

SIR JOHN SOANE'S MUSEUM

Registered Charity No. 313609

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

30 November 2023
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SIR JOHN SOANE'S MUSEUM

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Sir John Soane's Museum is a Non-Departmental Public Body whose sponsor is the Department for Culture, Media and Sport



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HISTORY, AIMS AND OBJECTIVES OF THE MUSEUM

History of the Museum

The architect Sir John Soane's house at No.13 Lincoln's Inn Fields has been a public museum since the early 19th century.

Soane demolished and rebuilt three houses on the north side of Lincoln's Inn Fields, beginning with No.12 between 1792 and 1794, moving on to No.13, re-built in two phases in 1807-09 and 1812, and concluding with No.14, rebuilt in 1823-24. Throughout the period he also made continuous alterations, adding more objects to his arrangements. Soane always sought to enhance the poetic effects and picturesque qualities of the architectural setting for what was his home, his architectural office and his museum.

On his appointment as Professor of Architecture at the Royal Academy in 1806, Soane 'began to arrange the Books, casts and models in order that the students might have the benefit of easy access to them' and proposed opening his house for the use of the Royal Academy students the day before and the day after each of his lectures. By 1827, when John Britton published the first description of the Museum, Soane's collection was being referred to as an 'Academy of Architecture'.

In **1833** Soane negotiated an **Act of Parliament (3^o Gul.IV, Cap.iv)** to settle and preserve the house and collection for the benefit of 'amateurs and students' in architecture, painting and sculpture. On his death in **1837** the Act came into force, vesting the Museum in a board of Trustees who were to continue to uphold Soane's own aims and objectives. A crucial part of their brief was to maintain the fabric of the Museum, keeping it 'as nearly as circumstances will admit' in the state in which it was left at the time of Soane's death in 1837; and to allow free access for students and the public to 'consult, inspect and benefit' from the collections.

The **1833 Act** was superseded in 1969 by **The Charities (Sir John Soane's Museum) Order (1969 No.468)**, revised in **1996, 2003, 2011, 2012, 2021** and **2022**.

Aims and Objectives of the Museum

The aims of the Trustees today embody Soane's general aims as defined in the 1833 Act and in the 1969 Order which superseded it.

The principal aim of the Trustees is to maintain the integrity of Soane's vision for the Museum while extending this, where appropriate, so that the Museum can play an increasing role in educational and recreational life in this country and beyond.

The Trustees' main objectives are:

1. To maintain and improve the conservation and maintenance of the Grade I listed buildings and works of art so that they will be accessible to present and future generations.

Soane's 1833 Act stipulated that his house and museum (No.13 Lincoln's Inn Fields) should be kept 'as nearly as circumstances will admit' as it was in 1837. The Trustees' strategy is to maintain the historic fabric of the three Soane houses, Nos 12, 13 and 14 Lincoln's Inn Fields, and, when possible, to restore objects and interiors to their Soane arrangement and appearance.

2. To allow the public free access to the Museum.

3. To encourage the public to appreciate and explore all aspects of the Museum and its collections, and of Sir John Soane, his life and works, whether as visitors or at a distance.
4. To inspire curiosity and creativity by means of an imaginative programme of events so that the Soane remains a 'living' museum.
5. To provide opportunities for education in its broadest sense in all aspects of architecture and the history of art, doing honour to Soane's intention to develop his House and Museum as 'an Academy for the Study of Architecture'.
6. To ensure that the Museum's staff, administration and finances are effectively managed.

With these objectives in mind, in 2020-21 the Trustees approved a three-year future programme for the Museum in a Strategic Plan covering the period 2021-24.

The Museum entered the 2020s from a position of strength. The outstanding achievement of the previous decade was the physical renewal and restoration of the Museum through the '*Opening up The Soane*' project. As an architectural setting for Soane's collection, the Museum is now closer to its appearance in 1837 than it has been since the late nineteenth century.

And while the core objectives, including allowing free access for students and the public to 'consult, inspect and benefit' from the collections, remain as set out in the 1833 Act, the Museum's vision for the coming years is to encourage access to Soane's legacy in its broadest sense: architecture, design and creative originality, collections and a commitment to learning and enquiry, and the connections between past and present that the Museum reveals.

Trustees are mindful of the priorities set out by the Department for Culture, Media and Sport (DCMS) in its framework document and have taken these into account.

Public Benefit

In compliance with the duty set out in section 4 of the Charities Act 2011, the Trustees have considered the Charity Commission's General Guidance on Public Benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned objectives will contribute to the aims and objectives they have set.

The benefits provided by the Museum are freely available to the public. The Trustees of the Museum give their time and expertise without charge.

Relationship between the Charity and Related Parties

Sir John Soane's Museum is an executive Non-Departmental Public Body funded by a combination of grant-in-aid allocated by the Department for Culture, Media and Sport and income secured through commercial, fundraising, sponsored and charging activities. DCMS is regarded as a related party. The Museum's trading subsidiary, Soane Museum Enterprises Limited and the independent charitable company Sir John Soane's Museum Trust are also regarded as related parties. Details of related party transactions are contained in Note 19 to the Accounts.

REVIEW OF THE YEAR

DIRECTOR'S OVERVIEW

In the past year, Sir John Soane's Museum experienced a remarkable recovery on all fronts as we finally put the pandemic behind us. We enjoyed a record number of visitors, 133,785, more than we had logged in previous years. We were also able to bring to a successful conclusion two major projects: the restoration of the Drawing Office and of the Drawing Rooms. The Drawing Office is the oldest surviving architectural studio in the country and the last major portion of our fabric in need of attention. This was a major undertaking, especially as we launched the scheme in the uncertain financial climate of 2021. The project covered not only the restoration, but also the renewal of the structure's purpose by establishing an artistic residency, which will take place twice yearly in the spring and autumn. We are grateful to the many foundations and individuals who supported this initiative. We were also fortunate to count upon the professional services of Julian Harrap Architects, Fullers Builders, and Taylor Pearce Restoration as well as our own Conservation department, all of whom helped to deliver this complex work on time and on budget.

It was both timely and appropriate that the South Drawing Room was redecorated and both the North and South Drawings Rooms given new carpets, because it was here that the restoration of the Soane began in the late twentieth century. In 1986, the then Curator Peter Thornton returned these two rooms to their original, brilliant yellow colour and with matching curtains. Neither room had received much attention since that time, and they were in need of refreshing. We are extremely grateful to the Department for Culture, Media and Sport for generously underwriting the process.

The newly restored Drawing Office and its unique collection of plaster casts have now been scanned and will be added to *Explore Soane*, our digital fly-through of the building, in the coming months. It will join the 118 works of art from the Picture Room, which are now available for consultation on this digital platform, thus greatly enhancing its utility.

While digital became an essential means of communicating with the public during the pandemic, over the past year our in-house programming has recovered from the dip experienced in the previous two years. It has been heartening to hear again the voices of children on school visits to the Museum, and of the 56 schools that participate in our programmes, 31 were state schools. Our architectural clubs and partnership with *Classics for All* have introduced children aged 7 to 18 years of age to all aspects of the built environment and elements of design. We continue to collaborate with the Wallace Collection and the charity Element to promote the mental health of young people leaving care. At the same time, we are proud to continue our work with the Tana Trust on *Art Space*, our programme using art as therapy for adults with cognitive difficulties.

Our exhibitions have embraced subjects as diverse as master drawings from our own collection to virtual reality. This January, we celebrated our sixth presentation of the Architectural Drawing Prize in tandem with the firm Make Architects and the World Architecture Festival, and the competition drew scores of entries from around the world. We also celebrated Her late Majesty's Platinum Jubilee with memorabilia of coronations past lent by members of the staff. In addition, our contemporary discussion series *By Design* and innovative programming such as our LGBTQ+ tours demonstrate our adherence to the founder's wish that his museum would be an academy where diverse people could come to discuss and experience new art.

The great sadness of the past year was the sudden death of our Trustee Stephen Gosztony on 29 August 2022. His wise counsel and generosity are sorely missed.

As I shall retire at the end of the calendar year, I want to take this opportunity to thank our colleagues at the Department for Culture, Media and Sport, whose advice I have come to rely upon and who have been a constant source of support during my tenure as Accounting Officer, especially in the darkest days of the pandemic. I should also like to record my gratitude to the Trustees of Sir John Soane's Museum for having bestowed upon me the honour of stewarding this remarkable institution over the past seven years. Finally, I would like to pay tribute to the staff for their collaboration and generosity of spirit, which are the hallmarks of this institution.

Bruce Boucher, FSA

Deborah Loeb Brice Director

THE BUILDINGS

Works funded by DCMS last year with a grant of £242,000 were completed. The four new gas boilers in the No.12 basement and one in No. 14 were commissioned in July 2022. MSE Group won the contract to renew the main incoming electrical supply and this work was completed in October with the Museum powered by a generator on the pavement outside for a two-week period. At the same time, steel bars were fitted to strengthen the stone ceiling slabs in all the No.13 cellars. Julian Harrap Architects and Eiger Safety completed the design of new ladders and walkways to enable safe access to the rear roofs and Listed Building Consent was granted in December 2022.

In April 2022 DCMS confirmed the allocation of £200,000 for capital works spread over the 2022-23 to 2024-25 financial years. In addition, they confirmed the eligibility of the redecoration of the South Drawing Room for funding from contingency within their capital spend and were able to confirm monies to cover that work in November, along with funds for a small number of emergency maintenance items, including the securing of a dropped stone slab above the east end of the South Drawing Room loggia, which was carried out in January 2023.

The redecoration of the South Drawing Room was carried out in March 2023 by Britain and Company, the visitor route being diverted during the works and all the pictures and sculptures stored in the North Drawing Room. Peter Holmes took out and restored a damaged curved section of walnut-grained skirting from the west end of the room. In the Loggia the yellow paint was extended to the floor, as in Soane's day, eliminating areas of 1920s dark-brown paint.

Taylor Pearce cleaned and repaired large casts of two Barberini candelabra in the Vatican Museums from the niches in the Loggia north wall. The Soane conservation team cleaned, repaired and numbered six small plaster figures by Flaxman and the 18th-century earthenware mantelpiece garniture, with gilded decoration as well as cleaning furniture, lamps and picture frames. The curtains were successfully dry-cleaned by Pilgrim Payne Ltd.

All the projects that received funding to be spent in the year 2022-23 were successfully completed before the end of March 2023.

Lady (Sue) Stern finalised the colourway for the new Drawing Room carpets which were woven by Woodward Grosvenor. The North Drawing Room carpet was laid in November 2022. The South Drawing Room carpet was laid in April 2023 after completion of the redecoration work. In preparation Fullers removed several strips of the 1930s parquet from the north side of that room to enable all doors to open with the carpet down.

South-facing windowsills on the façade of No. 13 were redecorated as they were badly weathered, and the interior of the Apollo Recess roof light was redecorated. Chapel Studios reglazed panels in the Monk's Parlour door (from which four historic panels were removed to return to their original positions as part of the Drawing Office project) and reinstalled it in August 2022.

Significant damage was caused by crows dropping stones on the top and rear roofs, requiring costly glass repairs and posing a risk to visitors and the Museum. A number of deterrents failed but some success was achieved with fake dead crows. Camden Council and government agencies were unable to offer any solution to this persistent problem, affecting many businesses in the Fields.

Drawing Office project

Fullers completed the construction phase in May 2022 with the installation of the new door to cupboard 100 and the screen at the top of the stairs in which Chapel Studios installed stained glass panels in August. Final specialist decorations (bronzing of the railings, graining of joinery and application of floor finishes) was carried out by Saskia Huning. The Denon bookcases returned to their original positions (minor strengthening of the floor beneath was carried out by Fullers after inspection by the structural engineer).

Peter Holmes completed a sensitive restoration of the desks in the summer, repairing missing elements, re-aligning drawers and carcasses where they had shrunk, finding replacements for missing handles and using artificial ivory to create replacement drawer numbers. During his work two small areas of asbestos were found: these were successfully removed in November 2022 (funded by DCMS emergency maintenance monies).

More than 200 casts were conserved, half by the Soane Conservation team and half by Taylor Pearce Restoration. Peter Holmes repaired a number of wooden models.

ScanLab scanned and 3-D printed a panel depicting Juno (M1358) to enable Taylor Pearce to produce a facsimile to replace the missing M1359 (broken in the 19th century). Taylor Pearce cast a replacement bracket to go beneath the end of the north-west beam.

46 works were re-hung on the ceiling and east and west walls in October and November 2022 by Taylor Pearce ahead of the main reinstallation during the Museum's regular closed week for critical conservation, in January 2023. All work was completed to schedule. The original hand-forged, tapering, nails were able to be re-used to fix all objects where applicable. Original fixings for a number of works that had come out of store to go back in their identified original locations were found to be still in place.

Research into the arrangement of works by Helen Dorey revealed that a lead bust of Palladio hung high up below the bust of Lawrence and above and behind that of Soane on a piece of panelling at the west end of the Drawing Office had been replaced with plywood. Fullers installed a replacement panel that could take the weight of this original arrangement which was reinstalled in January 2023.

The final stage of the reinstallation was to put back the large models and other items that were on the desktops in 1837, all of which were cleaned by the conservation team. Three 19th-century clerks' lamps (for candles) acquired a few years ago from HMRC at Somerset House were repaired by Peter Holmes and installed in the space.

The new lighting scheme was commissioned and completed by Charles Marsden-Smedley and new blinds installed by Sun-X, using the original cleats to secure the cords to the desks.

Since the main reinstallation in early January, other works of art have been reinstalled in the areas beneath the Office – highlights include the arrangement on the back door of the Museum, including a striking relief of Minerva, lit by light coming through a floor aperture in the Office above. The original hang has been reinstated on the east wall of the Museum Corridor, adjacent to the stairs up to the Drawing Office, which has significantly enhanced its setting.

Documentation for all items removed from the building or moved during the project has been audited. In total 384 items were moved, stored offsite or conserved during the project and over 200 of these were reinstalled during closed week.

Explore Soane: the Drawing Office

ScanLab scanned the altered east end of the Colonnade and the Drawing Office in February 2023 in preparation for the digital Drawing Office being added to *Explore Soane*.

Security

An external review of security was carried out by Andy Davis of Trident Manor. This review was commissioned as part of the Museum's routine assessment of risk and control processes. His recommendations will be implemented during 2023-24.

THE COLLECTIONS

'Works of Art' denotes the paintings and other objects on display in the Museum. 'Research Library and Archive' covers Soane's collection of drawings and books and his business and personal papers.

WORKS OF ART

Cataloguing and Research

Helen Dorey published 'The Place of Models and Drawings in Sir John Soane's House and Museum' in *The Routledge Companion to Architectural Drawings and Models: From Translating to Archiving, Collecting and Displaying* in May.

36 period kitchen items purchased to enhance the presentation of the No. 13 kitchens were professionally photographed and accessioned.

118 records for works in the Picture Room were reviewed and updated, including the addition of some new photography. Although the bulk of work on the digital Picture Room accessible online via *Explore Soane* was completed in 2021-22, the feature was launched online in May 2022 with an accompanying article in *Museums Journal*.

The review of catalogue entries for sculpture by named sculptors to enhance the online records continued. Amongst other entries updated and expanded were those for Soane medals and bronzes after Pietro Tacca. A small cast of an Egyptian relief (M1350) from the drawing office was identified as being from part of a large sculpture in the Vatican Museums with the help of John Taylor (British Museum).

Hogarth's *A Rake's Progress*:

Simon Bobak (independent conservator) produced his detailed report on the structure of the eight paintings, endorsed by Paul Ackroyd of the National Gallery in April 2022. He concluded that whilst the canvases were tearing around the edges they were not as brittle as feared. He advised that strip-lining, as opposed to full re-lining, should be possible, and would extend the life of the current linings by 50 years. The work should be completed as soon as practicable and it is currently planned that work will start in April 2024. In the meantime, movement should be minimised so the number of times the planes are opened has been reduced and the Head of Conservation is carrying out monthly visual inspections to verify that the paintings remain stable.

