

SCIENCE MUSEUM GROUP

Annual Report and Accounts 2011–2012

Science Museum
Museum of Science and Industry, Manchester
National Railway Museum in York and Shildon
National Media Museum
SCMG Enterprises Ltd

Science Museum Group

Annual Report and Accounts 2011–2012

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Science Museum Group (SMG) members:
(Formerly known as National Museum of Science & Industry)

Science Museum

Museum of Science and Industry, Manchester

National Railway Museum in York and Shildon

National Media Museum

SCMG Enterprises Ltd

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1 Review of 2011–12 and plans for the future

1.1 Director's statement

This year saw a major milestone in the history of the Science Museum Group (SMG), with the Museum of Science and Industry (MOSI), Manchester joining the Group in February 2012. Together we form the most significant science museum group in the world, with an unrivalled collection and an audience of over 5 million visitors a year. By working together we have a truly national reach and can bring the best of what our Museums have to offer to more people across the country. We can share our programmes, exhibitions and learning expertise and improve access to an enhanced collection which now also represents Manchester's unique industrial heritage. In recognition of the profile and influence we seek, the Group changed its name from National Museum of Science & Industry, to Science Museum Group, building on the familiarity and good standing of the Science Museum.

Whilst the joining of MOSI provides many future opportunities to enhance our offer through collaborative work, we have already seen the benefit of joint working across our sites. In line with our objective to enhance the public offer through joint programming at the National Railway Museum (NRM) in York and in Shildon (Locomotion), visitors to these museums had the opportunity to be part of our first ever cross-site venture, with steam and diesel shuttles operating between York and Shildon over two weekends. The Science Museum worked with the NRM and MOSI, along with external partners At-Bristol and Catalyst, to deliver the second year of the Climate Science Outreach Project. The project aims to reach over 5000 Year 9 students and their teachers over three years. Another significant collaboration within the Group during the year has been the ongoing development of Media Space. This gallery, based in the Science Museum and showcasing both National Media Museum (NMeM) and Science Museum collections, will provide a space for the exhibition of visual media, surrounded by cultural spaces for exploring, discussing, testing and exhibiting creative technologies.

As well as extending our national reach, we have also been raising our profile internationally. The NMeM's excellent programme of touring photography exhibitions continued this year with *Drawings that Move: The Art of Joanna Quinn* touring to the Czech Republic and *Simon Roberts: We English* on show in France. Locomotives from the NRM's world-renowned collection are regularly on loan across the country and this year steam locomotive number 563 left Locomotion on a 3500-mile journey to Canada to be the star of the production of *The Railway Children* in Toronto. Expertise from NRM staff was sought this year by the Sierra Leone National Railway Museum, which

was visited by staff from York who assessed, reviewed and advised on aspects of the museum's development. Meanwhile, staff from the Science Museum's learning team shared their knowledge with museum colleagues in KwaZulu/Natal, South Africa as well as colleagues in Saudi Arabia. In addition to the provision of advice, Science Museum learning programme shows have been in demand internationally, with the outreach team performing at the Abu Dhabi Science Festival.

All of this activity takes place against a backdrop of reduced Grant in Aid funding and economic uncertainty. In response we have made good progress in achieving cost savings and generating income. For example, this year we have delivered a project to consolidate our storage capability across the Group, enabling us to cease all off-site storage in York and Bradford. We have also continued our work to reduce energy consumption and are committed to the Carbon Reduction Masterplan for the 1851 Estate. We have developed innovative ways to generate income whilst enhancing our offer, such as the *Science Museum Live on Tour!* theatre show and our enhanced on-site welcome which has increased visitor giving.

There are many challenges ahead, especially in financial and economic areas, but the Science Museum Group is determined to make significant changes in response. As an organisation we will deliver our programmes and development plans by building on our excellent scholarship and learning, whilst seeking to be extrovert, entrepreneurial and efficient.



Ian Blatchford
Director

1.2 Science Museum

Our objectives

The Science Museum's mission is to make sense of the science that shapes our lives. This commitment drives everything we do. Through our world-class collections of historical objects, galleries, interactive experiences and learning programmes we aim to be the leading international museum championing the understanding, enjoyment and prestige of science in modern society. To achieve this, our key objectives this year were to deliver:

- An inspirational offer
- A peerless collection
- An unmatched experience
- A dedication to learning
- A commitment to excellence

Our audiences

The Science Museum is a favourite with families: 53% of our daytime Museum visitors come in family groups. We are the most popular free school-trip destination in the UK, and 14% of our visitors come in education groups. Adults visiting independently, who come to see the collection, reflect on science issues, engage their minds or simply to see the Museum, make up 33% of our audience. For many visitors to the capital the Museum is a must-visit destination, with 32% of our general admissions visitors from overseas and 27% from outside of London and the Southeast.

