces of Her Late Majesty and her predecessors etc. All material tangible fixed assets are used in Direct Charitable Activities.

**8. Heritage Assets**

**(a) Carrying value**

	<b>Museum Collection £'000</b>	
At commencement of year	68,083	
Additions	147	
Disposals	<u>0</u>	
At end of year	<u>68,230</u>	
Net Book Value at 31 March 2024	<u>68,230</u>	
Net Book Value at 31 March 2023	<u>68,083</u>	
	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
The carrying value comprises:		
Exhibits	35,823	35,750
Fine and decorative arts	20,682	20,634
Archives, photographs, film and sound	10,572	10,546
Printed books	1,153	1,153
	<u>68,230</u>	<u>68,083</u>



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**(b) Five year financial summary of heritage asset transactions**

	2024	2023	2022	2021	2020
	£'000	£'000	£'000	£'000	£'000
<u>Additions</u>					
Purchases	69	112	391	145	300
Donations	78	-	36	40	21
Total Additions	<u>147</u>	<u>112</u>	<u>427</u>	<u>185</u>	<u>321</u>
<u>Disposals</u>					
Sales Proceeds	-	-	-	26	-
Carrying Value	-	-	-	(70)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44)</u>	<u>-</u>

**(c) Grant Received**

During the year the Museum received grants towards the purchase of items for its collection of £130,000 (2023 - £130,000) as part of its Grant-in-Aid funding. These grants were used to fund the purchase of heritage assets noted above with any unspent grants being carried forward to fund future acquisitions.

**9. Fixed Asset Investments**

	Group	Charity	Group	Charity
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Investment in subsidiary undertaking (note 9a and 9b)	-	50	-	50
<u>Quoted investments (note 9c)</u>				
Market value at beginning of year	402	402	-	-
Transfer from current asset investments	-	-	365	365
Add: acquisitions at cost	25	25	52	52
Dividends reinvested net of management fees	7	7	5	5
Net unrealised investment (loss)/gains	34	34	(20)	(20)
Market value at end of year	<u>468</u>	<u>468</u>	<u>402</u>	<u>402</u>
Total unlisted investments	<u>468</u>	<u>518</u>	<u>402</u>	<u>452</u>

The transfer from current asset investments in the prior year represents the market value of the investments at 1<sup>st</sup> April 2022 prior to their reclassification as fixed asset investments.

**9a. Investment in Subsidiary Undertaking**

The investment of £50,000 in subsidiary undertakings represents the charity's interest in 100% of the issued share capital of National Army Museum Trading Limited which is incorporated in England and Wales and operates a souvenir shop and other trading activities for the Museum. The company's aggregate capital and reserves were as follows:

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The assets and liabilities of the subsidiary were:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Fixed assets	1	1
Current assets	217	321
Creditors: amounts falling due within one year	(157)	(236)
Creditors: amounts falling due after more than one year	(11)	(36)
	<u>50</u>	<u>50</u>
	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Share capital	50	50
Surplus/(deficit) retained in subsidiary	0	0
	<u>50</u>	<u>50</u>

The issued share capital of National Army Museum Trading Limited is £50,000 (2023: £50,000).

A summary of the Company's trading results is shown in note 9b. Audited accounts will be filed with the Registrar of Companies.

**9b. Income from Trading Company**

The Consolidated Statement of Financial Activities includes the result of the trading subsidiary as follows:

National Army Museum Trading Limited

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	566	517
Cost of sales and administrative expenses	(525)	(381)
Other Operating income	1	0
Net profit/(loss) before taxation	<u>42</u>	<u>136</u>
Taxation	0	6
Net profit/(loss) after taxation	<u>42</u>	<u>130</u>

**9c. Quoted Investments**

Quoted investments represent a portfolio managed by Brewin Dolphin Limited. The historic cost of these investments was £442,000 (2023 - £417,000). The quoted investments represent surplus cash that has been invested with the aim of achieving additional income for the Museum.

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<b>10. Debtors</b>	<b>Group 2024 £'000</b>	<b>Charity 2024 £'000</b>	<b>Group 2023 £'000</b>	<b>Charity 2023 £'000</b>
Trade debtors	23	11	58	48
VAT debtor	75	92	197	221
Prepayments and accrued income	220	219	326	325
Amounts due from subsidiary undertaking	0	41	0	61
Gift aid due from subsidiary undertaking	0	42	0	102
Other debtors	20	20	26	24
	<u>338</u>	<u>425</u>	<u>607</u>	<u>781</u>

Amounts due from subsidiary undertaking includes an unsecured loan to NAMTL of £36,000 (2023: £60,000). The loan is repayable over 5 years and carries interest at 1% per annum. Included in the amount due is £11,000 (2023: £36,000) repayable after more than one year.