Conservation and reinstatement

The Conservation team carried out all essential care of collections regimes including Integrated Pest Management, environmental monitoring and cleaning of the collections and spaces and continued to offer support to colleagues across the Museum.

Throughout the whole year the conservation team worked on the Drawing Office project (see p.11). They conserved over 100 plaster casts and more than 20 wooden architectural models, recorded photographically all works of art before and after conservation (more than 250), commissioned and managed the installation of blinds in the office and managed a complex re-installation of the arrangements during the closed week in January 2023.

Work to compile a manual of guidelines for all types of events and activities in the Museum spaces was completed and the Conservation team gave a presentation on the manual to staff on an induction day in July 2022.

The Conservation team collaborated with a photographer, Alixe Lay, on her project, *Genius Loci* in which she photographically documented the work of the conservators.

The paper conservator prepared works of art for exhibitions in the Soane Gallery and for loan to external venues.

THE RESEARCH LIBRARY AND ARCHIVE

Cataloguing of the Drawings Collection

Trainee cataloguer Louisa Catt continued her work to catalogue a portion of the Adam drawings collection.

Academic cataloguers Manolo Guerci and Ursula Weekes continued their *pro bono* work on the Thorpe album and two volumes of Indian and Persian miniatures, as did David Hemsoll and Paul Davies on the Codex Coner, a volume of sixteenth- and seventeenth-century Italian drawings. Nicholas Savage resumed his work, suspended during the Covid-19 pandemic, cataloguing the illustrations in Soane's six-volume extra-illustrated copy of Thomas Pennant's *Some Account of London*, 1805.

Library Volunteer Eileen Gunn made substantial progress on her work to convert Jill Lever's 2003 printed catalogue of the drawings by George Dance the Younger in the collection to an online catalogue.

On 21 March 2023 a Study Day was held at the Victoria and Albert Museum comparing the drawings by Robert and John Smythson held in the RIBA drawings collection at the V&A with the album of drawings by John Thorpe from Soane's collection – the first time that these items had been compared physically, side by side since the late nineteenth century.

Cataloguing of the Archives

Work continued to prepare a catalogue of Soane's Notebooks, Account Journals and Office Day Books, which will be available on the Museum's website, together with full sets of digital images, thanks to generous funding from the John R Murray Charitable Trust.

COLLECTIONS MANAGEMENT SYSTEM/DIGITAL ASSET MANAGEMENT SYSTEM

All items in our collection are numbered and have an entry on our Collections Management System.

The freelance team continued work across a range of deliverables: system enhancements, image uploading and cataloguing, data cleaning and terminology improvements, user support, and Accreditation preparedness.

The programme of system enhancements continues to strike a balance between 'back end' cataloguing and collections management changes and 'front end' public benefit Collections Online improvements. Areas focused on included new location update functionality in Book records, associated items, image credit lines and exhibition history online. Data cleaning was undertaken to facilitate Artists' names online A-Z function for Paintings and Sculpture records as well as keyword content creation from subject index cards Works of Art and Antiquities and over 500 new London Place names added. Most significantly the system enhancements to implement the Archives module were tested and accepted for Archives Online.

During the year another 4,000 plus new Drawings images were captioned and uploaded as well as projects to catalogue Public Catalogue Foundation (Art UK) oil paintings images and Works of Art and Antiquities images supplied by freelance photographers (Justin Piperger and Gareth Gardner). The ScanLAB 3D Picture Room project was also completed.

Ongoing user support was provided and new user guides issued for exhibition procedure records, batch editing and collection highlights for Collections Online.

Everyone at the Soane was saddened by the sudden death of Rupert Craven on 29 January 2023. Rupert had worked at the Museum as a freelancer for almost a decade cataloguing and uploading images to our system.

LOANS

Two Royal Academy lecture drawings and three books were lent to an exhibition entitled *Visions of Ancient Egypt* at the Sainsbury Centre for the Visual Arts, Norwich.

A portrait of Mrs Soane's dog Fanny was lent to *Faithful and Fearless: Portraits of Dogs*, an exhibition at the Wallace Collection.

EDUCATION AND LEARNING

Overview

2022-23 has seen the Learning Programme fully recover from the impact of the Covid-19 lockdowns with all programmes now operating at a similar capacity to 2019. The Learning team has continued to deliver many different projects and programmes aimed at engaging under-18 audiences with the life, work and collection of Sir John Soane, as well as through programming activities that respond creatively to the Museum's temporary exhibitions.

Formal Learning (Schools)

1,356 school pupils visited the Museum in 2022-23, the vast majority in person. The most popular session was an in-Museum tour focusing on the Ancient Greeks for primary school children (KS2) and

a general tour of the Museum for secondary schools. Out of the 56 schools who visited the Museum this year, 31 were state schools.

The partnership with the charity *Classics for All*, which supports state schools to teach Classics, continued in 2022-23. The Learning team worked with a freelance educator in February 2023 to deliver a study day for KS3 pupils, providing them with a tour of the Museum and a library visit to see collection items, learning about Soane's Grand Tour.

Informal Learning (Families, Children & Young People)

In 2022-23 the Museum's programme of informal activities for families, children and young people reached 1,367 visitors via 92 events. These included regular Architecture Clubs, with Building Explorers, Young Architects Club (YAC), New Architects Club (NAC) and the Architectural Drawing Club collectively engaging 51 participants aged 7-18yrs. Building Explorers, the after-school club, has 16 participants aged 7-10yrs this year from the three closest primary schools in Camden. Working with an artist facilitator the children learn about architecture, art and the built environment. This year YAC club have been focusing on architecture around the world whilst the NAC club have had a series of drawing workshops inspired by the theme of sustainable design in the time of climate crisis. Meanwhile, the Architectural Drawing Club has visited several notable historic buildings including Westminster Abbey, St Bride's Fleet Street and St Paul's Cathedral, as well as completing a tour of the Museum.

Occasional family drop-in workshops still take place, but the focus of the programme has shifted to catering for children aged 7+yrs through weekend and holiday activities. In September 2022 Assemble Play delivered a large-scale family event in Lincoln's Inn Fields at which 300 families engaged with a huge variety of soft play and dress-up equipment provided for imaginary play linked to the architecture of the Museum.

Bookable workshops continue to cater for 7-10yrs but new activities are also now regularly scheduled for 11-13yrs and 14-16yrs. These activities are extremely popular and quickly sell-out across all age ranges. Holiday clubs this year have been linked to the history of the Museum. For example, at Christmas, the theme was Regency Baking, including a tour of the kitchens.

A new partnership has been established with Open City, the charity behind London Open House. In July 2022 they delivered a two-day workshop for 14-16yrs interested in studying architecture or related subjects at university. The course was inspired by the temporary exhibition, *Space Popular: The Portal Galleries* and included a Museum and exhibition tour, Q&A with artists Lara Lesmes and Fredrik Hellberg, walking tours, an exclusive tour of LSE's Marshall Building, and a range of architectural design tasks inspired by the theme of portals. This partnership was particularly successful in recruiting state school pupils to apply for places through Open City's extensive teachers' network.

At the end of July 2023 we will be working again on a two-day artist-led learning project in collaboration with the Wallace Collection and the charity Element, which engages young people leaving the care system.

Communities

The Youth Panel is now in its sixth year and continues to be a forum for young people aged 15 to 24 who are finding out about the work of the Museum, engaging in projects which build their own skills whilst contributing to the Museum's programme. In September 2022, new youth panel members were

sought through an inclusive recruitment process which looked to ensure diversity amongst the membership, as well as prioritising reaching people who would most benefit from participation. Youth Panel meetings are now hybrid, a mixture of online and in-person meetings that are held monthly. The Youth Panel are working towards planning and delivering their own Late event in October 2023 on a Grand Tour theme inspired by a recent session where they were given the chance to see Soane's Grand Tour travel diaries in the Research Library.

The *Art Space* project for people living with dementia was delivered for ten participants over six sessions in late July and August 2022. The group spent ten minutes in one Museum space each week before going to the Art Room to participate in making activities related to the room and objects that they had seen.

EXHIBITIONS AND PUBLIC PROGRAMMES

EXHIBITIONS

This year Sir John Soane's Museum organised a total of seven exhibitions.

Hidden Masterpieces

9 March – 5 June 2022 (Soane Gallery)

Hidden Masterpieces offered a once-in-a-lifetime opportunity to see some of the finest works amongst the drawings collected and produced by Sir John Soane. Works shown included a Book of Hours illuminated by two artists of the Flemish School (1512); a drawing by Hieronymus Cock giving a view of the Colosseum, Rome (c. 1550); a *capriccio* by Giovanni Battista Piranesi (1745–50); and drawings from the offices of Robert Adam, George Dance the Younger and Sir John Soane. This exhibition accompanied the book *Architectural Drawings: Hidden Masterpieces from Sir John Soane's Museum* by Frances Sands (Batsford, 2021). The book illustrates Soane as a collector of architectural drawings and provides an opportunity to peruse some of the finest architectural drawings in existence. Alongside the exhibition and book, an online supplement highlighted some of the drawings shown in *Hidden Masterpieces*. A series of QR codes positioned next to works in the galleries offered access to additional interpretation, including audio by Dr Ursula Weekes and Dr Frances Sands.

Anne-Marie Creamer: Dear Friend, I Can No Longer Hear Your Voice

9 March – 5 June 2022 (Foyle Space)

This exhibition comprised an immersive film which accurately reconstructed a lost space at the Museum – the bedchamber of Sir John Soane's wife Eliza, who died suddenly and tragically in 1815. Soane never got over her death, preserving her bedchamber for 19 years, and later creating private allusions to Eliza throughout the Museum. Through a combination of photogrammetry, CGI animation, sound, voice and song, the film is an imagined recreation of Eliza's bedchamber and a reclamation of her presence. The haunting soundtrack uses Soane's own memoir of grief, and those of friends Barbara Hofland and Sarah Smith, to create a meditation on love and loss. The production of the film and related events were supported by an Arts Council England National Lottery grant, with additional support from Central Saint Martins, University of the Arts London.

Platinum Jubilee Celebrations

25 May – 26 June 2022 (Front Kitchen)

Sir John Soane's Museum celebrated the Platinum Jubilee of HM Queen Elizabeth II with a display of royal memorabilia commemorating coronations and jubilees. Objects included a William IV and Queen Adelaide mug celebrating their coronation in 1831, brightly coloured glassware celebrating Victoria's jubilees, commemorative ceramics designed by leading artists including Dame Laura Knight

and Eric Ravilious, and themed magazines and biscuit tins. These objects, lent by staff and the local community, showed how the British public, from Soane's time to our own, have participated in royal events through collecting souvenirs and memorabilia.

Space Popular: The Portal Galleries

29 June – 25 September 2022 (Soane Gallery, Foyle Space)

This exhibition responded to the virtuality of Sir John Soane's Museum by focusing on 'the portal': a door or threshold that grants entrance into another environment, whether physical or virtual. Using Sir John Soane's Museum as the point from which to begin a multidimensional journey, *Space Popular* – led by designers Lara Lesmes and Fredrik Hellberg – presented their research on the portal through time and across media as two immersive VR films, one in the Foyle Space and the other in our exhibition galleries. These films were accompanied by Soane Collection drawings which emphasised various types of portals. *Space Popular: The Portal Galleries* saw the Soane Museum's first use of new media in its exhibition spaces. This exhibition was made possible thanks to the generous support of creative partner Alcantara, as well as Christian and Florence Levett and David and Molly Lowell Borthwick.

Neighbours in Space and Time: Grafton Architects at the Soane Museum

19 October 2022 – 8 January 2023 (Soane Gallery, Foyle Space)

Neighbours in Space and Time explored the relationship between Sir John Soane's Museum and the Marshall Building at 44 Lincoln's Inn Fields, designed by Grafton Architects for the London School of Economics and Political Science (LSE). Both buildings were created as spaces for learning and debate, and the Marshall Building translated certain features of the Soane Museum, such as its layered façade and uses of light, for the twenty-first century. The exhibition paired drawings by Grafton Architects and the Soane Office to illustrate these ideas. In the Foyle Space, large-scale construction photographs and a model celebrated the Marshall Building's structure. Accompanying the exhibition was a hardcover catalogue, including a series of essays and full-colour illustrations. This exhibition was made possible thanks to the generous support of Culture Ireland, London School of Economics and Political Science (LSE) – Estates Division, Mace, Techrete UK & Ireland LTD, as well as donors who wished to remain anonymous.

The Architecture Drawing Prize 2022

8 February – 8 May 2023

This exhibition displayed the winning and commended entries of the sixth annual Architecture Drawing Prize. Launched in 2017, the prize was conceived by Make Architects and is delivered in partnership with Sir John Soane's Museum and the World Architecture Festival. The prize celebrates drawing's significance as a tool in capturing and communicating architectural ideas, recognising the continuing importance of hand drawing, but also embracing the creative use of digitally produced renderings. The entries were evaluated for their technical skill, originality in approach and ability to convey an architectural idea, whether for a conceptual or actual building project. This year, to highlight the restoration of the Drawing Office, the exhibition was accompanied by a presentation of drawings and drawing instruments from Sir John Soane's Museum which linked the importance of drawing in Soane's day to the ambition and craft that continue to underpin architectural drawing practice. The prize and the exhibition were generously supported by Iris Ceramica Group.

Touring Exhibition

The Classical Orders: Myth, Meaning and Beauty in the Drawings of Sir John Soane

22 September 2022 – 15 January 2023

Museum for Architectural Drawing, Berlin

The Classical Orders was the fourth exhibition that the Soane Museum has sent to the Tchoban Foundation's Museum for Architectural Drawing in Berlin. Based on the show *Order! Myth, Meaning and Beauty in Architecture*, which was held at the Soane in 2009, the exhibition explored the nature and origins of the orders of architecture – a series of architectural styles developed in ancient Greece and adopted and adapted by the Romans. The exhibition included thirty Soane office drawings, many of which originated as illustrations for Soane's Royal Academy lectures.

The Museum gratefully acknowledges the support it receives for all exhibitions from the Government Indemnity Scheme, administered by Arts Council England.

PUBLIC PROGRAMMES

Public Programmes in this period continued to attract in-person and online audiences for a variety of events responding to Soane's life and times, the Collection, national initiatives and wider themes of architecture and design.

Exhibition programming

A rich programme of in-person and online events accompanied each exhibition, providing additional context and expanding upon themes.

- *Hidden Masterpieces*

Highlights included a sold-out talk and walking tour of the lost palaces of the Strand by Dr Manolo Guerci, prompted by the Thorpe volume in the exhibition, showing the iconic Strand elevation of Old Somerset House. Beginning with an illustrated talk, the group proceeded on a tour which began with Somerset House and included traces of vanished palaces such as the Savoy Chapel and York Water Gate in Embankment Gardens. Dr Ursula Weekes gave a highly engaging online lecture on Soane's volume of Indian miniatures featured in the exhibition. Expanding upon the inclusion of several volumes in the exhibition, bookbinder Helen Perry taught a day-long practical session on Coptic binding which began with a visit to the Research Library where Frances Sands showed examples of different types of historic bindings in the collection.