Our achievements

This year the Science Museum welcomed 2.95 million visitors, achieving our highest annual total since free entry was introduced in 2001. This included welcoming a record-breaking 20,000 visitors in a single day. Whilst high visitor numbers are a great indicator of our success, we recognise the quality of our programme and the visitor experience is of paramount importance. We are therefore delighted to have been shortlisted for the upcoming Museums & Heritage Awards for Excellence for the redevelopment of the Wellcome Wing and for our *Antenna* science news gallery. We are also pleased to be recognised for our work with deaf audiences, which has received a number of accolades from organisations representing deaf people.

Exhibitions, gallery development and programmes

This year we have sought to ensure our programme appeals to adult audiences whilst continuing to treasure our core family audience. Highlights included the exhibition *Hidden Heroes: The Genius of Everyday Things*.

A collaboration with Professor Stephen Hawking also gave visitors the opportunity to view previously unseen objects and papers from his personal archives and included a specially commissioned iPad portrait by artist David Hockney. The bringing together of contemporary art and science continued, with the work of artists Conrad Shawcross, Suzanne Treister and Electroboutique bringing a different perspective to our collections. Also bringing fresh insight to our collections were our newly appointed Inventor in Residence, Artist in Residence and Writer in Residence as well as our *Ten Climate Stories* throughout the ground floor of the Museum.

A series of festivals designed to increase visitor numbers during traditionally quiet periods proved successful this year. Our four-day Robotville festival, Player live gaming weekend and Stitched Science event drew enthusiastic audiences, along with some high-profile coverage. We also continued our themed holidays with our Spend Your Summer in Space campaign and Robots month at Christmas. Fascinating new objects such as a new display of a piece of Moon rock and the 'time-eating' Midsummer Chronophage clock intrigued audiences.

On-site scientific research and demonstrations around the latest science and technology form an integral part of our programme. Live Science collaborations with scientists and universities created opportunities for visitors to test out simulated surgery and support research through 3D imaging of the face. Interactive scientific exploration also continued in *Lotto Lab*, with students taking part in research to deepen our understanding of human perception. Our role in promoting contemporary science and engineering was recognised by the launch of the new Queen Elizabeth Prize for Engineering by Prime Minister David Cameron and Deputy Prime Minister Nick Clegg at the Museum.

We also continued to enhance the visitor experience, unveiling new digital signage and way-finding throughout the building. We enlarged and improved our ground-floor café and revealed a newly cleaned and beautifully enhanced building façade, fit for the newly redeveloped Exhibition Road.

Learning

Alongside overall visitor numbers, it has also been a record-breaking year for our learning programme. We welcomed our highest number of booked education group visitors, with 409,000 coming to learn about science and technology and participate in learning activities. The Museum's monthly Lates programme aimed at adults also reached new levels of popularity over the year, reaching over 4700 visitors in an evening. We have continued to develop ways of increasing access, and in 2011 won

an award from Deaf Parenting UK for our innovative programming.

This year there were 138,000 instances of participation in our off-site learning activities. Following the success of last year's inaugural run, the *Science Museum Live on Tour!* show was expanded to include Northern Ireland, selling 30,000 tickets by the end of the financial year. In addition to our regular schools outreach programme, we continued to deliver the three-year Climate Science Outreach Project, working with 51 different schools, our sister Museums in York and Manchester, and two new regional partners, At-Bristol and Catalyst, to engage Year 9 students with climate science.

As well as delivering shows across the UK, our outreach team performed at the Abu Dhabi Science Festival and for schools in Gibraltar. The Learning team also worked with international science centres to deliver training and expertise. The team delivered training to education staff at the Mishkat Science Centre in Riyadh, Saudi Arabia, are continuing to work with staff at Santralistanbul in Turkey, and established a new partnership with the Unizul Science Centre in South Africa delivering on-site training to local and regional teachers and science centre staff.

Online we have broadened the reach of our learning resources, including a new partnership with the *Times Educational Supplement* which will allow the Museum's online educational resources to be accessed by its 1.6 million users. *Futurecade*, a new Talk Science online educational resource that engages young adults in discussion around emerging scientific technologies, was also launched to critical acclaim.

Collections

Over the past year we have continued to expand and develop our collections. Notable acquisitions include over 40 items from the Puzzle Museum and an important collection of cipher machines dating from the 1920s to 1950s that were previously displayed at Bletchley Park. A team from the Museum also travelled to Cameroon and acquired around 20 telecommunications objects and film footage from a country with rapidly changing telecommunications technologies.

Our collections continue to be shown around the world, including this year at the CosmoCaixa science museum in Barcelona and the Canadian War Museum in Ottawa. Closer to home, loans have included a postcard written by H G Wells loaned to the British Library for its 'Out of this World: Science Fiction But Not As You Know It' exhibition and a Sputnik satellite replica was sent to the British Council for its exhibition 'Yuri Gagarin in London'.

Our public history research started to come to fruition this year with the opening of *Oramics to Electronica: Revealing Histories of Electronic Music*. The exhibition was co-produced with a group of musicians and with the help of people who made electronic music in the 1960s.