**11. Cash and Cash Equivalents**

	<b>Group 2024 £'000</b>	<b>Charity 2024 £'000</b>	<b>Group 2023 £'000</b>	<b>Charity 2023 £'000</b>
Cash at bank and in hand	772	625	594	317
	<u>772</u>	<u>625</u>	<u>594</u>	<u>317</u>

**Analysis of changes in net debt**

	<b>At start of year £'000</b>	<b>Cash-flows £'000</b>	<b>At end of year £'000</b>
Cash	594	178	772
	<u>594</u>	<u>178</u>	<u>772</u>

**12. Creditors: Amounts falling due within one year**

	<b>Group 2024 £'000</b>	<b>Charity 2024 £'000</b>	<b>Group 2023 £'000</b>	<b>Charity 2023 £'000</b>
Trade creditors	198	187	321	308
Accruals and deferred income	656	599	588	516
	<u>854</u>	<u>786</u>	<u>909</u>	<u>824</u>

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**13. Funds Analysis**

	Balance 1 April 22	Income	Expenditure	Transfers	Gains and losses	Balance 31 March 23	Income	Expenditure	Transfers	Gains and losses	Balance 31 March 24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>RESTRICTED FUNDS</b>											
NAM Land and Buildings	39,334	0	406	519	0	40,259	0	(961)	270	0	39,568
NAM Land and Buildings revaluation	2,753	0	0	0	1,652	4,405	0	0	0	340	4,745
Restricted Heritage Assets	4,677	0	0	112	0	4,789	78	0	69	0	4,936
Grant-in-Aid exhibits reserve	0	130	0	(112)	0	18	130	0	(69)	0	79
Grant-in-Aid operations reserve	0	100	(100)	0	0	0	120	(120)	0	0	0
Funds for upkeep and maintenance of specific parts of NAM collection	540	3	0	0	(20)	523	14	0	0	34	571
Funds received for specific NAM projects	8	32	(4)	0	0	36	70	(73)	0	0	33
Chelsea History Festival sponsorship	0	46	(46)	0	0	0	42	(42)	0	0	0
Brothers in Arms (Esmée Fairbairn)	5	0	(5)	0	0	0	0	0	0	0	0
	<u>47,317</u>	<u>311</u>	<u>251</u>	<u>519</u>	<u>1,632</u>	<u>50,030</u>	<u>454</u>	<u>(1,196)</u>	<u>270</u>	<u>374</u>	<u>49,932</u>
<b>UNRESTRICTED FUNDS</b>											
Unrestricted funds	64,695	7,556	(7,272)	(519)	0	64,460	7,683	(7,632)	(270)	0	64,241
Unrestricted funds revaluation	375	0	0	0	245	620	0	0	0	103	723
	<u>65,070</u>	<u>7,556</u>	<u>(7,272)</u>	<u>(519)</u>	<u>245</u>	<u>65,080</u>	<u>7,683</u>	<u>(7,632)</u>	<u>(270)</u>	<u>103</u>	<u>64,964</u>
<b>TOTAL FUNDS</b>	<u>112,387</u>	<u>7,867</u>	<u>(7,021)</u>	<u>0</u>	<u>1,877</u>	<u>115,110</u>	<u>8,137</u>	<u>(8,828)</u>	<u>0</u>	<u>477</u>	<u>114,896</u>

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The NAM Land and Buildings Fund represents the net book value of its Long Leasehold Land and Buildings. These assets were funded entirely by public donations in the period leading up to and after the acquisition of the lease and the building of the Museum in 1967. Under the terms of NAM's lease of the land and buildings they can only be used for the purposes of a Museum for the collection, preservation and exhibition of objects and records relating to the history of the Military Forces of Her Late Majesty and her predecessors and hence their classification as a restricted fund.

The NAM Land and Buildings revaluation reserve (Restricted Funds) represents the result of revaluations subsequent to initial recognition. As at 31 March 2024 this includes part of the revaluation gains on Long Leasehold Buildings, being the excess of the revaluation gains over previous impairment charges for the asset (NAM Museum Building in Chelsea). Revaluations of the building have resulted in previous charges for impairment being reversed and accrued for as credits to expenditure in the Statement of Financial Activities, in accordance with the Charities SORP (FRS 102).