- *Space Popular: The Portal Galleries*

Artist duo Space Popular's *The Portal Galleries* provided a playful look at portals in popular culture and also in and around the Museum. The artists themselves led an enlightening tour of the exhibition and wider Museum, pointing out the hidden vistas and shifting planes that inspired their work. An online discussion with the artists and successful Young Adult author Victoria Schwab, whose *Shades of Magic* trilogy includes the device of the portal, attracted an audience of 140, over 30 of whom posed questions to the speakers in an unusually lively Q&A session. Architectural photographer Grant Smith led a full-day photography workshop based upon the idea of the portal as a framing device. The group was granted special behind-the-scenes access to the nearby Freemasons' Hall to carry out assignments.

- *Neighbours in Space and Time: Grafton Architects at Sir John Soane's Museum*

The exhibition, which drew out echoes and inspirations from the Museum in architectural practice Grafton's design for LSE's Marshall Building across Lincoln's Inn Fields, enabled a fruitful partnership with the university. Grafton's founders Shelly McNamara and Yvonne Farrell delivered a keynote address chaired by fellow architect Eric Parry in the fitting surroundings of the Marshall Building's spectacular Great Hall. Not only was it a wonderful experience to be in the building as they

described the design and build process, but it also allowed for a considerably bigger audience (120) than would have been possible at the Museum. Later in the exhibition's run, David Healy, Associate Director of Grafton Architects, led two sold-out behind-the-scenes tours of the Marshall Building. A grant from Culture Ireland made it possible for Grafton staff, who are based in Dublin, to deliver events in person. Later in the run, historian, broadcaster and author Dr Matthew Green led a walking tour of Lincoln's Inn Fields, describing the very particular setting and historical context of the square and its newest building. Award-winning artist Robin-Lee Hall led a day-long sketching session in the Marshall Building, again benefiting from special access authorised by the LSE's Director of Estates.

- Architecture Drawing Prize

The programme supporting the Architecture Drawing Prize 2022 began with an online preview event the night before the private view. Judges Paul Finch of World Architecture Festival, Ken Shuttleworth of Make Architects and artist Pablo Bronstein discussed the shortlisted entries for each of the three category winners (hand-drawn, digital and hybrid) before announcing the overall winner (Michael Ren and Samuel Wen's hybrid drawing, *Fitzroy Food Institute*). Later in the run, founding judge Ken Shuttleworth gave an illustrated overview of his professional life through the prism of drawing, which featured live drawing demonstrations before the audience moved to the exhibition for an out-of-hours viewing. Well attended tours of the exhibition were run by curator Dr Erin McKellar, the first accompanied by exhibiting artist Ben Johnson, and the second by judges, artist duo Langlands & Bell.

Other programming:

- Royal College of Music concert

Thanks to sponsorship provided by Dasha Shenkman OBE, a recital by string quartet Alkyona took place in the June. Bookended by pieces by Mendelssohn and Haydn performed by the entire quartet in the South Drawing Room & Library-Dining Room, the musicians each performed solo works throughout the Museum, including *Capriccio for Solo Viola* by Henri Vieuxtemps performed next to the Sarcophagus of Seti I in the Crypt, Pēteris Vasks' *Castillo Interior* in the Monk's Parlour and various culinary-themed works by Benedikt Brydern in the Kitchens.

- Open House

The Museum again participated in the annual Open House Festival, providing access to rooms in Number 14 Lincoln's Inn Fields not normally open to the public for almost 400 visitors.

- *By Design* Season 3

By Design, our annual season of interviews hosted by Will Gompertz and Alice Rawsthorn sponsored by Luke Irwin, took place in the autumn. Beginning with artist Cornelia Parker discussing her major retrospective at Tate Britain with Will Gompertz, the season also featured architect Sophie Hicks, interior designer Martin Brudnizki and milliner Stephen Jones. A fifth, with designer Yinka Ilori, was sadly cancelled as it coincided with the funeral of HM Queen Elizabeth II. All four were at capacity and have been released as podcasts, available via the website.

- The Soane Medal, 2022

The Soane Medal 2022 was awarded to London-based architect Peter Barber, whose main focus is on housing. The medal was awarded to him during the event, which again took place in the Library-Dining Room of the Museum in front of an invited audience of 50. Peter delivered a wide-ranging lecture, taking in his socially-engaged practice and manifesto for addressing homelessness through

repurposing boarded-up housing around the country. His talk was live-streamed to a global audience of 168, and the subsequent recording, available to view on the Museum's website, has been watched by many more. As with all laureates, his lecture was published by the Museum in booklet form, now available to purchase via the Museum's shop. Another feature of the Soane Medal, *Five Voices*, in which five commentators are invited to submit a written reflection on the winner, was particularly rich this year, with contributors including Sadiq Khan, Mayor of London, and Polly Neate, Chief Executive of Shelter.

Another element of the award is a satellite programme for students and early career architects. As Peter Barber is London-based, this took place in person rather than remotely as previously. Peter hosted two sessions at his office where he gave a masterclass, focusing on two built projects illustrated by his original drawings, more worked-up computer renderings and architectural models. The masterclasses were followed by lively Q&A sessions.

- Audience Development

Attracting new audiences to the Museum is central to the strategic plan. Following a successful launch in February 2022, Queer Tours of the Museum took place in June 2022 to mark Pride Month and in February 2023 to mark LGBT+ History Month, both of which were sold out.

Providing greater access to the Museum has likewise received a boost this year for deaf audiences, with the reinstatement of regular British Sign Language (BSL) tours. Deaf guide Edward Richards led an out-of-hours Christmas tour in December 2022, and marked Shakespeare's birthday in April 2023 with a second tour devoted to Soane's extensive collection of Shakespeare-related art in the house, including a visit to the Private Apartments. A commitment to provide BSL tours of each exhibition will be rolled out later in 2023, beginning with *Architects' Houses*.

- Audience Numbers

In this period there were 39 events in total, reaching audiences of 4,001 (2021-22 19 events reaching 1,454 people).

DEVELOPMENT AND COMMUNICATIONS

Development

The department successfully concluded the £650,000 Drawing Office campaign, raising an additional £12,000 to meet costs relating to the digital component.

The Soane Patrons' Circle received an encouraging influx of new members. Following the small decline in membership numbers over the pandemic, we recruited 28 new members to the group, with only three lapses during the same time period.

Sir John Soane's Museum Foundation in the US continued to be a generous and encouraging support to the Museum, making a \$60,000 three-year unrestricted pledge towards the Museum's core costs.

Other notable gifts include:

- Various donations, totalling £121,500, towards the Museum's Exhibitions programme
- \$80,000 of new pledges towards supporting salaries
- £101,855 in continuing support of the Director's post
- £75,000 to close the Soane's Drawing Office: Restoration and Renewal project

- £60,000 of further unrestricted support
- \$25,000 towards IT projects, including the implementation of a new Customer Relationship Management system

Communications

The upward trend in online engagement since reopening after the Covid-19 shutdown continued throughout 2022-23.

Throughout the year, our exhibitions and public programmes were well received and attracted a great deal of press coverage. *Space Popular: The Portal Galleries* was the subject of enthusiastic coverage from local and international press, including the *Evening Standard*, *Wallpaper* and *Dezeen*. Architect Peter Barber, our 2022 Soane Medallist, proved a popular interview subject in the nationals, featuring prominently in publications including the *Financial Times* and *The Guardian*. Our social media audiences on Instagram and Twitter continued to show steady growth. Interest in the Drawing Office restoration and the Artist Residency broke engagement records on both channels, with post reach hitting the hundreds of thousands, and tens of thousands regularly engaging with the Museum's content. A sell out season of *By Design* was successfully marketed via a combination of paid and organic digital marketing through our social media channels, with exclusive podcast versions of each talk shared on our website and via the Bloomberg Connects app.

SERVICES

VISITOR SERVICES AND VOLUNTEER TEAM

Visitors to the Museum

The Museum welcomed record visitor numbers during the year with admissions at 133,785, indicating a strong post-pandemic recovery - the previous record being 2018-19 with 131,459 visitors. Pre-booked tickets ended on 1 May 2022, enabling visitors thereafter to enter without booking and ensuring capacity could be managed effectively. Visitor experience and feedback remained overwhelmingly positive with highest praise for staff, volunteers, tours, the architecture, and the unique atmosphere. Entrance to the Museum now being through No 13, Soane's own front door, led to the highest guidebook sales to date (77,750 copies sold). In September 2022 the visitor feedback and benchmarking survey system moved to that provided by the Association of Leading Visitor Attractions, which the Soane was eligible to join as it now welcomes over 100,000 visitors annually.

IT

Following a competitive tender process, a new IT managed services provider, Ramsac, was appointed; the contract commenced in February 2023 with a smooth and efficient transition. A new Board Software Portal, *Convene* was introduced in November 2022.

Volunteer Programme

The programme saw a steady 90-100 volunteers throughout the year, volunteering a total of 5,387 hours, achieving a 97% fulfilment rate of all positions covered. This was the first full year of *Better Impact* – the Volunteer Management System, which enabled us to manage and communicate more effectively with volunteers, including collecting feedback, in turn leading to strong volunteer retention.

Inclusion Diversity Equality and Access

The cross-Museum group met three times to discuss sector wide best practice on inclusion, diversity, equality, and access and to make improvements where appropriate. The group works to ensure our Museum policies, behaviour and programming are open, equal, inclusive, and diverse.

COMMERCIAL ACTIVITIES

Soane Museum Enterprises (SME)

SME's founding Chair Orna NiChionna completed her second term as Director and Chair, handing over to her successor, Lucie Kitchener in October 2022.

SME's commercial recovery has been in line with, and in the main generated by, the strong return in visitors coupled with interest in tours from tourists and UK visitors alike. The SME Board in collaboration with Trustees approved a revised and updated Operating Agreement between SME and the Museum, to come into effect from April 2023.

Soane Museum Shop and E-commerce

The onsite shop led the post-pandemic commercial recovery with consistently strong daily revenue. Exiting (no longer entering) via the Museum Shop, introduced since the pandemic, has proven to be a commercially rewarding route.

Venue Hire and Tours

Bookings for dinners, drinks receptions, and candlelit tours have increased from the previous year, although not back to 2019-20 levels. New creatively programmed Soane Lates ensured their sell out success and the first Georgian Christmas Late since 2019 held in December 2022 was a welcome and atmospheric addition to the calendar.

The Museum is most grateful for the generous and ongoing *pro bono* legal support of Morrison and Foerster LLP. *Pro bono* Intellectual Property advice was also kindly provided by Murgitroyd, Patent and Trademark Attorneys.

FINANCIAL REVIEW

The Consolidated Statement of Financial Activities shows that the Group saw Net Income (a surplus) of £415,312 on Unrestricted Funds in 2022-23, an increase from £89,900 in the prior year. Having incorporated transfers to and from the Designated Funds, the General Fund saw an increase of £451,312 in 2022-23. This increase was mainly the result of an unexpectedly rapid recovery in commercial income streams, following the pandemic, while the Museum continued to benefit from exceptional grant and donation income designed to provide support during this period of recovery. On a Consolidated Funds basis, considering both Restricted and Endowment Funds, Total Funds after all expenditure increased by £468,410 (2021-22 restated: increase of £555,223). While welcome, the surplus for the year masks a continuing weakening of the underlying financial position of the Museum, with a cost base which cannot be cut to any significant extent and which continues to rise with inflation, while grant-in-aid rises at a rate below the general rate of inflation.

In general, Restricted Funds are being gradually reduced by the regular (non-cash) depreciation of capitalised assets held in the Restricted Fund, which are being depreciated over time, reflecting their gradual decline in value. However, in 2022-23 and the prior year this recurrent decline was countered by the DCMS Infrastructure Fund award of £165,000 (2021-22: £242,000) to fund urgent capital works, as well as £133,000 (2021-22: £347,000) received towards a donor-funded capital

project, the restoration of the Drawing Office, which commenced in the latter half of 2021-22. This resulted in an overall increase in Restricted Funds in 2022-23 of £17,047.

Overall, Consolidated Income before Expenditure increased by £565,071 to £3,943,668 in 2022-23. The Covid-19 pandemic had a significant impact on the Group's trading activities in both 2020-21 and 2021-22, and this uplift in 2022-23 shows a recovery to pre-pandemic income levels, albeit with continued support from the exceptional income streams put in place to help with this recovery. Income from trading activities was up £456,528 in 2022-23, more than double the turnover for the prior year. Receipts from Donations and Legacies and Grant income have continued to recover, as visitors return to the Museum, while also being bolstered by the continuing contributions towards the Drawing Office project. The total for donations and legacies increased by £260,688 in 2022-23. Income from charitable activities reduced by £136,097 to £634,414, with the decrease mainly arising from the profile of Grant income received to support the Drawing Office project.

Total Expenditure increased by £648,172. This was represented by an increase of £410,565 on Unrestricted Funds, while expenditure on Restricted Funds increased by £237,607. On Unrestricted Funds these movements tie back to an increase in activity levels, as the Museum was fully open and operational for the whole year, with record attendance levels, leading to the associated costs needed to drive this level of activity. On the commercial side, higher costs of sales went hand in hand with significantly increased turnover. Looking specifically at Restricted Funds, the Drawing Office project was in progress for the majority of the year, with the costs in this financial year being largely non-capital.

The Balance Sheet shows that the Group's Net Assets increased from £11,371,805 to £11,840,215. For Fixed Assets, the total charge for depreciation and amortisation of £202,010 was offset by additional capital expenditure of £357,944. In Net Current Assets, cash balances increased from £1,172,544 to £1,285,648, as the Museum had received donations towards its Restricted projects that would be spent early in 2023-24.

The principal funding sources during the year were the DCMS grant-in-aid, and grants and donations. These resources support the key objectives of the charity as mentioned elsewhere in the Annual Report and Accounts.

The main factors which are likely to affect the Museum's Consolidated Income Statement (SoFA) and Balance Sheet going forward are residual uncertainties in respect of all income streams. Commercial income is expected to continue to grow during 2023-24, although the targets set are challenging with the finite resources available in terms of Museum spaces. In the short-term donations are expected to decline, as the Museum will no longer benefit from the emergency support packages provided during the pandemic; and there will be a pause between significant capital and conservation projects while teams re-group and plan the next campaign. The Museum aims to build on its strong track record in generating development grants and donations from trusts and individuals, with continuing contributions from patrons and supporters at multiple levels, as well as growing innovative trading revenues.

PERFORMANCE

The relationship between the Museum and its sponsoring body, DCMS, is set out in a spending review allocation letter. Following the 2015 Spending Review, the Museum's resource grant-in-aid was fixed in cash terms at its 2015-16 level of £983,000 for Resource and £29,000 for Capital, for the period 2016-17 to 2019-20, although there were some additional discretionary awards made outside of this core allocation, for specific purposes. In subsequent years the Museum has received an uplift

to its core Resource Grant-in-Aid allocation, which reached a new 'baseline' of £1,046,000 in 2022-23, while in 2022-23 Capital Grant-in-Aid increased to £31,000. Whilst the recent uplift was welcome, it represents a real terms reduction of £330,200 and £9,600 in the Museum's Resource and Capital grant-in-aid, respectively; or, a real terms reduction in excess of 30% over the 7 years since the 2015 Review.

Subsequent to the agreement of funding terms, a Management Agreement was drafted by DCMS and finalised in November 2016. Whilst the Management Agreement specifically covered the 2015 Spending Review period, it remains in place until a new agreement is adopted. As set out in the Management Agreement, the Secretary of State for Culture, Media and Sport states that the priorities for the Museum are:

- to ensure that free entry to the permanent collections of the Museum will continue to be made available;
- to protect the world-class collections and front-line services of the Museum;
- to continue to pursue commercial and philanthropic approaches to generating revenue which will complement grant-in-aid funding;
- to seek innovative cost-sharing solutions with other Arms-Length Bodies;
- to take a strategic approach to partnership working and to seek out opportunities to work across the UK with other museums, cultural and third sector partners, including through the loaning of items, touring of exhibitions, and sharing of expertise;
- to prioritise access to arts and culture for disadvantaged young people and communities;
- to work with DCMS to engage internationally, especially with high priority countries as indicated by Government including making use of, and contributing to, the GREAT Britain Campaign to boost tourism, education and business; and
- to give a high priority to supporting the delivery of the outcomes of the Culture White Paper which will set out the direction for arts and culture policy for this Parliament.