We have been actively seeking to increase our research capacity and are delighted to have been awarded a number of external grants which will enable us to continue our research on public history. Collaborative Research Award students and research fellows have continued to work with us throughout the year. We also appointed our first Museum Fellow of Modern Science, Henry Cliff, who will enable us to build on our relationship with the Cambridge High Energy Physics Group to inform our future exhibition on the Large Hadron Collider.

Future plans and challenges

With a full programme planned for 2012–13 and record visitor numbers achieved in 2011–12, one of the challenges in the coming year will be to ensure we can continue to provide a high-quality visitor experience. We will therefore be working to ensure operations such as maintenance and cleaning are planned effectively to support high visitor numbers, alongside a fully trained visitor welcome team. In the coming year we will be celebrating the Olympics by hosting the Department for Business, Innovation and Skills exhibition *Make It in Great Britain*, taking part in the Exhibition Road Festival and running a series of Olympic-themed *Antenna* displays. We will also be opening the exclusive temporary exhibition *Google Web Lab*.

Providing high-quality experiences specifically for adult audiences is now a key priority. Over the next few years we will be implementing a series of major temporary exhibitions designed to grow our adult audiences and build relationships with diverse audiences. These will be informed by our newly identified display, programming and debate themes. Another key area of development will be our international strategy. This will include working with existing major science museums around the world and engaging with emerging centres of excellence.

The next phase of the Museum's future plan for its South Kensington building is now getting under way. In 2013 we will be opening Media Space, an innovative new joint venture between the Science Museum and NMeM. It will consist of a new gallery for the exhibition of visual media, surrounded by cultural spaces for exploring, discussing, testing and exhibiting creative technologies. Coordination of the Media Space programme between London and Bradford will need to be carefully managed in order to get maximum benefit for both Museums.

We are also delighted to have received confirmation of support from the Heritage Lottery Fund towards the opening of a new communications gallery in autumn 2014. This will be the first of a series of major redevelopments which will create dramatic new galleries, learning zones, new public spaces and visitor facilities. Of course the key challenge to achieving this series of major redevelopments will be securing funding in the current economic climate. Plans will therefore be staged and scalable and the work of our Development team will be important in continuing to raise the profile of the Museum and build support.

1.3 Museum of Science and Industry, Manchester

(a member of Science Museum Group from 1 February 2012)

Our objectives

The Museum of Science and Industry's mission is to bring innovation to life like no other institution. Through our historic site, world-class collections and public programmes we aim to tell the amazing story of the world's first industrial city and its great innovators and innovations that revolutionised the world, and which are still shaping its future today. The Museum's key objectives for the year were as follows:

- Developing a new business model
- Improving and promoting the core offer
- Planning the next major developments
- Enhancing commercial returns
- Making efficiencies and improving the effectiveness of our operations

Our audiences

In 2011–12 the largest percentage of those visiting MOSI came as a family group, 67%, with a significant proportion visiting regularly in order to take part in the many family-friendly events and activities programmed throughout the year. Independent adults made up almost 20% of the overall visitor number. Finally, 13% were schoolchildren, a 9% increase on the previous year, with over a quarter of the pupils taking part in at least one facilitated session. A visitor satisfaction survey carried out in April and May 2011 indicated that 76% of visitors to the Museum come from Greater Manchester and the Northwest region, with a further 16% from elsewhere in the UK. Numbers of overseas visitors remain steady at 8%.

Our achievements

This year saw the largest visitor numbers on record since 1983 when the Museum opened its doors. A total of 839,000 visitors came to MOSI to see and experience the major changes that had taken place since the £9.5 million redevelopment of its main building – the Great Western Warehouse. The Museum also achieved the accolade of 'Large Visitor Attraction of the Year' in the Manchester Tourism Awards, and was praised by the judges for the high quality of its permanent collections, as well as excellent customer service levels.

Exhibitions, gallery developments and programmes

Two new touring exhibitions were hosted by the Museum this year, including the world premiere of *Customising, Culture and Harley-Davidson*, in which an impressive collection of motorcycles attracted a new audience to the Museum. *Inside DNA: A genomic revolution* explored the

fast-moving developments in the field of human genetics and the ethical issues that surround the subject. The fun and interactive exhibition introduced genetics in an accessible way, and was particularly welcomed by teachers who were looking to complement GCSE and A-level biology classes. Approximately 10,000 secondary schoolchildren visited the exhibition during its six-month run.

The Museum once again staged the extremely successful Manchester Science Festival. Now in its fifth year, the festival achieved record attendance figures of 113,000, with visitors sharing in the delights of over 150 events at 32 venues across Greater Manchester. Festival highlights included BBC One's *Bang Goes the Theory* live and *Polar*, a cinematic portrait of our polar kingdoms with a unique live orchestral soundtrack.

Art and science came together when a commemorative exhibition of the work of the little-known pioneer Desmond Paul Henry, known as 'the Picasso of the Machine Age', went on display in the Museum's 1830 Warehouse. Visitors were given the opportunity to see one of Henry's original drawing machines, view unique abstract images he created, and learn about the beginnings of computer graphics.