Transfers between funds relate to capital expenditure on Long Leasehold Land and Buildings which have been funded from unrestricted funds in respect of this restricted asset.

Restricted Heritage Assets represent those assets acquired by NAM from restricted donations including the annual exhibits Grant-in-Aid.

The Grant-in-Aid exhibits reserve relates to specific Grant-in-Aid received for the purchase of heritage assets which remains unspent at the end of the financial year.

The Grant-in-Aid restricted operations reserve relates to specific Grant-in-Aid received to support NAM's work with the Commonwealth War Graves Commission and scholarship research activities. This income was fully expensed during the year.

Funds for the upkeep and maintenance of specific parts of the NAM Collection relate to amounts transferred to NAM towards the upkeep and maintenance of various items of the Collection when these items were transferred or bequeathed to NAM which remained unspent at the end of the financial year.

Funds received for specific NAM projects relates to donations and sponsorships received for specified purposes and events. At 31 March 2024 there were £17,000 (2023: £36,000) of unspent funds in relation to donations received for fellowship research and £16,000 (2023: Nil) for display cases.

The Brothers in Arms Esmée Fairbairn Fund was used to research the NAM's Indian Army collection, and to digitise related objects within the collection.

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**14. Analysis of Group Net Assets Between Funds**

	Unrestricted Funds	Restricted Funds	Total 2024	Unrestricted Funds	Restricted Funds	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Intangible fixed assets	72	-	72	-	-	-
Tangible fixed assets	1,500	44,313	45,813	1,638	44,664	46,302
Heritage fixed assets	63,294	4,936	68,230	63,294	4,789	68,083
Fixed asset investments	-	468	468	-	402	402
Other net assets	98	215	313	148	175	323
	<u>64,964</u>	<u>49,932</u>	<u>114,896</u>	<u>65,080</u>	<u>50,030</u>	<u>115,110</u>

The above net assets include Revaluation Reserves of:

	2024 £'000	2023 £'000
<b>Tangible fixed assets</b>		
Unrestricted	723	620
Restricted	4,745	4,405
	<u>5,468</u>	<u>5,025</u>

The restricted revaluation reserve relates to revaluations of the Long Leasehold Land and Buildings.

**15. Operating Lease Commitments**

At 31 March 2024, the Museum had total future minimum commitments under non-cancellable operating leases as follows:

	2024		2023	
	£'000	£'000	£'000	£'000
	Land and buildings	Other	Land and buildings	Other
Due within one year	284	14	284	13
Due between one and five years	1,071	20	1,102	-
Due after five years	693	-	945	-
	<u>2,048</u>	<u>34</u>	<u>2,331</u>	<u>13</u>

The land and buildings lease commitment relates to the Museum's short leasehold property in Stevenage.

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**16. Related Party Transactions**

National Army Museum Trading Limited

The relationship to NAMTL is disclosed in note 9a together with summary financial information, and the balances due with NAMTL at the year end are disclosed in note 10. Mrs Donovan acted as a director of National Army Museum Trading Limited and is also a Member of Council.

National Army Museum Development Trust

The National Army Museum Development Trust (“the Trust”) is a registered charity, number 278939, connected with the Museum.

The funds of the Trust may be applied, at the discretion of the Trust’s trustees, to further the charitable purposes of the Museum or other charitable purposes or institutions. The trustees may not, unless they see special reason, make a payment to the Museum without specifying the particular purpose for which it is to be used, being a purpose for which public funds are not expected to be available. During the year the Trust donated £12,800 (2023: £20,000) to the Museum to assist in meeting the costs of a research fellowship and £Nil (2023: £Nil) towards the acquisition of heritage assets.

The net assets of the Trust at 31 December 2023, its most recent financial year end, were £627,247 (31 December 2022 £572,455). The control and administration of these funds remains, at all times, the full responsibility of the Trust’s trustees.

NAM does not consider itself to have significant influence over the Trust and as a result it is not considered an associate for these financial statements.

Ministry of Defence

The National Army Museum is classified for administrative purposes by the Ministry of Defence (“the MOD”) as an Executive Non-Departmental Public Body (ENDPB) which it sponsors. The MOD is regarded as a related party. Grant-in-Aid funding from the MOD is separately disclosed in note 3 of the Financial Statements.

**17. Capital Commitments**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Authorised and contracted for at 31st March 2024	300	-
Authorised at 31st March 2024 but not contracted for	-	-

**18. Post Balance Sheet Events**

The annual report and financial statements were authorised for issue by the Accounting Officer on the date that the auditors’ report was signed by the Comptroller and Auditor General.