The Museum remains committed to these priorities but is now engaging actively with DCMS on the priorities to be set out in a new Framework Document for 2023-24 and beyond. The Museum actively engages with other national and regional museums through the work of the National Museum Directors' Council, and we remain committed to the GREAT Britain Campaign and to the recommendations of the 2016 Culture White Paper.

The Museum continues to work to ensure that its world-class collections and front-line services are protected, and that free entry to the Museum will continue to be available; and to work in partnership with other museums in the UK.

The Museum is also focused on continuing its successful strategies to strengthen its long-term financial sustainability. The Museum has made a strong initial recovery in the wake of the Covid-19 pandemic, thanks to record visitor numbers in 2022-23. Although forward plans indicate that this financial sustainability is achievable, it remains challenging, with limited paths open through which to extend commercial income streams as the Museum is constrained by its physical footprint. We remain dependent on financial support from DCMS; in common with other National Museums we face the likelihood that a continuing decline in the real value of our core grant-in-aid may not match the impact of rising inflation on our staff and other operating costs.

The Museum and DCMS monitor performance against a set of key indicators, although DCMS no longer sets targets in relation to these indicators. The data from these, together with comparatives, is detailed below.

Performance indicators

	2022-23	Restated* 2021-22
Total charitable giving*	£1,482,740	£1,321,878
Ratio of charitable giving to DCMS grant-in-aid*	96%	81%
Number of visits to the Museum (excluding virtual visits)	133,785	50,923
Number of unique website visits	193,514***	294,693
Number of visits by children under 16	5,351	2,546
Number of overseas visits	61,541	6,111
Number of facilitated and self-directed visits to the Museum by visitors under 18 in formal education	1,356	1,772
Number of instances of visitors under 18 participating in on-site organised activities**	2,954	1,511
% of visitors who would recommend a visit	87%	80%
Admissions income (gross income)	£95,892	£35,115
Trading income (net profit/loss)	£217,572	£26,916
Number of UK loan venues	2	2

*Charitable giving is calculated as the combined total of donations, legacies and grants, excluding grant-in-aid, as shown in the Consolidated Statement of Financial Activities. These indicators have been restated – further details are given in the notes to the financial statements.

** Includes online organised activities

*** Due to a coding failure in the back end of our website this number was not accurately recorded for a large portion of the year. Numbers are likely to have been significantly higher.

Sickness Absence

Average staff sickness for 2022-23 was 3.1 days. The sickness rate, which is slightly higher than 2021-22 (2.9 days), reflects an increased level of absence due to Covid in the last year with many more staff members being affected. Hybrid working has meant the amount of working time lost to sickness is reduced as people are often able to work from home when they are too unwell to come to the Museum or have tested positive for Covid.

Trustees' Interests

A register of Trustees' interests is maintained and updated at least annually. A copy is available on request. No conflicts of interest have arisen in the year.

Public Expenditure System Disclosure

In 2022-23, there was no spend on consultancy or contingent labour, nor any instances where tax assurance of off-payroll engagements was required to be disclosed (2021-22: nil return).

Data Loss and Information Management

The Museum has suffered no protected personal data incidents during 2022-23 or prior years, and has made no reports to the Information Commissioner's Office.

Whistleblowing

The Museum upholds the core values detailed in the Code of Professional Ethics of the Museums Association and actively promotes their implementation. In line with these commitments, the Museum encourages employees and others with serious concerns about any aspect of the Museum's work to come forward and voice those concerns and expects its managers to encourage employees to express their views openly. This is clearly documented in the Whistleblowing section of the Staff Handbook.

Fundraising

The staff of the Development Department (the Director of Development and Communications, the Development Manager, the Development Officer and the Communications Manager) are responsible for raising unrestricted income and funds for specific projects in response to the Museum's agreed strategy. No freelance or volunteer fundraisers are employed. At all times the department has committed itself to the highest standards in fundraising practices and processes. The Museum does not seek to secure donations through direct marketing or other unsolicited means. We seek to expand the donor pool through our networks, growing the visibility of our programmes, and events; and we carry out due diligence in respect of sources of funding and monitor benefit levels. The Museum is registered with the Fundraising Regulator, adheres to its Code of Fundraising Practice and Fundraising Promise and pays an annual levy in support of its work.

We respect and adhere to legislation relating to fundraising practices, General Data Protection Regulation (GDPR) and guidelines set out by the Fundraising Regulator. The Museum maintains a central complaints log; no complaints have been received in relation to fundraising. An extensive opt-in exercise was carried out in relation to all databases prior to the introduction of GDPR in May 2018.

Reserves Policy

Since 2009 the Museum has sought, subject to regular review, to establish a prudent level of unrestricted free reserves (General Fund) to meet the financial implications of risks and unforeseen events in the future.

The Trustees, having considered the scale, complexity and risk profile of the Museum, have agreed that, in order to ensure its financial stability and viability, the Museum's unrestricted free reserves (General Fund) should be held at a prudential level that approximately represents six months of the routine annual cost of running the Museum, excluding trading costs, after deduction of the DCMS grant-in-aid.

At their last review in 2023, based on the 2022-23 Consolidated Financial Statement, this figure was estimated to be at least £390,000. The uncertain pace of recovery in self-generated income streams, along with pressure from inflation, not least on salaries, have continued the need for a flexible and responsive approach when charting the Museum's finances. The Trustees will continue to keep the reserves policy under review.

At 31 March 2023 the General Fund stood at £1,015,839, in excess of the indicated figure of £390,000, which, in current circumstances and subject to further continuing review, the Trustees regard to be prudent and appropriate. In addition, consolidated reserves included a further £226,958 'designated' but unrestricted, available to be used to meet general needs or expenditures at Trustees' discretion.

At 31 March 2023 the other specific reserves i.e. unrestricted Designated Funds (heritage property), Restricted Funds and Endowment Fund, stood at £2,771,280, £7,813,802 and £12,336 respectively.

Payment Terms

The Museum pays invoices in accordance with agreed terms of contract, aiming to pay all undisputed invoices within thirty days of receipt. This was achieved in 95% of cases during the year (2021-22: 95%).

REMUNERATION REPORT

Remuneration Policy

The remuneration of all staff employed by the Trustees is reviewed annually, and any increases are awarded within public sector pay guidance.

When determining salaries under normal conditions, the Trustees take account of a number of factors including whether the proposed salaries are affordable within planned budgets, the need to retain suitably qualified and experienced staff, and the relative responsibilities of each post. This year the Museum's average pay award was 2.9% consolidated, with higher awards targeted towards lower paid staff.

The Museum awarded non-consolidated bonuses of up to 2.5% (average 1.7%) from funds budgeted for this purpose.

Compensation for loss of office (subject to audit)

There were no 'exit packages' awarded to staff leaving during the year (2021-22: none).

Employees

As the Trustees and Director exercise the ultimate responsibility and authority for controlling the major activities of the Museum, the Trustees have determined that disclosure of emoluments and pension entitlements paid to employees other than the Director is not appropriate.

Performance assessment

In light of the continued recovery of the Museum from the pandemic, and in response to the admissions figures returning to pre-pandemic levels in 2022-23, the Trustees agreed to allocate performance-based awards at an organisational level, to align with the approach adopted for consolidated awards. The overriding goal was to reward staff in post as at 31 October 2022 for their contribution to the performance related award. In particular, it acknowledges that early in January 2023 the Museum welcomed its 100,000th visitor since 1 April 2022 – the first time in 3 years that annual attendance had exceeded this marker.

Policy on duration of contracts, notice periods and termination payments

The notice period for the Director is three months. The notice period for all other staff is between one and three months.

Museum employees are entitled to become members of the Civil Service Pension Scheme with associated redundancy and early retirement conditions. All other staff are entitled to payments as defined under the Employment Rights Act 1996.

Soane Museum Enterprises Limited employees are eligible to become members of the NEST pension scheme. Further details are given in Note 18 of the Financial Statements.

Director's remuneration disclosure (subject to audit)

The details for the Director are as follows:

Officials	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (to the nearest £'000)		Total (£'000)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Bruce Boucher	80-85	80-85	0-5	Nil	Nil	Nil	49	44	135-140	125-130

Bruce Boucher was appointed as Director on 16 May 2016. Dr Boucher is eligible for a performance-related bonus in the range of 0% to 15%. In the year to 31 March 2023 he was paid a performance-related bonus of 2.5%, allocated in line with the same performance assessment criteria applied to all staff, as set out above. In the year to 31 March 2022, he declined to be considered for any performance-related bonus, as a contribution towards the financial sustainability of the Museum.

The Director is a member of the Civil Service Pension Scheme arrangements. The Museum paid £25,432 (2021-22: £23,274) to the Scheme during the year in respect of his membership.

In 2022-23 the Museum received a grant of £101,855 (2021-22: £99,606) in support of the Director's post, which was applied to funding salary and associated costs.

Pension Entitlements of the Director:

Officials	Accrued pension at pension age as at 31/3/23 and related lump sum	Real increase in pension and related lump sum at pension age	Cash Equivalent Transfer Value (CETV) at 31/03/23	Cash Equivalent Transfer Value (CETV) at 31/03/22	Real increase in Cash Equivalent Transfer Value (CETV)
	£'000	£'000	£'000	£'000	£'000
Bruce Boucher	15-20	2.5-5	211	178	30

Fair pay disclosures (subject to audit)

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

The full time equivalent (FTE) banded remuneration of the highest-paid director in the Museum at the financial year end was £85,000-£90,000 (2021-22: £80,000-£85,000). The pay percentiles and pay ratios (when compared to the mid-point of the banded remuneration of the highest-paid director) at the financial year end are laid out in the table below:

Year	Indicator	25 th percentile	50 th percentile	75 th percentile
2023	Total pay and benefits	£21,875	£27,248	£31,170
	Salary component	£21,352	£27,000	£30,900
	Pay ratio	4.0	3.2	2.8
2022	Total pay and benefits	£20,933	£24,802	£32,328
	Salary component	£20,933	£24,802	£32,328
	Pay ratio	3.9	3.3	2.6

In 2022-23, no employee (2021-22: Nil) received remuneration in excess of the highest-paid director. Total FTE remuneration bands ranged from £15,000 to £90,000 (2021-22: £15,000 to £85,000). Total remuneration includes salary, non-consolidated performance-related pay and severance payments paid in the year as well as benefits-in-kind received in the year. It does not include any accrued pay, any employer pension contributions or the cash equivalent transfer value (CETV) of pensions.

There was no change (0%) in the salary and allowances of the highest-paid director from the previous financial year. The average percentage change from the previous financial year in respect of the employees of the entity taken as a whole was 0.4%. This change is lower than might be expected given the average pay award was much higher than 0.4%, but it is a reflection of changes in the staff mix.

There were no performance pay or bonuses paid in the prior year, while in 2022-23 the majority of staff, including the highest-paid director, received a performance related bonus.

Trustees (subject to audit)

The Trustees, who hold overall responsibility for the Museum, are not remunerated. Travel expenses totalling £45.30 were paid to Trustees in 2022-23 (2021-22: £33.90). There were expenses of £314.48 paid on behalf of Trustees (2021-22: £nil).

Lord Sassoon
Chair of Trustees

Bruce Boucher
Deborah Loeb Brice Director and Accounting Officer

Date: 22 November 2023

STATEMENT OF TRUSTEES' AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Charities Act 2011, the Trustees of the Museum are required to prepare a statement of accounts for each financial year in the form and basis of the Charities SORP (FRS 102). When it does not conflict, the Museum has elected to prepare its financial statements with regard to the Accounts Direction issued by the Secretary of State for Culture, Media and Sport with the consent of HM Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the financial activities of the Museum during the year and of its financial position at the end of the year.

In preparing the Financial Statements and Annual Report, the Trustees and Accounting Officer are required to:

- apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards and statements of recommended practice have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Museum will continue in operation; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accounting Officer and Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Museum's auditors are aware of that information. As far as the Accounting Officer and Trustees are aware there is no relevant audit information of which the auditors are unaware.

The Accounting Officer of the Department for Culture, Media and Sport has designated the Director as Accounting Officer of Sir John Soane's Museum. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Museum's assets, are set out in 'Managing Public Money' issued by the HM Treasury.

Lord Sassoon
Chair of Trustees

Bruce Boucher
Deborah Loeb Brice Director and Accounting Officer

Date: 22 November 2023

GOVERNANCE STATEMENT

1 Scope of responsibility

The Board of Trustees and the Accounting Officer have responsibility for maintaining a sound system of internal control that supports the achievements, policies, aims and objectives of the Museum, whilst safeguarding the public funds and assets for which they are personally responsible in accordance with the responsibilities assigned to them in 'Managing Public Money'. The Museum received one-year funding allocations from DCMS in both 2020-21 and 2021-22 but these are now returning to a multi-year cycle as the recovery from the pandemic continues. The Museum supplies regular financial information and returns against agreed performance indicators demonstrating its contribution to the delivery of DCMS's Departmental Strategic Objectives.

2 Governance Framework

2.1 Structure

The Board of Trustees is responsible for the overall management and direction of the Museum. The Director of the Museum is accountable to the Board of Trustees. The Director is the Accounting Officer and has accountability to DCMS for compliance with the Management Agreement. Bruce Boucher assumed the role of Accounting Officer on 16 May 2016.

A group of four staff reporting to the Director forms the Senior Management Team which meets every two weeks and comprises the Deputy Director and Inspectress, Director of Commercial and Operations, Director of Finance and the Director of Development.

2.2 Board of Trustees

The Board of Trustees meets on a quarterly basis to review performance and consider plans and the overall strategic direction of the Museum. The Trustees appoint their own Chair, to serve for a period of five years. There are five Representative Trustees and up to nine Ordinary Trustees.

Representative Trustees are appointed by five learned societies/bodies (The Royal Academy of Arts; The Royal Society; The Royal Society of Arts; The Society of Antiquaries and the Court of Aldermen of the City of London) in consultation with the Museum. Ordinary Trustees are appointed by the Board of Trustees, usually following public advertising and on occasion with the use of search firms in order to reach as diverse an audience as possible. Appointments are generally made for a term of five years and may be renewed once for a further term of the same length.

New Trustees receive an Induction Pack consisting of the Museum's statutory governing document, the Code of Best Practice for Board Members, the most recent Annual Report and Accounts, the Management Agreement with DCMS and a copy of the Charity Commission's *The Essential Trustee*. An induction/training day is organised at which Trustees meet the staff of all the departments in the Museum and are introduced to their various activities.

The Trustees are supported by four committees:

- The Finance, Audit and Risk Committee meets on a quarterly basis and is responsible for the issues of risk control and financial management. It was the result of the merger of the previous Finance Committee and Audit and Risk Committee in early 2021. The Committee reviews the Annual Report and Accounts. In addition, it reviews the reports and recommendations of the

External Auditor (National Audit Office) and the Internal Auditor (currently The Risk Management Business Ltd). Their annual work plans are also reviewed by the Committee. The Museum's Risk Register is regularly reviewed and updated by the Committee and recommended to the Board of Trustees for approval on an annual basis. The Committee is also responsible for reviewing the Museum's financial position and budgets and it reviews the finances in relation to any major capital projects. Performance and financial information provided for the Board is regularly reviewed for its effectiveness by the Committee.