The theme of computing continued throughout the year's programme of family events to mark the 60th anniversary of the Ferranti Mark I – the world's first commercially produced computer, the first of which was installed at the University of Manchester in February 1951. Families joined in a range of activities, from a pixellated art workshop, to code-breaking sessions and a Girl Geeks tea party. The Museum also featured in the Manchester Histories Festival, which celebrates Greater Manchester's unique history and heritage, and gave visitors to Manchester Town Hall the opportunity to handle objects from the Museum's textile collection. For many of the visitors who had worked in the textile industry, or had family members who did so, it was an opportunity to reminisce about times gone by.

The Museum's work with local communities produced two insightful exhibitions, *Manchester Chinese Archive* and *Manpowered: A Men's Group Challenging Disability*. Fascinating stories from Greater Manchester's large Chinese community enabled the visitor to learn more about the daily life of this vibrant community, including its festivals and rituals. Members of the *Manpowered* group attended workshops throughout the year, exploring the collections, discussing their health and forming new friendships. The exhibition showcased their extraordinary journey and included artwork, photography and film produced by the group.

Steam returned to the Power Hall after almost two years of being out of action. Following the removal of the boiler from the Great Western Warehouse, as part of the

redevelopment of the building, the Museum launched the Head of Steam public appeal. This initiative aimed to get visitors behind a campaign to raise funds to purchase and install a more energy-efficient boiler to power the magnificent engines. Relunched in November 2011, the boiler is now back up and running the world's largest collection of steam mill engines regularly in operation, including the 1907 Firgrove Mill engine and the 1926 Galloways engines.

Learning

This year 110,000 people took part in organised educational activities; 29,000 schoolchildren participated in interactive workshops in the new Learning Loft and on gallery, a 31% increase on the previous year. New programmes developed during the year included a Light and Sound workshop for Key Stage 2 and a Fibres and Forensics workshop for Key Stage 3. The Museum was also awarded its second Sandford Award for Excellence in Heritage Education.

A number of learning programmes were produced in partnership with other organisations. The Museum was one of the regional science centres to take part in the Co-operative's UK sustainability education programme – Green Schools Revolution – which involved delivering a programme of science shows and on-gallery activities on the themes of water and healthy living. Other regional events the Museum helped deliver included: the Royal Society's Northwest regional workshop for museums, libraries, galleries and other organisations that traditionally do not have a science focus; the Famelab science communication competition Northwest regional heats for early career scientists engaging the public with science; and the Manchester Airport and Modern History Schools Partnership, which worked with schools and eight museums in the Northwest to produce artworks telling the story of the region's industrial heritage.

In partnership with the Open University, six maths masterclasses were delivered in the summer term to 13- to 14-year-olds. Five schools worked on the Climate Science Outreach Project in partnership with the Science Museum and the NRM. The Museum began working with Siemens and Waters MS Technology Centre to support Museum visits by hard-to-engage schools in Manchester. A Simon Fellowship awarded by the University of Manchester enabled a member of the learning team to work with research groups in the Faculty of Engineering and Physical Sciences to develop public engagement opportunities with the Museum. The University of Manchester School of Physics' Rutherford Day for Key Stage 4 pupils, supported by the Ogden Trust, was delivered in collaboration with the Museum.

The Museum was awarded a new four-year contract running to 31 March 2015 by Science, Technology, Engineering and Maths Network (STEMNET) to manage

the STEM Ambassadors programme and a STEM advisory programme for secondary schools in Greater Manchester. The programme, which will strengthen the Museum's working relationships with the universities and STEM businesses in Greater Manchester, supports the provision of enhanced and enriched STEM experiences for all secondary schoolchildren in Greater Manchester.

Collections

Acquisitions mainly comprised objects and archives strengthening subject areas within the collections. Highlights were the c. 1820 Richard Roberts turning lathe and Professor Ian Munro's personal papers. These papers cover the period when he established the Daresbury Synchrotron Radiation Source Laboratory and became its first director, including the first notebook on synchrotron radiation in the UK and correspondence with Government departments relating to funding.

Objects and archives were loaned to 16 venues in the UK this year, including loans to seven new venues, ranging from a Ferranti heater to the Museum of Liverpool, to British Electricity Development Association advertising leaflets to the Cubitt Gallery in London.

The Upper Campfield Market off-site store was vacated, with viaduct arches at the Museum being brought into use as stores and more items being added to the Air and Space Hall, the Power Hall and the Collections Centre. Two large items – electromagnets from the Daresbury SRS Laboratory and the Longendale Reservoir sluice gate – were installed in the Upper Yard. Our use of the remaining off-site store has been extended on a short-term lease pending potential transfer of the objects stored there to galleries or Wroughton.

Research highlights included commencement of an Economic and Social Research Council collaborative PhD studentship with Siemens and the University of Manchester's Centre for the History of Science, Technology and Medicine. Participants will study the technological development and economic impact of Siemens' operations in the north of England during the last 100 years.