- The Remuneration Committee meets as needed and reviews the Director's and staff pay and performance and makes recommendations for pay awards to the Board of Trustees as appropriate. It did not meet during 2022-23 as these matters were discussed and agreed upon in meetings of the Finance, Audit and Risk Committee and in the Board meetings.
- The Governance and Nominations Committee (formerly Governance Committee) meets as needed (usually at least annually) and reviews the Museum's governance arrangements, including Board appointments, and makes recommendations to the Board of Trustees as appropriate. It did not meet during 2022-23 as these matters were discussed and agreed upon in the Board meetings.
- The Buildings Committee is convened whenever the Museum undertakes major capital works to the buildings at Nos 12, 13 and 14 Lincoln's Inn Fields. It met twice during the year under the title of the Drawing Office Committee.
- Soane Museum Enterprises Limited (SME Ltd) is a wholly-owned trading subsidiary of the Museum. The Board of Soane Museum Enterprises Limited meets on a regular basis.

Attendance at Board meetings and at Committees is reported to the Board on an annual basis. Individual attendance of Trustees at these meetings and those of SME Ltd is listed below.

	Board	FARC (Finance, Audit and Risk Committee)	SME Ltd	Buildings Committee
No. of meetings held in the year	4	4	4	2 (meeting as the Drawing Office Committee)
Trustees				
Thierry Morel (up to May 2022)	1/1			
David Ekserdjian (up to May 2022)	1/1			
Stephen Gosztony (up to August 2022)	2/2	2/2		
Lord Sassoon	4/4	4/4		2/2
Professor Nichola Johnson	4/4			2/2
Basil Postan	4/4	4/4		
Vincent Keaveny CBE (Alderman) (Lead Non-Executive)	4/4	1/4		
Alison Ross Green	2/4			
Dr Frank Salmon	4/4	3/4		2/2
Professor Jonathan Ashmore	3/4	3/4		
Anne Desmet	4/4	4/4		
Professor Kerensa Jennings	4/4			
Amin Taha	4/4			
Amicia de Moubray (from July 2022)	2/2			
Lucie Kitchener (from July 2022)	3/3		2/2	
Hamish Forsyth (from November 2022)	0/1			
Directors, SME Ltd				
Orna NiChionna*			3/3	
Bruce Boucher			3/4	
Helen Dorey			3/4	
Louise Peckett			4/4	
Rebecca Hossain			4/4	
Charlie Potter			4/4	
Nina Campbell			4/4	

* Orna NiChionna left the Board of Trustees on 1 January 2022 but continued as Chair of the Board of SME Ltd to 24 October 2022, when Lucie Kitchener was appointed as Chair.

The Board's and the Chair's effectiveness are reviewed each year. The Board's self-assessment and the assessment of the Chair's performance provide a formal and rigorous annual evaluation of the board's performance and that of its committees, and of individual board members. The Board is committed to ensuring the Museum's governance arrangements meet what are considered to be good practice. The Museum follows governance best practice for public service and charitable

bodies, and, where relevant and practicable, adopts the principles of governance in central government departments: code of good practice 2017.

3. Risk management

3.1 Overview

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise risks, to evaluate the likelihood of those risks being realised and their impact should they occur, and to manage them efficiently, effectively and economically.

The system of internal control has been in place and operating effectively for the year ended 31 March 2023 and up to the date of approval of the Annual Report and Accounts, and accords with HM Treasury guidance. The Board has gained assurance that the quality of the information it receives is sound through its challenge of the information presented.

3.2 Responsibility

The Board (assisted by the Finance, Audit and Risk Committee) sets risk management standards and the degree of risk aversion for the Museum, and reviews the major risks. The Accounting Officer is responsible for managing risk and ensuring that the Museum's risk management framework is effective. The Senior Management Team co-ordinates the management of risk across the work of the Museum.

The Internal Auditor performs internal audit work to cover all key systems, in order to provide an overall assurance report for the year. The summary of the Internal Auditor's Report for 2022-23 was that there were no concerns to highlight to the Board of Trustees on the Museum's key controls and that substantial assurance could be provided to the Board on the Museum's key controls for the areas reviewed during 2022-23.

3.3 Key risks

The Museum maintains a Risk Register to monitor risks to its activities and review the controls in place to mitigate these risks. This Register is reviewed by the Finance, Audit and Risk Committee at every meeting and there is full discussion of changing risk levels and potential new or developing risks. It is reviewed by the full board at least once a year.

During 2022-23 the Museum continued to recover from the impact of Covid 19, the overriding risk last year, with visitor numbers exceeding those of 2019-20 (pre-pandemic). Although staffing levels were affected by absences due to Covid-19 during summer 2022, by the end of the year the situation had improved sufficiently for Covid-19 no longer to be considered a key risk.

The overriding key risk identified was that of insufficient funds to secure the long-term sustainability of the Museum and its operations and programmes. The Museum plans for a balanced budget, with a focus on securing specific restricted funding for project activity, along with continued emphasis on commercial opportunities for the trading subsidiary and on the maintenance of a sufficient general reserve. Closely linked to this is the associated risk arising from an increased turnover of staff post-pandemic as a result of salaries not keeping pace with the sector, the impact of this worsened by the additional pressures of inflation and the increased cost of living.

The most significant other key risk monitored throughout the year was the IT risk, including possible system failure and threats to cyber security, with ongoing concern around the extent to which key staff were being diverted to deal with IT issues. However, this risk was significantly mitigated during the year by the appointment of a new managed service provider.

Other key risks identified in last year's report remain of concern:

- Major terrorist incident or significant external event impacting the Museum, although with no specific threat to the Soane identified. Plans and training were put in place during the year in response to protests aimed specifically at museums by high profile protest groups.
- Major fire, flood or similar incident causing significant damage to the building or collection – there is an emergency plan and detailed risk assessments are in place, tested, maintained and updated regularly;
- Potential theft from the collections requires ongoing vigilance. An external review of security was commissioned this year as a matter of good practice: whilst no major concerns were identified, a number of recommendations will be implemented.

There is an ongoing process undertaken by all staff (including the Senior Management Team) and the Trustees within the Museum for evaluating and managing these and other risks.

4. Compliance with Corporate Governance Code of Good Practice

The Board of Trustees has assessed its compliance with the HM Treasury's guidelines, as set out in *Corporate governance in central government departments: code of good practice 2017*, and has concluded that this is satisfactory.

Lord Sassoon
Chair of Trustees

Bruce Boucher
Deborah Loeb Brice Director and Accounting Officer

Date: 22 November 2023

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

Opinion on financial statements

I certify that I have audited the financial statements of Sir John Soane's Museum and its Group for the year ended 31 March 2023 under the Government Resources and Accounts Act 2000 and the Charities Act 2011.

The financial statements comprise Sir John Soane's Museum and its Group's:

- Balance Sheet as at 31 March 2023;
- Statement of Financial Activities and 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 Sir John Soane's Museum and its Group's affairs as at 31 March 2023 and their net income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Charities Act 2011.

Opinion on regularity

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

Basis for opinions

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

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

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

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Sir John Soane's 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 Sir John Soane's Museum and its Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

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

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

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

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

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration Report to be audited has been properly prepared in accordance with the Charities Act 2011.

In my opinion, based on the work undertaken in the course of the audit the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of Sir John Soane's Museum and its Group and their environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report,

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

- Adequate accounting records have not been kept by Sir John Soane's Museum and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or

- the financial statements and the parts of the Annual Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the 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 Trustee's and Accounting Officer's Responsibilities, the Trustees and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within Sir John Soane's 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 statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with the Charities Act 2011; and
- assessing Sir John Soane's Museum and its Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and the Accounting Officer either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000 and section 151 of the Charities Act 2011.

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

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

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

to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

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

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

- considered the nature of the sector, control environment and operational performance including the design of Sir John Soane's Museum and its Group's accounting policies;
- inquired of management, Sir John Soane's Museum and its Group's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Sir John Soane's 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 Sir John Soane's Museum and its Group's controls relating to Sir John Soane's Museum and its Group's compliance with the Charities Act 2011, Managing Public Money and The Charities (Sir John Soane's Museum) Order (1969 No.468);
- inquired of management, Sir John Soane's 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; and
 - 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 Sir John Soane's Museum and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition; posting of unusual journals; and complex transactions. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of Sir John Soane's Museum and its Group's framework of authority and other legal and regulatory frameworks in which Sir John Soane's 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 Sir John Soane's Museum and its Group. The key laws and regulations I considered in this context included The Charities Act 2011, The Charities (Sir John Soane's Museum) Order (1969 No.468), Managing Public Money, employment law and tax legislation.

Audit response to identified risk

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

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Finance, Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments and evaluated the business rationale of significant transactions that are unusual or outside the normal course of business.

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

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

Other auditor's responsibilities

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

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

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date: 28 November 2023

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

Sir John Soane's Museum

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

	Note	2023 Unrestricted Funds	2023 Restricted Funds	2023 Endowment Funds	2023 Total Funds	2022 Unrestricted Funds	Restated 2022 Restricted Funds	2022 Endowment Funds	Restated* 2022 Total Funds
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations and Legacies									
Grant-In-Aid from Department for Culture, Media and Sport	2	1,372,552	165,000	-	1,537,552	1,392,600	242,000	-	1,634,600
Other donations and legacies	3a	804,209	140,009	-	944,218	586,482	-	-	586,482
Charitable Activities									
Visitors	3b	85,333	10,559	-	95,892	35,115	-	-	35,115
Grants	3b	61,250	477,272	-	538,522	-	735,396	-	735,396
Other Trading Activities									
Room hire		248,460	-	-	248,460	88,314	-	-	88,314
Filming and reproduction fees		20,558	-	-	20,558	18,920	-	-	18,920
Licensing		30,044	-	-	30,044	30,234	-	-	30,234
Retail sales		367,145	-	-	367,145	210,925	-	-	210,925
Patrons - Benefits		29,575	-	-	29,575	20,500	-	-	20,500
Investments		4,614	-	-	4,614	532	-	-	532
Other	3c	127,088	-	-	127,088	17,579	-	-	17,579
TOTAL		3,150,828	792,840	-	3,943,668	2,401,201	977,396	-	3,378,597
EXPENDITURE ON									
Raising Funds									
Development and fundraising	4a	220,833	27,741	-	248,574	237,976	28,030	-	266,006
Communications	4a	104,844	31,135	-	135,979	102,363	30,604	-	132,967
Trading	4a	579,541	22,160	-	601,701	386,976	32,477	-	419,453
Charitable Activities									
Buildings	4b	512,856	64,314	-	577,170	396,322	52,870	-	449,192
Collections	4b	265,725	403,513	-	669,238	284,308	173,196	-	457,504
Visitor services	4b	1,038,067	204,580	-	1,242,647	903,356	198,659	-	1,102,015
TOTAL	4	2,721,866	753,443	-	3,475,309	2,311,301	515,836	-	2,827,137
NET INCOME BEFORE GAINS AND LOSSES									
		428,962	39,397	-	468,359	89,900	461,560	-	551,460
Transfers between Funds		22,350	(22,350)	-	-	-	-	-	-
Net Gain on Investments	8a	-	-	51	51	-	-	3,763	3,763
NET INCOME		451,312	17,047	51	468,410	89,900	461,560	3,763	555,223
NET MOVEMENT IN FUNDS									
		451,312	17,047	51	468,410	89,900	461,560	3,763	555,223
RECONCILIATION OF FUNDS:									
Total funds brought forward		3,562,765	7,796,755	12,285	11,371,805	3,472,865	7,335,195	8,522	10,816,582
Total funds carried forward	14-16	4,014,077	7,813,802	12,336	11,840,215	3,562,765	7,796,755	12,285	11,371,805

All of the Museum's activities are continuing. There were no recognised gains and losses in the year other than those reported in the Statement of Financial Activities.

The notes on pages 45 to 63 form part of these financial statements.

*Note 24 explains the basis for, and impact of, restatement.

Sir John Soane's Museum

Statement of Financial Activities for the year ended 31 March 2023 (Museum Only)

	Note	2023 Unrestricted Funds	2023 Restricted Funds	2023 Endowment Funds	2023 Total Funds	2022 Unrestricted Funds	Restated 2022 Restricted Funds	2022 Endowment Funds	Restated 2022 Total Funds
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:									
Donations and Legacies									
Grant-In-Aid from Department for Culture, Media and Sport	2	1,372,552	165,000	-	1,537,552	1,392,600	242,000	-	1,634,600
Other donations and legacies	3a	804,209	140,009	-	944,218	586,482	-	-	586,482
Charitable Activities									
Visitors		11,951	10,559	-	22,510	3,538	-	-	3,538
Grants	3b	61,250	477,272	-	538,522	-	735,396	-	735,396
Other Trading Activities									
Gift Aid Receivable from Subsidiary	20	217,572	-	-	217,572	26,916	-	-	26,916
Other Income Receivable from Subsidiary		59,064	-	-	59,064	60,511	-	-	60,511
Patrons - Benefits		29,575	-	-	29,575	20,500	-	-	20,500
Investments		4,614	-	-	4,614	532	-	-	532
Other		19,601	-	-	19,601	7,000	-	-	7,000
TOTAL		2,580,388	792,840	-	3,373,228	2,098,079	977,396	-	3,075,475
EXPENDITURE ON:									
Raising Funds									
Development and fundraising	4a	220,833	27,741	-	248,574	237,976	28,030	-	266,006
Communications	4a	104,844	31,135	-	135,979	102,363	30,604	-	132,967
Trading	4a	9,101	22,160	-	31,261	83,854	32,477	-	116,331
Charitable activities									
Buildings		512,856	64,314	-	577,170	396,322	52,870	-	449,192
Collections		265,725	403,513	-	669,238	284,308	173,196	-	457,504
Visitor services		1,038,067	204,580	-	1,242,647	903,356	198,659	-	1,102,015
TOTAL		2,151,426	753,443	-	2,904,869	2,008,179	515,836	-	2,524,015
NET INCOME BEFORE GAINS AND LOSSES		428,962	39,397	-	468,359	89,900	461,560	-	551,460
Transfers between Funds		22,350	(22,350)	-	-	-	-	-	-
Net Gain on Investments	8a	-	-	51	51	-	-	3,763	3,763
NET INCOME		451,312	17,047	51	468,410	89,900	461,560	3,763	555,223
NET MOVEMENT IN FUNDS		451,312	17,047	51	468,410	89,900	461,560	3,763	555,223
RECONCILIATION OF FUNDS:									
Total funds brought forward		3,528,918	7,796,755	12,285	11,337,958	3,439,018	7,335,195	8,522	10,782,735
Total funds carried forward	15-16	3,980,230	7,813,802	12,336	11,806,368	3,528,918	7,796,755	12,285	11,337,958

All of the Museum's activities are continuing. There were no recognised gains and losses in the year other than those reported in the Statement of Financial Activities.

The notes on pages 45 to 63 form part of these financial statements.

Sir John Soane's Museum

Consolidated and Museum Balance Sheet as at 31 March 2023

	Note	2023 £ MUSEUM	2023 £ GROUP	Restated 2022 £ MUSEUM	Restated 2022 £ GROUP
Fixed Assets					
Intangible assets	7	73,846	73,846	37,831	37,831
Heritage assets	6b	9,407,133	9,407,133	9,417,017	9,417,017
Tangible assets	6a	621,177	621,177	491,374	491,374
Investments	8a	12,336	12,336	12,285	12,285
		<u>10,114,492</u>	<u>10,114,492</u>	<u>9,958,507</u>	<u>9,958,507</u>
Current Assets					
Stock	9	6,725	92,601	6,725	92,838
Debtors	10	552,242	434,764	762,687	600,044
Investments	9b	250,000	250,000	-	-
Cash at bank and in hand	11	1,134,044	1,285,648	1,001,347	1,172,544
		<u>1,943,011</u>	<u>2,063,013</u>	<u>1,770,759</u>	<u>1,865,426</u>
Liabilities					
Amounts falling due within one year	12	<u>(251,135)</u>	<u>(337,290)</u>	<u>(391,308)</u>	<u>(452,128)</u>
Net Current Assets		<u>1,691,876</u>	<u>1,725,723</u>	<u>1,379,451</u>	<u>1,413,298</u>
NET ASSETS		<u>11,806,368</u>	<u>11,840,215</u>	<u>11,337,958</u>	<u>11,371,805</u>
UNRESTRICTED FUNDS					
General fund		981,992	1,015,839	530,680	564,527
Designated fund, legacies		226,958	226,958	226,958	226,958
Designated fund, heritage property		2,771,280	2,771,280	2,771,280	2,771,280
Total unrestricted funds	14	<u>3,980,230</u>	<u>4,014,077</u>	<u>3,528,918</u>	<u>3,562,765</u>
RESTRICTED FUNDS	15	7,813,802	7,813,802	7,796,755	7,796,755
ENDOWMENT FUND	16	12,336	12,336	12,285	12,285
TOTAL FUNDS		<u>11,806,368</u>	<u>11,840,215</u>	<u>11,337,958</u>	<u>11,371,805</u>

The notes on pages 45 to 63 form part of these financial statements.

Approved by the Trustees on 22 November 2023

Lord Sassoon
Chair of Trustees

Bruce Boucher
Deborah Loeb Brice Director and Accounting Officer

Sir John Soane's Museum
Consolidated Statement of Cash Flows for the year ended 31 March 2023

	Note	2023 £	2022 £
Cash Flows from Operating Activities			
Net Cash Provided By Operating Activities		716,434	711,045
Cash Flows from Investing Activities			
Dividends, interest and rents from investments		4,614	532
Purchase of property, plant and equipment	6a, 6b & 7	(357,944)	(427,363)
Net Cash Used In Investing Activities		(353,330)	(426,831)
Change in Cash and Cash Equivalents in the Reporting Period		363,104	284,214
Cash and Cash Equivalents at the beginning of the Reporting Period		1,172,544	888,330
Cash and Cash Equivalents at the end of the Reporting Period		1,535,648	1,172,544
Analysis of Cash and Cash Equivalents			
Current asset investments	8b	250,000	-
Cash at bank and in hand	11	1,285,648	888,330
Total Cash and Cash Equivalents at the end of the Reporting Period		1,535,648	888,330

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

		2023 £	2023 £	Restated 2022 £	Restated 2022 £
Net Income for the Reporting Period (As per SOFA)			468,410		555,223
Adjustments for:					
(Gain) on Investments	8a	(51)		(3,763)	
Dividends, interest and rents from investments		(4,614)		(532)	
Depreciation Charges - tangible and heritage assets	6	182,517		152,963	
Amortisation Charges - intangible assets	7	19,493		12,202	
Decrease in stock		237		20,760	
Decrease/(Increase) in debtors	10	165,280		(191,297)	
(Decrease)/Increase in creditors	12	(114,838)		165,489	
			248,024		155,822
Net Cash Provided by Operating Activities			716,434		711,045

The notes on pages 45 to 63 form part of these financial statements.

1 Accounting Policies

The following policies have been adopted consistently in dealing with all material items in the financial statements. All accounting policies apply to the Group, unless otherwise stated.

a) Accounting Basis and Standards

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of listed investments, and in accordance with the Charities Act 2011 and the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP FRS 102). The Museum has elected to prepare its financial statements with regard to the Accounts Direction issued by the Secretary of State for Culture, Media and Sport, with the approval of HM Treasury, a copy of which can be obtained from the Museum. The Museum has also elected to adopt the Government Financial Reporting Manual (FRoM) when it enhances the disclosures provided for in the SORP FRS 102.

The Museum's financial statements consolidate the results of Sir John Soane's Museum and its wholly-owned subsidiary Soane Museum Enterprises Limited (company number 08171280), consolidated on a line-by-line basis. SME began trading on 27 January 2014. A separate statement of financial activities is presented for each of the Museum and the Group. The Museum has applied the exemption in FRS 102 from preparing a parent cash flow statement. The Museum Trustees act as Trustees to all the individual funds within the Museum accounts. Two Museum Trustees own the issued share capital of SME. As the Museum is not incorporated, it cannot own any share capital. The Museum Trustees who are the owners of the share capital of SME have signed a Declaration of Trust that they will act as directed by the Museum Trustees. In addition, the Museum's Director, Deputy Director, Operations and Commercial Director and Finance Director and a Museum Trustee are all directors of SME along with two independent directors.

b) Income

Grant-in-aid from the Department for Culture, Media and Sport (DCMS), unless for one-off specified purposes, is allocated to the general fund and is taken to the Statement of Financial Activities for the year to which it relates. The Museum currently receives separate annual allocations of 'Resource' and 'Capital' Grant-in-aid where DCMS does not specify the projects to which it must be applied. These are classified as unrestricted donations. In addition, the Museum may receive Capital Grant-in-aid for specified projects, specifically emergency maintenance projects. This funding is classified as restricted donation income and accounted for within restricted funds on the Statement of Financial Activities.

Income is recognised when there is evidence of entitlement, receipt is probable and its amount can be reliably measured. No income has been included net of expense.

Grants and other income that is awarded subject to specific performance conditions, including scientific grants and income from the Heritage Lottery Fund, are recognised when the performance conditions for their receipt have been met. When no such performance conditions are attached, for grants, income is recognised when a formal pledge is received in writing and for donations income is recognised when cash is received. Grants made under the Coronavirus Job Retention Scheme are recognised as restricted income in the year to which they relate.

Gifts-in-kind and donated services are recognised when received and valued at the market rate that the Museum would expect to pay for similar services.

c) Expenditure

All expenditure is accounted for on an accruals basis. A de-minimis limit of £500 has been applied for accruals and prepayments.

To provide more useful information to users of the financial statements, expenditure is, as required by SORP FRS 102, classified by the main charitable objects of the Museum, as discussed in the Annual Report rather than the type of expense. The costs of raising funds are those costs concerned with fundraising and trading, see Note 4a.

Expenditure on charitable activities comprises direct expenditure including staff costs attributable to the activity. This includes staff costs covered by the Coronavirus Job Retention Scheme which are treated as restricted expenditure. Support costs including Governance costs are costs which cannot be attributed directly to an activity and are therefore allocated to activities on a basis consistent with the use of the resources, primarily staff time, see Note 4b. Governance costs are those incurred in the governance of the Museum and are primarily associated with constitutional and statutory requirements, see Note 4d.

Expenditure is not recorded where the Museum acts as an agent, distributing funds on behalf of a third party without having discretion as to how funds are used. This is the case in respect of payroll expenditure processed on behalf of Soane Museum Enterprises Limited, which is reimbursed.

1 Accounting Policies (continued)

d) Taxation

The Museum is exempt under section 505 of the Income and Corporation Taxes Act 1988 from taxes on income arising from the pursuit of its charitable objectives. The taxable profits of Soane Museum Enterprises Limited are usually distributed to the Museum under Gift Aid rules, and this is the case in 2022-23.

e) VAT

The Museum is currently able to reclaim all input VAT which it incurs.

f) Fixed Assets and Depreciation/Amortisation

Heritage and Tangible fixed assets

Tangible fixed assets and heritage assets are stated at cost less accumulated depreciation. The historical cost of a tangible fixed assets which has been capitalised is not considered to be materially different from its net current replacement cost. Fixed assets costing more than £1,000 are capitalised, and are reviewed for impairment on a yearly basis. Depreciation is provided on heritage and tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected life as follows:

Heritage assets - collection	No depreciation
Freehold heritage property	No depreciation
Heritage fixtures and fittings	20 years
Assets in the course of construction	No depreciation
Office and other equipment	5 years
Retail equipment	5 years
Security equipment and fixtures and fittings	8 years
Plant	20 years

A full year's depreciation is charged in the year of acquisition.

The Museum's main exhibit is the building itself and its arrangements of objects, which must be maintained as nearly as possible in their original state. The buildings at Nos 12 and 13 Lincoln's Inn Fields and the objects displayed fall within the definition of heritage property, and they are considered to be inalienable. No valuation has been included in the accounts for these assets as appropriate and relevant valuation information is not available; the Trustees do not consider that the cost of valuing them is commensurate with the benefits to the users of the financial statements. The heritage property at No. 14 Lincoln's Inn Fields is shown at its valuation at the date of transfer to the Museum, together with subsequent restoration and refurbishment costs.

Capital restoration and refurbishment works to numbers 12, 13 and 14 Lincoln's Inn Fields, including any associated fixtures and fittings, are capitalised as heritage assets and recorded on the Balance Sheet. Where a significant restoration project is capitalised it is valued at cost and classified as either freehold heritage property, where the work relates to the fabric of the building, or heritage fixtures and fittings. The most significant such restoration project was the *Opening up the Soane* (OUTS) project, but there have been a number of smaller scale projects that followed. If a project has not been completed at the balance sheet date it is shown as an Asset Under Construction.

Intangible fixed assets

Intangible fixed assets costing more than £1,000 are capitalised at cost and amortised over an estimated useful life of 5 years. Intangible fixed assets consist of website expenditure, the Collections Management System and a database licence.

g) Fixed Asset Investments

Fixed Asset Investments are stated at market value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities. Investment income is credited to incoming resources on a receivable basis. The investments held by the Museum as disclosed in Note 8 are classed as an available-for-sale financial asset.

h) Stock

The stock of goods for resale is stated at the lower of cost or net realisable value. Stock is subject to review for impairment on an annual basis.

1 Accounting Policies (continued)

i) Debtors and Creditors

The year end debtors and creditors are valued at amortised costs based on invoices or other reasonable estimates. Debtor balances are subject to review for impairment on an annual basis.

j) Cash and Cash Equivalents

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

k) Fund Accounting

Funds are generally not held for grant-making purposes. Unrestricted funds comprise general funds and designated funds, see Note 13. General funds are available for use at the Trustees' discretion in furtherance of the general objectives of the Museum and have not been designated for other purposes. Designated funds represent unrestricted funds which have been designated by the Trustees for specific purposes in furtherance of the general objects of the Museum. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Museum for particular purposes. The aim and use of each restricted fund is set out in Note 14. The endowment fund represents capital funds which have been donated to the Museum to be held on a permanent basis, see Note 15. Income from the fund is to be applied towards the furtherance of the Museum's objects. The permanent endowment does not contain any power to convert capital into income except by application to the Charity Commission.

l) Going Concern

These accounts have been prepared on a going concern basis, which the Trustees consider to be appropriate for the following reasons:

The Museum has prepared detailed income and expenditure budgets for a period exceeding 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Museum, in terms of both the parent and the group, will have sufficient funds, through funding from its sponsor department (DCMS), as well as continued fundraising receipts and growing levels of commercial income, to meet its liabilities as they fall due for that period.

Consequently, the trustees are confident that the Museum, as both parent and group, will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

m) Public Benefit

In compliance with the duty set out in section 4 of the Charities Act 2011, the Trustees have considered the Charity Commission's General Guidance on Public Benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned objectives will contribute to the aims and objectives they have set. The benefits provided by the Museum are freely available to the public. All the Trustees of the Museum give their time and expertise free.

n) Key judgements

– Valuation of tangible assets

Tangible assets represent a significant proportion of the Museum's balance sheet and therefore the estimates and assumptions made to determine their carrying value and related depreciation are important to the Museum's reported financial position and total expenditure.

– Valuation of heritage assets

Heritage assets represents a significant proportion of the Museum's balance sheet and therefore the estimates and assumptions made to determine their value are important to the Museum's reported financial position.

Sir John Soane's Museum

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

2 Grant-In-Aid from the Department for Culture, Media and Sport (DCMS)	2023	2022
	£	£
Grant-In-Aid - Resource, unrestricted income	1,341,552	1,362,600
Grant-In-Aid - Capital, unrestricted income	31,000	30,000
Grant-In-Aid - Capital, restricted income	165,000	242,000
	<u>1,537,552</u>	<u>1,634,600</u>

Resource Grant-In-Aid was available for general running costs of the Museum including maintenance and conservation. Capital Grant-In-Aid was provided towards the cost of capital works. DCMS is a related party, see Note 20.

3 Income and Endowments

a) Other donations and legacies	2023	2023	2022	2022
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Legacies	-	-	12,274	-
Other donations and Gift Aid recoverable	804,209	140,009	574,208	-
	<u>804,209</u>	<u>140,009</u>	<u>586,482</u>	<u>-</u>

b) Charitable activities	2023	2023	2023	2022	Restated	Restated
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Grants for salary underwriting	1,250	173,081	174,331	-	144,722	144,722
Grants for other projects	60,000	304,191	364,191	-	546,829	546,829
Coronavirus Job Retention Scheme grants	-	-	-	-	43,845	43,845
Visitor tours and ticketed events	85,333	10,559	95,892	35,115	-	35,115
	<u>146,583</u>	<u>487,831</u>	<u>634,414</u>	<u>35,115</u>	<u>735,396</u>	<u>770,511</u>

c) Other income

Other income of £127,088 (2021-22: £17,579) includes £107,488 in respect of donated services received by Soane Museum Enterprises Ltd (2021-22: £10,759) and £10,101 for such services received by the Museum (2021-22: £nil).

4 Resources Expended

a)	Group	Group	Museum	Museum
Cost of raising funds	2023	2022	2023	2022
	£	£	£	£
Direct costs, development & fundraising	10,124	10,494	10,124	10,494
Direct costs, communications	46,034	48,210	46,034	48,210
Direct costs, trading, including legal advice	191,364	54,444	-	-
Direct costs, stock for trading	144,032	94,201	-	-
Allocated staff costs	499,895	518,566	264,851	364,089
Allocated support & governance costs	94,805	92,511	94,805	92,511
	<u>986,254</u>	<u>818,426</u>	<u>415,814</u>	<u>515,304</u>

All direct costs of the Museum's trading subsidiary are included within the cost of raising funds.

4 Resources Expended (continued)

b) Charitable activities, including staff costs see Note 4c

	Buildings £	Collections £	Visitor Services £	2023 Total £	2022 Total £
Building projects	16,513	-	-	16,513	(5,174)
Building maintenance	227,837	-	-	227,837	209,519
Research, library, archive, digitisation	-	42,837	-	42,837	33,927
General conservation	-	182,269	-	182,269	71,385
Visitor services	-	-	6,293	6,293	4,920
Educational activities	-	-	57,521	57,521	65,132
Exhibitions	-	61,436	49,445	110,881	42,881
Allocated staff costs (see Note 4c)	269,544	319,077	914,205	1,502,826	1,325,070
Allocated support & governance costs (see Note 4e)	63,276	63,619	215,183	342,078	261,051
31 March 2023	<u>577,170</u>	<u>669,238</u>	<u>1,242,647</u>	<u>2,489,055</u>	
31 March 2022	<u>449,192</u>	<u>457,504</u>	<u>1,102,015</u>		<u>2,008,711</u>

	Buildings £	Collections £	Visitor Services £	2022 Total £
Building projects	(5,174)	-	-	(5,174)
Building maintenance	209,519	-	-	209,519
Research, library, archive, digitisation	-	33,927	-	33,927
General conservation	-	71,385	-	71,385
Visitor services	-	-	4,920	4,920
Educational activities	-	-	65,132	65,132
Exhibitions	-	20,934	21,947	42,881
Allocated staff costs (see Note 4c)	196,832	286,486	841,752	1,325,070
Allocated support & governance costs (see Note 4e)	48,015	44,772	168,264	261,051
31 March 2022	<u>449,192</u>	<u>457,504</u>	<u>1,102,015</u>	<u>2,008,711</u>

c) Staff costs, see Note 5a

	2023 £	2022 £
Cost of raising funds	499,895	518,566
Buildings	269,544	196,832
Collections	319,077	286,486
Visitor services	914,205	841,752
	<u>2,002,721</u>	<u>1,843,636</u>

Staff costs which cannot be attributed directly to an activity are allocated to activities on a basis consistent with the use of the resources, primarily staff time.