Our future plans and challenges

For the first time in its history, MOSI is undertaking a high-level masterplanning exercise in order to maximise the potential of our complex site and determine how best it can be utilised. The exercise will ensure there is a central storyline for the Museum, bringing coherence to the site and guiding future developments. This will also be valuable in providing a logical framework against which the Museum can fundraise, enabling us to ensure programming is driven by the Museum's core themes. In more recent years MOSI has been less involved in Manchester's cultural scene and we will be looking to

reconnect in this area. We will also be looking to develop exhibition, interpretation and display standards in order to match those of the rest of SMG and will be seeking to work more closely with the Group.

In the shorter term public programming will be reinvigorated with new and innovative events. The Museum is partnering with Future Everything to hold its cutting-edge digital art exhibition and conference, which we hope will be the beginning of a long-term relationship between the two organisations. MOSI is the curator and convenor of the Manchester Science Festival, which continues to go from strength to strength. This year as part of the festival we are running the Turing's Sunflowers project, a mass science participation experiment to grow sunflowers and record their seed patterns. The project will generate interest and involvement on a grand scale and coincides with the hundredth anniversary of the birth of Alan Turing. A mini Maker Fair will be tested at the Museum for the first time in July.

From the beginning of the new financial year the Museum will be experimenting with a new model for car parking where the key change is the closure of the Upper Yard car park area. This will produce a vehicle-free area in the busiest section of the site, which will not only significantly improve pedestrian safety but more importantly create better views of the historic buildings and an open-air space that may be used for future public programming. A visitor giving team has been introduced to make a positive request for donations on entry.

1.4 National Railway Museum in York and Shildon

Our objectives

The National Railway Museum comprises a main museum in York and Locomotion in Shildon, County Durham. Our mission is to enable people to explore the story of railways and how they fit into that story. Through life-enhancing experiences, visitors will gain greater appreciation of railways as a form of transport through an exciting, educational and memorable series of complementary galleries, interactive, web and learning experiences, telling the story of railways past, present and future. To achieve this, our key objectives this year were to:

- Enhance our public programme to encapsulate railways past, present and future
- Develop our exhibition and gallery space to provide a more immersive experience
- Work as one museum to enhance programmes at York and Shildon
- Raise our profile through strategic partnerships at home and abroad
- Enhance the impact of our engineering and conservation facility
- Ensure our galleries and programmes are underpinned by rigorous academic understanding
- Enhance and refresh our relationship with the modern railway industry

Our audiences

The NRM in York continues to appeal successfully to family groups, which make up 55% of daytime visitors. Adult-only groups account for 39% of visitors, whilst 6% come in education groups. The Museum is a particular attraction for railway enthusiasts and their families, who make up 22% of general admissions visitors, but the majority of visitors are not specifically railway enthusiasts. Most visitors come for the nostalgia, as a fun way to spend time and learn, and to see interesting objects. The Museum remains a key part of York tourism, with 59% of our general admissions visitors coming from outside the Yorkshire and Humber region (including 7% who are from overseas).

Our achievements

This year the NRM welcomed 732,000 visitors. Events such as Wizard Week, which resulted in our busiest February half term in nearly a decade, meant visitor numbers were 12% up against last year. Locomotion in Shildon continued to go from strength to strength with its best ever year, attracting 210,000 people.

Exhibitions, gallery developments and programmes

We have made significant progress this year in enabling people to explore the story of the railways with the opening of the new Art Gallery space enabling us to showcase our extensive railway-related art collection. We have already delivered three shows within the first year: *Fear and Fascination: Art from the Dawn of the Railways*; *The Art of Advertising: Posters and paintings by Royal Academy artists 1924*; and *Japan's First Railway: Colour woodblock prints from the 1870s*.

One of our key objectives is to provide a more immersive visitor experience. We have made good progress towards achieving this with the completion of phase 1 of the refurbishment of the Station Hall, which has provided the infrastructure for further exhibition development, a new vehicle line-up and more of our collection of large objects on display. Phase 2 will be delivered next year, creating an atmospheric station environment. Our other major development this year was the redevelopment of the City Entrance, foyer and shop.

The provision of live events throughout the year has been key to this year's enhanced visitor numbers. In York the Japan Festival, Royals Weekend, Harry-Potter-inspired Wizard Week, and the October half term Big Fun with Little Trains toys event all proved successful with visitors. At Locomotion events such as the Early Days of Steam gala, the wizard-themed spring bank holiday, Engine Driver Experiences and the Deltic 50 event, which brought all six surviving production Deltic locomotives to Locomotion, helped achieve record visitor numbers.

Visitors to the NRM and Locomotion also had the opportunity to be part of the first ever cross-site venture with steam and diesel shuttles operating between the two Museums over two weekends. Two thousand passengers travelled on the service over the four days. On the second weekend the shuttle excursions ran alongside the LMS Steam Weekend in York and 7th Annual Steam Gala in Shildon.

Learning

This year we have continued to develop our live learning programme for visitors, developing a new science show for family audiences that introduces children to the basic principles of railways. By the end of the year 55,000 visitors had experienced the show. Families and schools have also been able to explore science and engineering through our year-round events and activities programme. These included Science and Engineering Week workshops, talks and shows, rail safety events working with British Transport Police, and our regular schools workshop programme. At our York site we welcomed 41,000

education group visitors. Across both York and Shildon sites we facilitated 483,000 instances of participation in our organised activities, both on- and off-site.

Part of our learning programme involves our work outside the Museum. Together with our colleagues at the Science Museum and MOSI we delivered the second year of the Climate Science Outreach Project, working with 80 students from York, Wakefield and Bedale to develop a piece of journalism around the climate theme. Our Explainers have also taken our shows and workshops to a variety of events, including Chemistry at Work Week at the University of York and the Yorkshire Agricultural Society's countryside educational events.

At Locomotion the 2010 intake of ASDAN work placement students all passed the Employability Certificate, giving us a 100% record of passes since we launched the programme in 2008. Working with Darlington College and Track Work, Locomotion has also continued to offer local people who wish to work in the modern railway industry an opportunity to study for an NVQ qualification.

Collections

One of our most famous locomotives is of course *Flying Scotsman*. Following extensive restoration work, over 64,000 visitors flocked to see the locomotive at the preview weekend. Whilst it was hoped to return *Flying Scotsman* to steam this year, a number of further faults were discovered, delaying completion. Restoration continues and it is intended the work will be completed in 2012. After three years of dedicated restoration work by our award-winning Deltic Volunteers, Deltic 55002 *King's Own Yorkshire Light Infantry* has been restored to working order.

We have continued to work with heritage railways to enhance access to the national collection and raise our profile through our locomotive loans. These include the *Super D* to Keighley & Worth Valley Railway and *Lord Nelson* to the East Lancashire Railway. *City of Truro* visited the Mid-Hants Railway and Kent & East Sussex Railway. *Cheltenham* moved to the Mid-Hants Railway for asbestos stripping and overhaul and successfully passed the first steam test ready for completion early next year. The recently rebuilt replica of Stephenson's *Rocket* has also been raising our profile by attending events such as the Great Central Railway Golden Oldies Gala, and being filmed for the National Geographic channel. Further afield, steam locomotive number 563 left Locomotion on a 3500-mile journey to Canada to be the star of the production of *The Railway Children* in Toronto.

We recognise the need to ensure historic railway collections can continue to be preserved and enjoyed by future generations. At Locomotion we continued to share our expertise through offering Heritage Skills Interns as part of the North East Heritage Skills Initiative and our apprenticeships at both York and Shildon have continued. Our expertise was also in demand internationally, with Museum staff advising the Sierra Leone National Railway Museum. We also celebrated ten years of the Japan Sisterhood with the West Japan Railway Company and relaunched the expanded Sisterhood, including Locomotion.

Future plans and challenges

As part of a long-term vision to provide a more immersive visitor experience we will complete the reinterpretation of Station Hall in the coming year. Recent plans to reinterpret the Great Hall, which has not been updated for many years, were unsuccessful because of a lack of funding. A key longer-term challenge will therefore be to identify alternative routes to reinterpreting the Great Hall. We are also seeking to optimise the use of the outdoor space in the South Yard to bring our collections to life in different ways and are aware this will require careful planning and partnership working. Finally, at Locomotion we will explore options for a second phase of the Museum's development in partnership with Durham County Council.

In the meantime we have a number of high-profile events to which we hope to attract record visitor numbers. We start with Railfest, Britain's biggest ever gathering of record-breaking engines. This will be shortly followed by the locomotive *Scots Guardsman* pulling the Olympic flame from York to Thirsk. *Flying Scotsman* will return to steam and in 2013 we will celebrate the 75th anniversary of *Mallard's* 126 mph record-breaking run with some unique once-in-a-lifetime events. We are also planning to embed a new high-profile special exhibition programme. This will enable visitors to consider the story of the railways from new perspectives and connect with the contemporary railway industry.

1.5 National Media Museum

Our objectives

The National Media Museum's mission is to help our audiences explore and understand the social and cultural impact of communications media in all their forms. To achieve this, our objectives this year were to deliver:

- A unique, unrivalled and inspiring media collection
- Inspiring galleries and spaces telling stories in a distinctive way
- An exciting programme that connects media practitioners with audiences and inspires engagement
- Inspiring and sustainable cinema operation
- Greater regional, national and international profile and recognition as an authoritative voice about media
- A team that can inspire and tell stories about media
- A financial model that ensures we can deliver our essence to all our audiences

Our audiences

The NMeM has two broad audiences: those who visit primarily for the galleries/exhibitions and those who visit mainly for the full-length films programme. This year 77% of all our visitors came for the former, whilst 23% came for the latter. For the visits motivated by the galleries/exhibitions, 58% of visitors are from family groups and 30% from adult groups, with a further 12% coming in education groups. Our adult group visitors come to see interesting objects, learn and have a culturally engaging experience. The Museum as a whole is an important attraction and resource for communities in Yorkshire and the Humber, with 79% of our general admissions visitors coming from the region.