Sir John Soane's Museum

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

	2023	2022
	£	£
d) Governance , including staff costs see Note 4c		
Internal audit - current year	6,000	5,950
External audit - current year (Museum and Group)	18,200	17,500
Subsidiary audit - current year (HW Fisher & Company)	15,000	9,600
Subsidiary audit - prior year (HW Fisher & Company)	3,019	404
Subsidiary - tax advice (HW Fisher & Company)	900	800
Other administrative expenses	4,508	2,303
	<u>47,627</u>	<u>36,557</u>

The Comptroller and Auditor General is the external auditor of the Museum's Financial Statements. The audit fee for the work was £18,200 (2021-22: £17,500); no other non-audit work was provided.

e) **Allocated support and governance costs**

	2023	2022
	£	£
Cost of raising funds, see Note 4a	94,805	92,511
Buildings, see Note 4b	63,276	48,015
Collections, see Note 4b	63,619	44,772
Visitor services, see Note 4b	215,183	168,264
	<u>436,883</u>	<u>353,562</u>

Support and governance costs which cannot be attributed directly to an activity are allocated to activities on a basis consistent with the use of the resources, primarily staff time.

5 Employee and Trustee Information

a) Staff costs

	2023	2022
	£	£
Salaries	1,521,325	1,390,279
Employer's national insurance	140,931	119,942
Employer's pension contributions, see Note 18	340,465	333,415
Total employment costs	<u>2,002,721</u>	<u>1,843,636</u>
Recruitment	1,815	29,683
Payroll services, training and other staff costs	23,744	10,514
Total staff costs	<u><u>2,028,280</u></u>	<u><u>1,883,833</u></u>

Total employment costs are higher in 2022-23 because the majority of Museum staff received a combined pay award of 4.5% (consolidated plus non-consolidated awards). There were also fewer vacancies in 2022-23 than in the prior year.

During 2021-22 the Museum's use of the Coronavirus Job Retention Scheme (CJRS) was approved by DCMS. In total 35 permanent and casual employees were furloughed, and grants claimed under the CJRS in 2021-22 totalled £43,845. The closure of the Museum in March 2020 as a result of the Covid-19 pandemic negatively impacted the Museum's ability to generate income, and so use of the CJRS enabled the Museum to retain staff whilst income has been disrupted.

b) Staff numbers

	2023	2022
	Number	Number
The average number of persons employed (FTE), analysed by function was:		
Cost of generating funds	10.5	12.5
Buildings	7.0	6.5
Collections	7.1	6.0
Visitor services	23.9	22.7
	<u><u>48.5</u></u>	<u><u>47.7</u></u>

The average headcount, defined as the number of staff paid each month during 2022-23, was 70.7 (2021-22: 65.6). This includes casual staff members of 18.3 (2021-22: 14.0).

The number of employees, including the Director, whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2023	2022
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1

These employees are accruing benefits under defined benefit schemes and received no benefits-in-kind.

In 2022-23, the Senior Management Team members received total amounts of benefits (including gross salary, bonus and employer's NIC and pension contributions) of £458,137 (2021-22: £469,640, with the variance a result of maternity cover for one Director post in 2021-22).

c) Compensation for loss of office

There were no 'exit packages' awarded to staff leaving during the year (2021-22: nil) amounting to a total of £nil. (2021-22: £nil).

d) Trustees

The Trustees neither received nor waived any emoluments during the year (2021-22: £nil). Claims for travel by one Trustee (2021-22: one) amounted to £45.30 (2021-22: £33.90). Expenses paid by the Museum to 3rd parties on behalf of one Trustee (2021-22: nil) was £314.48 (2021-22: £nil).

Sir John Soane's Museum

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

6a Tangible Assets

Museum and Group

	Office Equipment £	Fixtures & Fittings £	Retail Equipment £	Security Equipment £	Plant £	Total £
Cost						
At 1 April 2022	349,382	286,977	22,066	182,842	512,172	1,353,439
Transfers	-	-	-	-	60,529	60,529
Additions	8,741	9,498	-	-	138,670	156,909
At 31 March 2023	<u>358,123</u>	<u>296,475</u>	<u>22,066</u>	<u>182,842</u>	<u>711,371</u>	<u>1,570,877</u>
Depreciation						
At 1 April 2022	326,822	181,326	22,066	141,328	190,523	862,065
Charge for the year	10,594	28,514	-	12,958	35,569	87,635
At 31 March 2023	<u>337,416</u>	<u>209,840</u>	<u>22,066</u>	<u>154,286</u>	<u>226,092</u>	<u>949,700</u>
Net Book Value						
At 31 March 2023	<u>20,707</u>	<u>86,635</u>	<u>-</u>	<u>28,556</u>	<u>485,279</u>	<u>621,177</u>
At 1 April 2022	<u>22,560</u>	<u>105,651</u>	<u>-</u>	<u>41,514</u>	<u>321,649</u>	<u>491,374</u>

6b Heritage Assets

Museum and Group

	Assets Under Construction £	Heritage Assets - Collection £	Freehold Heritage Property £	Heritage Fixtures & Fittings £	Total £
Cost					
At 1 April 2022	256,089	66,275	8,115,863	1,556,562	9,994,789
Transfers	(256,089)	-	-	195,560	(60,529)
Additions	-	-	-	145,527	145,527
At 31 March 2023	<u>-</u>	<u>66,275</u>	<u>8,115,863</u>	<u>1,897,649</u>	<u>10,079,787</u>
Depreciation					
At 1 April 2022	-	-	-	577,772	577,772
Charge for the year	-	-	-	94,882	94,882
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>672,654</u>	<u>672,654</u>
Net Book Value					
At 31 March 2023	<u>-</u>	<u>66,275</u>	<u>8,115,863</u>	<u>1,224,995</u>	<u>9,407,133</u>
At 1 April 2022	<u>256,089</u>	<u>66,275</u>	<u>8,115,863</u>	<u>978,790</u>	<u>9,417,017</u>

Heritage Assets	2022-23 £	2021-22 £	2020-21 £	2019-20 £	2018-19 £
Additions	341,087	56,346	85,888	126,431	40,708

6b Heritage Assets (continued)

Museum and Group

Nature of the Collection

Sir John Soane's Museum, at Nos 12 and 13 Lincoln's Inn Fields, together with its contents comprise a significant collection of "tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture". The Museum's heritage assets consist of Sir John Soane's collection of objects, furniture and paintings, his library, drawings collection and business archive, an assemblage required by Act of Parliament to be kept as it was at the time of Soane's death in 1837, as an educational resource for the benefit of the public in perpetuity.

The buildings at Nos 12 and 13 are not capitalised. Only items for which we have reliable information on cost or value have been capitalised. Such information is not readily available for items donated or acquired prior to 1 April 2001, and could only be obtained at a disproportionate cost to the benefits that would be generated.

A third property, No. 14 Lincoln's Inn Fields, was donated to the Museum on 26 March 2004 by Sir John Soane's Museum Society. At that date it was valued at £980,000 on an open market existing use basis by Drivers Jonas, Chartered Surveyors. The valuation was made in accordance with Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors. Since acquiring No.14, the Museum has expended £1,791,280 to restore the property. The property was acquired by the Society with the support of the National Lottery through the Heritage Lottery Fund, and cannot be disposed of by the Museum without the approval of the Trustees of the National Heritage Memorial Fund. The building entered into use during 2009. Impairment reviews are conducted annually and there were no indicators of impairment noted - either to the property or the capitalised restoration works - in the 2022-23 review.

The Museum's freehold properties (Nos 12, 13 and 14 Lincoln's Inn Fields) and collections owned by the Museum are considered to be inalienable and are integral to the objectives and purpose of the Museum. As stated in Accounting Policy Note 1f, no cost is attributed to Nos 12 and 13 Lincoln's Inn Fields or the collections as these have been in the Trustees' ownership since 1837, reliable cost information is not available, and conventional valuation techniques are not appropriate. Further details concerning these can be found in the Annual Report.

FRS 102 requires heritage assets to be reported on the Balance Sheet where information is available and to enhance disclosures relating to all heritage assets regardless of whether these were reported on the Balance Sheet. Of the heritage assets held by Sir John Soane's Museum, only the building at No. 14 Lincoln's Inn Fields; a ring that once belonged to Sir John Soane; a painting; a set of architectural drawings; and capital works, including fixtures and fittings, to the buildings at Nos 12, 13 and 14 as part of the OUS and other significant capital works projects, have been capitalised and recognised on the Balance Sheet.

Proposed Valuation

The Trustees have considered a proposal to value the collection for the purposes of capitalising its heritage assets. An attempt has been made to estimate the cost of valuation, which shows that if one knowledgeable person could be made available full-time to locate, handle and display each item for valuation, this task alone would take more than twelve years. Added to this, the cost of engaging external valuers, as the Museum does not have sufficient skills internally, is very difficult to estimate but certain to be very high. The Trustees are in no doubt that these costs are entirely disproportionate to any benefits which might be gained by users of the accounts. The Museum does not have access to funds which could be used for this purpose, nor sufficient accommodation on its premises for an influx of temporary staff and experts.

A small proportion of the items in the collection have at one time or another been loaned to other institutions. Approximate valuations of these items have been made, at some expense, for insurance purposes. These valuations are not considered accurate for the purposes of capitalisation and are also outdated.

Information about the Collection

The Museum's website includes a full list of its holdings - more than 52,000 items under fourteen categories - together with a Summary of Holdings and a Note on Provenance. The most significant items held in the collection include the original paintings of *A Rake's Progress* by Hogarth, the 3,000 year old alabaster sarcophagus of Seti I, three paintings by Canaletto including one of his finest, and three paintings by Turner. The accuracy of this listing is subject to internal audit. A long-term project is under way to complete the cataloguing of those elements of the collection which are not yet fully catalogued in detail. Further information about individual items is available from curatorial staff by appointment on request.

Acquisition and Disposal

Additions made to heritage assets generally relate to capitalised building works and fixtures and fittings for any significant restoration projects relating to the heritage property owned by the Museum. As a closed collection, the Museum has no programme of acquisition to the collection of objects and works of art, although some small gifts of books, drawings or letters have been received. An exception was made to this rule in 2009 when the Trustees agreed to take advantage of a rare opportunity to purchase, with funds provided for the purpose, a valuable ring which had once belonged to Sir John Soane. This acquisition is listed on the balance sheet. Disposal of inalienable heritage assets contravenes the rules of the charity. No disposals have been made. There have been two cases, historically, where items from the collection have been donated to other charitable institutions with aligned objectives. In these cases any necessary approvals were sought and received prior to disposal. The value of the items had not been included on the Balance Sheet, so there was no adjustment to the reported value of heritage assets.

Preservation and Management

The Museum has benefited ever since 1837 from a dedicated and professional curatorial staff. This has generated a reputation as the best preserved and documented house-museum in the world. The collection is managed expressly for the benefit of members of the public while guaranteeing its preservation for future generations. Details of preservation and management activities during the year are expanded upon within the section of Annual Report entitled 'The Buildings' and 'The Collections'.

7 Intangible Assets

Museum and Group	Assets Under Construction	Intangible Assets	Total
Cost	£	£	£
At 1 April 2022	-	463,333	463,333
Additions and improvements	19,055	36,453	55,508
At 31 March 2023	<u>19,055</u>	<u>499,786</u>	<u>518,841</u>
Amortisation			
At 1 April 2022	-	425,502	425,502
Charge for the year	-	19,493	19,493
At 31 March 2023	<u>-</u>	<u>444,995</u>	<u>444,995</u>
Net Book Value			
At 31 March 2023	<u>19,055</u>	<u>54,791</u>	<u>73,846</u>
At 31 March 2022	<u>-</u>	<u>37,831</u>	<u>37,831</u>

Intangible assets represent website expenditure, audio guide tours, the Collections Management System and a database licence.

Amortisation charges are included in, and apportioned across, Expenditure on Raising Funds and Charitable Activities (excluding Donations).

8 Investments

Museum and Group

a) Fixed Asset Investments

	2023	2022
	£	£
Market value at 1 April	12,285	8,522
Net gain/(loss) on investment	<u>51</u>	<u>3,763</u>
Market value at 31 March	<u>12,336</u>	<u>12,285</u>
Historic cost at 31 March	<u>28,920</u>	<u>28,920</u>

The investment is 5,250 Man Group plc ordinary shares of 3 3/7 US Cents each and is listed on a recognised UK Stock Exchange.

b) Current Asset Investments

	2023	2022
	£	£
Short term cash deposits	<u>250,000</u>	<u>-</u>

Sir John Soane's Museum
Notes to the Consolidated Financial Statements for the year ended 31 March 2023

9 Stock

	2023 MUSEUM £	2023 GROUP £	2022 MUSEUM £	2022 GROUP £
Finished goods and goods for resale	6,725	92,601	6,725	92,838
	<u>6,725</u>	<u>92,601</u>	<u>6,725</u>	<u>92,838</u>

10 Debtors

	2023 MUSEUM £	2023 GROUP £	Restated 2022 MUSEUM £	Restated 2022 GROUP £
Prepayments and accrued income	163,316	187,211	316,113	325,695
Amounts owed by Subsidiary	167,260	-	206,823	-
VAT recoverable	32,095	32,095	65,077	65,077
Other debtors, including Gift Aid recoverable	189,571	215,458	174,674	209,272
	<u>552,242</u>	<u>434,764</u>	<u>762,687</u>	<u>600,044</u>

The Group's other debtors balance is disclosed net of a provision for bad and doubtful debts of £nil (2022: £1,200).
The Museum's other debtors balance does not include any such provision (2022: £nil).

11 Cash at bank and in hand

	2023 MUSEUM £	2023 GROUP £	2022 MUSEUM £	2022 GROUP £
Cash at bank	1,132,533	1,284,037	999,837	1,170,934
Cash in hand	1,511	1,611	1,510	1,610
	<u>1,134,044</u>	<u>1,285,648</u>	<u>1,001,347</u>	<u>1,172,544</u>

Sir John Soane's Museum

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

12 Creditors: amounts falling due within one year	2023	2023	2022	2022
	MUSEUM	GROUP	MUSEUM	GROUP
	£	£	£	£
Trade creditors	49,435	67,946	168,886	175,330
Taxation, social security and pensions	99,792	106,599	85,746	91,798
Accruals	73,892	90,429	107,263	118,066
Deferred income	28,016	72,316	29,413	66,934
	251,135	337,290	391,308	452,128

£66,934 of Deferred Income was released and £72,316 added during 2022-23. Deferred Income is in respect of services paid for in 2022-23 but to be supplied in 2023-24. The balance at 31 March 2023 is due within one year.