Our achievements

The NMeM welcomed 488,000 visitors, retaining its position as the most visited museum in West Yorkshire. We were delighted to be recognised in the Yorkshire's Magnificent Attractions awards this year, being voted the top indoor attraction.

Exhibitions, programmes and events

Much of our energy this year has been focused on the opening, right at the end of the year, of *Life Online* – the world's first gallery dedicated to the social, cultural and technological impact of the internet. This major new permanent gallery has been launched with a series of public events, conferences and family activities and starts with a temporary exhibition exploring threats to the open-source nature of the internet. Major work has also taken place to improve the visitor experience with a revamp of the café, improvements to the Pictureville Bar and the opening of our new corporate hire space, Room at the Top.

Our programme of temporary photographic exhibitions designed to appeal to adult audiences continued this year with *The Lives of Great Photographers* and *David Spero: Churches* opening in the spring. Our autumn programme comprised *Outposts: Donovan Wylie Bradford Fellowship 2010/11* and *Daniel Meadows: Early Photographic Works*. The exhibitions form part of Ways of Looking, a new photography festival in Bradford. Finally, as part of imove, a Cultural Olympiad programme in Yorkshire, we opened *In the Blink of an Eye*. We regularly tour our photographic exhibitions, and this year *Drawings that Move: The Art of Joanna Quinn* toured to the Czech Republic, and *Simon Roberts: We English* went to France, as well as touring a number of British venues. Finally, *The Art of Arrangement*, an exhibition created to showcase the Museum's collection, opened at the Holburne Museum in Bath and will come to the NMeM late in 2012.

As well as exhibitions, a major strand of the Museum's activity is our film programme. The tenth annual Fantastic Films Weekend took place in June, celebrating all things horror with special guests film-makers Peter Sasdy and Sir Jonathan Miller. In November over 7000 delegates attended the 18th Bradford Animation Festival. Guests included senior Pixar animator Andy Schmidt and Brendan McNamara from Team Bondi, creators of *L. A. Noire*. Beyond the Museum's walls, Cine Yorkshire, the partnership project intended to increase cinema provision in rural areas, has gone from strength to strength, having been extended to the East Riding as well as continuing in North Yorkshire.

Learning

The focus in 2011–12 was on improving the live interpretation offer for visitors in the Museum. We have achieved this via a new Explainer training programme, the creation of a new show and the decision to offer themed holiday programmes.

Our first live show for 7- to 11-year-olds, CinemaMagic, launched in April 2011 and has reached over 3500 people to date. The show explores special effects and optical illusions in film and photography and showcases objects from the collection. October half term was programmed in conjunction with the BBC to commemorate the 75th anniversary of television, with activities taking place across the Museum. Focusing on our adult audience, we staged our first new-style late-night opening themed around the 1950s to celebrate the 60th anniversary of the Festival of Britain. Over February half term we delivered the hugely successful Moshi Monster themed week of activities aimed at helping children stay safe online. Almost 38,000 people visited in just nine days and 40% of those who came were new visitors.

Our schools learning programme continues to be popular, this year welcoming 44,000 education group visitors. Through our programmes there were 145,000 instances of people taking part in NMeM learning activities at the Museum and other venues. Our learning expertise has been recognised by Bradford City of Film, with whom we are looking to embed the use of film in Bradford primary schools to ensure children throughout the city engage with film to improve their literacy attainment levels.

Much of our learning work is carried out in partnership. One of our most significant learning partnerships has been the seven-year DCMS Strategic Partnership-funded project, Anim8ed. The project engaged schoolchildren with museum collections via animation and this year we enhanced the legacy from this project through the relaunch of the Anim8ed website created following the completion of the project.

Collections

This year we celebrated the acquisition of the personal collection of world-renowned animation master Ray Harryhausen, showcasing this with a sequence of small rotating displays and a one-day conference organised by the University of Leeds in partnership with the Museum. The Museum also enhanced its National Videogames Archive with the transfer of a selection of games and consoles from the BFI. Looking to the future, we are working collaboratively with the British Library to collect and archive websites that illustrate the culture and heritage of videogames. We have also continued to collect and support contemporary photography and relaunched the NMeM Photo Award Scheme, providing emerging photographers with the financial support to publish their first book.

Alongside our public programme, we seek to facilitate more in-depth discussion around the subjects covered. For example, in partnership with the BBC, we hosted a symposium to commemorate the 75th anniversary of television. We also hosted a conference in partnership with the Photography and Archives Research Centre at the London College of Communication in response to Donovan Wylie's new work *Outposts*, created during his tenure as Bradford Fellow. We also enhanced access to our collections and knowledge through the launch of a new website for our online magazine, *Archive*.

As the leading authorities on the history of photography, our staff are in demand to speak at external events, which included the Guernsey Photography Festival, FotoFest Paris 2011 and sitting on the judging panel of the prestigious CENTER Photography Awards in Santa Fe, USA. Our world-class collections also remain in demand with loans to Tate Modern, the Royal Academy of Arts, Garage Centre for Contemporary Culture in Moscow and Musées de la Ville de Strasbourg.