13 Analysis of net assets	Restricted	General	Designated	Endowment	2023
Group	Funds	Fund	Funds	Fund	Total Funds
	£	£	£	£	£
Represented by:					
Intangible Fixed Assets	73,846	-	-	-	73,846
Heritage Fixed Assets	6,635,853	-	2,771,280	-	9,407,133
Tangible Fixed Assets	621,177	-	-	-	621,177
Investments	-	-	-	12,336	12,336
Current Assets	482,926	1,353,128	226,958	-	2,063,012
Liabilities	-	(337,290)	-	-	(337,290)
Balances as at 31 March 2023	7,813,802	1,015,838	2,998,238	12,336	11,840,214

	Restated	General	Designated	Endowment	Restated
	Restricted	Fund	Funds	Fund	2022
	Funds	£	£	£	Total Funds
	£	£	£	£	£
Represented by:					
Intangible Fixed Assets	37,831	-	-	-	37,831
Heritage Fixed Assets	6,645,737	-	2,771,280	-	9,417,017
Tangible Fixed Assets	491,374	-	-	-	491,374
Investments	-	-	-	12,285	12,285
Current Assets	621,813	1,016,655	226,958	-	1,865,426
Liabilities	-	(452,128)	-	-	(452,128)
Balances as at 31 March 2022 (restated)	7,796,755	564,527	2,998,238	12,285	11,371,805

14 Unrestricted Funds

Group

	General Fund	Designated Fund Property	Designated Fund Legacies	2023 Total
	£	£	£	£
Balances at 1 April 2022	564,527	2,771,280	226,958	3,562,765
Income	3,150,828	-	-	3,150,828
Expenditure	(2,721,866)	-	-	(2,721,866)
Transfers	22,350	-	-	22,350
Balances as at 31 March 2023	1,015,839	2,771,280	226,958	4,014,077

	General Fund	Designated Fund Property	Designated Fund Legacies	2022 Total
	£	£	£	£
Balances at 1 April 2021	486,901	2,771,280	214,684	3,472,865
Income	2,388,927	-	12,274	2,401,201
Expenditure	(2,311,301)	-	-	(2,311,301)
Transfers	-	-	-	-
Balances as at 31 March 2022	564,527	2,771,280	226,958	3,562,765

The Designated Fund - Property relates to No.14 Lincoln's Inn Fields and represents the value of the property donated to the Museum in 2004 of £980,000, together with monies spent subsequently on its restoration of £1,791,280.00.

The Designated Fund - Legacies is for unrestricted legacies. Such legacies are to be applied in the maintenance and conservation of the buildings and the collections or otherwise as deemed necessary by the Trustees for the enduring viability of the Museum.

15 Restricted Funds

Museum and Group

Restricted fund income was expended during the year in relation to the following activities:

the Acquisition Fund relates to funds raised to acquire additions to the collection;
the Conservation Fund hold funds raised specifically for conservation purposes, including publications;
the Exhibition Fund is specifically for creating and running exhibitions;
the Library Fund was set up for library cataloguing, including the digitisation of the Adam and other drawings;
the Education Fund was set up to support and promote the Museum's education projects;
the Masterplan Construction Fund relates to expenditure on the development phase of OUTF;
the Other Restricted Projects Fund relates to funds raised to support specific projects identified by the Museum;
the Capital Works Fund relates to expenditure on capital projects funded by DCMS Capital Grant; and
the Coronavirus Job Retention Scheme supported the Museum during the Covid-19 pandemic.

15 Restricted Funds (continued)

Museum and Group	Restated Balances at 1.4.2022	Income	Expenditure	Transfers	Balances at 31.3.2023
	£	£	£	£	£
Acquisition Fund	42,620	-	-	-	42,620
Conservation Fund	11,840	200	(200)	-	11,840
Exhibition Fund	212,409	213,748	(122,872)	-	303,285
Library Fund	48,113	-	-	-	48,113
Education Fund	86,213	43,937	(43,653)	-	86,497
Masterplan Construction Fund	5,986,941	-	(63,494)	-	5,923,447
Other Restricted Projects Fund	663,665	369,955	(449,993)	(22,350)	561,277
Capital Works (DCMS)	744,954	165,000	(73,231)	-	836,723
Coronavirus Job Retention Scheme	-	-	-	-	-
Total	7,796,755	792,840	(753,443)	(22,350)	7,813,802

	Restated Balances at 1.4.2021	Restated Income	Restated Expenditure	Restated Transfers	Restated Balances at 31.3.2022
	£	£	£	£	£
Acquisition Fund	42,620	-	-	-	42,620
Conservation Fund	11,840	-	-	-	11,840
Exhibition Fund	154,688	99,589	(41,868)	-	212,409
Library Fund	48,113	-	-	-	48,113
Education Fund	95,380	64,757	(73,924)	-	86,213
Masterplan Construction Fund	6,050,435	-	(63,494)	-	5,986,941
Other Restricted Projects Fund	371,272	527,205	(234,812)	-	663,665
Capital Works (DCMS)	560,847	242,000	(57,893)	-	744,954
Coronavirus Job Retention Scheme	-	43,845	(43,845)	-	-
Total	7,335,195	977,396	(515,836)	-	7,796,755

16 Endowment Fund

Museum and Group	2023 Total £	2022 Total £
Balance at 1 April	12,285	8,522
Net gain on investment assets	51	3,763
Balance at 31 March	12,336	12,285

The Endowment Fund represents donations, received for the general purposes of the Museum, which cannot be treated as income. The capital element of these donations cannot be spent but the income they generate can be spent. The income is therefore treated as unrestricted.

17 Capital Commitments

At the balance sheet date the Museum was contractually committed to the sum of £nil for all capital projects (2022: £66,066).

18 Contingent Assets & Liabilities, Losses and Special Payments

During 2022-23 the Museum received notification that it would benefit from a residuary bequest, which represents a contingent asset at the year-end. As at 31 March 2023 the amount that would be received was not known, but the Museum subsequently received payments of £91,319 and £2,610, in April 2023 and August 2023, respectively. There were no contingent liabilities at the year-end.

There were no losses or special payments during the year.

19 Pension Arrangements

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

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

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on 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.

Most employees of Sir John Soane's Museum are members of these arrangements, which are an unfunded multi-employer defined benefit scheme, and as such Sir John Soane's Museum is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. For 2022-23, employer's contributions of £331,470 were payable to PCSPS (2021-22: £314,625) in respect of 54 members (2021-22: 50) at one of four rates in the range 26.6% to 30.3% (2021-22: 26.6% to 30.3%) of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during each year to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

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

NEST (National Employment Savings Trust) is a pension scheme set up by the Government primarily for employers to use to comply with auto-enrolment. NEST is used as the pension scheme for staff of Soane Museum Enterprises Ltd, as well as any casual workers with no fixed contractual hours. Those workers who earn more than £520 per month (£6,240 pa) will be automatically enrolled into NEST but can then opt out if they wish. Workers can also choose to opt in at any point, as long as they are aged at least 22. Employer contributions are paid at a rate of 10% of qualifying earnings for SME staff and 3% for other members. Contributions paid during the year were £8,997 (2021-22: £9,640).

Employer pension contributions are allocated to expenditure categories within the Statement of Financial Activities dependent on the estimated proportion of time spent on activities by the employee. This includes the allocation between activities and between restricted and unrestricted funds.

20 Related Party Transactions

Sir John Soane's Museum is an NDPB whose sponsor department is DCMS. DCMS is regarded as a related party. During the year, Sir John Soane's Museum has had material transactions with DCMS. These transactions are shown in Note 2.

An independent charitable company, Sir John Soane's Museum Trust (SJSMT Trust), was set up in February 2012, of which one Trustee of the Museum (Basil Postan), is a Trustee. Six of the seven Trustees are independent. As the representative of the Museum (i.e one Trustee) is in a minority and as the Trust carries out its activities independently of the Museum, its financial results are not consolidated with those of the Museum. The Museum provides services and facilities for the Trust on an arm's length basis, and during the year the Trust was charged a total of £9,500 (2021-22 restated: £7,625) for fundraising and administrative services. In 2021-22 the Museum applied for and received unrestricted donations of £300,000 (2021-22: £150,000) from the Trust's Catalyst Endowment Fund for general purposes.

The Director, Deputy Director, Director of Commercial & Operations, Finance Director and one Trustee of the Museum serve as unremunerated Directors of the Museum's trading subsidiary, Soane Museum Enterprises Limited. The Board is chaired by the one Museum Trustee, Lucie Kitchener.

During the year the Group provided commercial services of £8,046 to the related parties of Trustees or SME Directors (2021-22: £1,425). The Group purchased services from the related parties of Trustees for payments totalling £200 (2021-22: £nil). The Group purchased services from the related parties of SME Directors for payments totalling £16,000 (2021-22: £16,670).

A number of Trustees and their related parties, or related parties of SME Directors, are members of the Museum's Patrons' Circle or the Inspectress's Fund. The amounts paid in respect of the benefits provided to these members totalled £8,000 (2021-22: £4,750).

Trustees, Directors and employees of the Museum and of Soane Museum Enterprises Limited are offered discounts on purchases from the Museum's shop.

The Museum entered into other material related party transactions as follows:

9 Trustees (2021-22: 6) donated a total of £185,846 (2021-22: £42,377) to the Museum for various fundraising campaigns, as well as unrestricted donations as members of the Museum's Patrons' Circle or the Inspectress's Fund.

Balances of £nil were owed by the Group to related parties as at 31 March 2023 (31 March 2022: £nil). There were balances of £nil due from related parties as at 31 March 2023 (as at 31 March 2022: £338).

21 Trading Subsidiary

The Museum's trading Subsidiary, Soane Museum Enterprises Limited (SME Ltd), became operational on 27 January 2014, carrying out the commercial operations of the Group, principally being retail, licensing and room hire. Please refer to note 1a for further information on its constitution. A summary of the results of the subsidiary are shown below:

	2023	2022
	£	£
SME Ltd: Profit and Loss Account		
Turnover:		
Room Hire/Filming & Reproduction Fees/Licensing/Retails Sales	666,207	348,392
Visitors	73,382	31,578
Donated services	<u>107,488</u>	<u>10,579</u>
	847,077	390,549
Cost of Sales	<u>(186,221)</u>	<u>(117,272)</u>
Gross Profit	660,856	273,277
Administrative Expenses	<u>(443,284)</u>	<u>(246,361)</u>
Trading Profit, Profit on Ordinary Activities before taxation	<u>217,572</u>	<u>26,916</u>
Taxation	-	-
Profit on Ordinary Activities after taxation	<u>217,572</u>	<u>26,916</u>
Payable under gift aid to Museum	<u>(217,572)</u>	<u>(26,916)</u>
Retained Profits in Subsidiary	<u>-</u>	<u>-</u>
SME Ltd: Balance Sheet		
Tangible Fixed Assets	-	-
Current Assets	287,262	300,292
Current Liabilities	(35,843)	(239,529)
Provision: Payable under gift aid to Museum	<u>(217,572)</u>	<u>(26,916)</u>
Net Assets	<u>33,847</u>	<u>33,847</u>
Share Capital	2	2
Reserves	<u>33,845</u>	<u>33,845</u>
Total Funds	<u>33,847</u>	<u>33,847</u>
Reconciliation from the SME Ltd P&L Account to the Consolidated SoFA		
Income included in Consolidated SoFA		
Turnover	666,207	348,392
Plus: Museum Trading Income	<u>29,575</u>	<u>20,500</u>
Total Income from Other Trading Activities	<u>695,782</u>	<u>368,892</u>
Income included in Consolidated SoFA		
SME Ltd Turnover (Visitors)	73,382	31,578
Plus: Museum Unrestricted Charitable Income	<u>11,951</u>	<u>3,537</u>
Total Unrestricted Income from Charitable Activities	<u>85,333</u>	<u>35,115</u>
Trading costs included in Consolidated SoFA		
SME Ltd Cost of Sales	186,221	117,272
SME Ltd Administrative expenses	443,284	246,361
SME Ltd Taxation	-	-
Plus: Museum Development Fundraising and Trading costs	415,814	515,304
Less: Costs Recharged to SME by the Museum	<u>(59,065)</u>	<u>(60,511)</u>
Total Expenditure on Raising Funds	<u>986,254</u>	<u>818,426</u>

The gift aid payable of the Subsidiary's trading profit to the Museum, as agreed by the Directors of the Subsidiary, has been included in the Subsidiary as a Profit and Loss Account Reserve Movement in line with best accounting practice.

22 Financial Instruments

FRS 102 requires entities to provide disclosures which allow users of the accounts to evaluate the significance of financial instruments for the entity's financial position and the nature and extent of risks arising from financial instruments during the period.

The majority of financial instruments relate to contracts to buy goods and services in line with the Museum's expected purchase and usage requirements and the Museum is therefore exposed to little credit, liquidity or market risk.

Liquidity Risk

Over 44% of the Museum's unrestricted income is provided as Grant-in-aid from the Department for Culture, Media and Sport (DCMS). The remaining income comes from self-generated income which is more volatile. As the cash requirements of the Charity are met largely through the Grant-in-aid, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The Museum has sufficient unrestricted funds to cover its current liabilities.

Credit Risk

The Museum is not exposed to significant credit risk as its debtors, excluding amounts due from its subsidiary, consist mostly of sums due from HMRC. There is a significant balance of accrued income relating to grants and donations pledged but not yet received. This is believed to be low risk, as the majority of this income is pledged by individual donors well known to the Museum, or Trusts and Foundations that have a strong reputation and have usually supported the Museum in the past. In addition, these funds are usually pledged towards restricted projects where work is staggered to take place as funds are received. Its cash is held by the Museum's bankers and it has not suffered any loss in relation to cash held by bankers. Write-offs for bad debts amounted to £Nil (2022: £Nil). The Group's trade debtors balance is disclosed net of a provision for bad and doubtful debts of £nil (2022: £1,200), which relates to amounts due from subsidiary licensees.

Interest Rate Risk

The Museum is not exposed to significant interest rate risk as it earned less than £5,000 from dividend and interest income and does not rely on interest income.

Foreign Currency Risk

The Museum receives income in foreign currencies, especially US dollars. This is managed by using a separate US dollar bank account for receipt and then timely conversion to the GB pounds sterling bank account.

Investment Risk

The investment held (shares in a Public Listed Company) are endowed funds and therefore, cannot be sold. Expected dividends from this source are not included in the budgeting process for the Museum owing to their immateriality and therefore, a fall in dividends is not considered a risk.

23 Post-Balance Sheet Events

The annual report and accounts were authorised for issue by the Accounting Officer and Trustees on the date they were certified by the Comptroller and Auditor General. There were no reportable events between 31 March 2023 and the date the accounts were authorised for issue.

24 Changes in Accounting Policies and Prior Year Adjustments

Group

As set out in note 1b, the Museum recognises income when there is evidence of entitlement, receipt is probable and its amount can be reliably measured. For grant income, when there are no performance conditions are attached, income is recognised when a formal pledge is received in writing. The Museum identified one grant of £150,000 that had been pledged in writing in June 2021 and was subsequently received in January 2023. Review of the grant documentation showed that there were no qualifying performance conditions attached to this grant so it should have been accrued as at 31 March 2022. The impact of this reassessment is material to the Museum's accounts, and therefore the prior year's results have been restated to provide a consistent presentation. The impact of accruing this grant has had the following effect:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Statement of Financial Activities				
Net income as previously stated (2021-22)	89,900	311,560	3,763	405,223
Accrued grant income restatement	-	150,000	-	150,000
	<u>89,900</u>	<u>461,560</u>	<u>3,763</u>	<u>555,223</u>
	<u>89,900</u>	<u>461,560</u>	<u>3,763</u>	<u>555,223</u>
Balance Sheet				
Funds as previously stated at 31 March 2021	3,472,865	7,335,195	8,522	10,816,582
Accrued grant income restatement	-	-	-	-
	<u>3,472,865</u>	<u>7,335,195</u>	<u>8,522</u>	<u>10,816,582</u>
Funds restated at 31 March 2021	<u>3,472,865</u>	<u>7,335,195</u>	<u>8,522</u>	<u>10,816,582</u>
Funds as previously stated at 31 March 2022	3,562,765	7,646,755	12,285	11,221,805
Accrued grant income restatement	-	150,000	-	150,000
	<u>3,562,765</u>	<u>7,796,755</u>	<u>12,285</u>	<u>11,371,805</u>
Funds restated at 31 March 2022	<u>3,562,765</u>	<u>7,796,755</u>	<u>12,285</u>	<u>11,371,805</u>

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