Future plans and challenges

In recent years visitor numbers to the Museum have been falling. This fall is largely driven by a reduction in visitors coming to watch full-length IMAX films. A key challenge is therefore to ensure our programme and film offer attracts visitors to the Museum. We shall therefore be assessing the role of the IMAX offer as well as ensuring we continue to capitalise on events which have already proved successful. Looking to the near future, the 18th Bradford International Film Festival launches in April. We shall also be participating in the Cultural Olympiad with the continuation of our photographic exhibition *In the Blink of an Eye*, as well as being one of only three venues taking part in the SuperHV trial, bringing the Olympics and the next generation of television to the Museum.

Over the coming year we will be working closely with the Science Museum to deliver Media Space in London, ready for opening in spring 2013. The venue will consist of a new gallery for the exhibition of visual media, surrounded by cultural spaces for exploring, discussing, testing and exhibiting creative technologies. One of our challenges will be to ensure that, in addition to Media Space, we continue to develop our joint programming with the Science Museum and find synergies in our activities in order to bring the best to both Bradford and London.

For the longer term, we will be working up our strategy and plans with regard to the use of the Museum's spaces. We are seeking to deliver an integrated visitor journey which represents the breadth of our subject and provides a consistent look and feel across the Museum. Funding will of course be a key issue and any plans will need to be realistic and sustainable.

1.6 Science Museum Group corporate activities

Estate development

There has been significant investment to improve conditions for our collections this year. Improvements to the storage hangars at our Wroughton site have enabled us to house collections from the NRM and NMeM at this now cross-site storage facility. We have also improved the environmental conditions of Search Engine archive storage at the NRM and Gallery 1 at the NMeM, providing stable conditions within the parameters required for the conservation of the collection.

At the Science Museum the Exhibition Road façade was completely cleaned and the windows replaced. Decoration and refurbishment of a number of areas in the Museum took place, including the cloakroom and some toilet facilities. Another priority has been the implementation of work to reduce our carbon emissions, including improvement to lighting control systems, replacement of insulation and remedial work to stem heat loss.

MOSI has enjoyed the benefits of the new facilities within the Great Western Warehouse for a full year, following its reopening in early 2011. This year the new and more energy-efficient boiler was completed, enabling the Power Hall to come back into steam – and bringing back to life one of MOSI's most popular attractions. Work on energy consumption is ongoing and savings are beginning to be realised.

Organisational efficiencies

With the reduction in Grant in Aid, securing savings and generating income have been essential. We have therefore continued to implement our staff reduction programme scheduled over the comprehensive spending review period. We have delivered a project to consolidate our storage capability across the Group, enabling us to cease all off-site storage in York and Bradford with a considerable ongoing cash saving. Storage facilities at MOSI have also been rationalised as the Upper Campfield Market site was relinquished.

Extending the approach to the centralisation of shared support services, we completed the implementation of joint security outsourcing with the Victoria and Albert Museum and Natural History Museum. We also continued our work to reduce energy consumption. In terms of income, we have developed innovative ways to generate income whilst enhancing our offer, such as the *Science Museum Live on Tour!* theatre show, and our enhanced on-site welcome which has increased visitor giving. We also continued to drive all commercial activity, in particular the successful licensing and other IP-related businesses.

Corporate and collections information

We continue to respond to a wide range of enquiries, both legislative and public interest. These have included questions about the use of science in the Museums, ongoing projects such as Media Space and *Flying Scotsman*, objects in the collections, and historic research for a number of television programmes. A further 5000 objects have been audited and catalogue records enhanced as part of the ongoing locations audit and cataloguing upgrade project, including objects in the Passenger Comforts, Maths, Science and Protective Clothing collections. We have continued to review historic loans held in storage and acquire title or rationalise, particularly focusing on objects in the *Ships* gallery. In addition 53 ship models on long-term loan to the National Maritime Museum have now been transferred. The Science Museum Photographic Studio has created more than 7500 images of objects. In addition a further 1200 images were created for gallery security, to ensure we are able to visually identify all objects currently on display.

1.7 Sponsors, donors and volunteers

We are enormously grateful to our sponsors, donors and volunteers, whose support has made possible a whole range of initiatives across our Museums. Below are just some of our accomplishments over the last year.

Science Museum

Atmosphere and the Climate Changing programme: Last year the Museum proudly opened the *Atmosphere* gallery and we have been able to continue the climate change theme this year with the continued support of Bank of America Merrill Lynch, Accenture, Bayer and the City Bridge Trust for the *Climate Changing* programme.

Communications gallery: The Science Museum is honoured to have been awarded £6 million from the Heritage Lottery Fund towards the completion of our forthcoming flagship communications gallery. This award comes on top of a generous donation of £500,000 from the Garfield Weston Foundation and an initial £1 million gift from Google. These are just the beginnings of a stream of funders we anticipate coming on board in support of this gallery.

Temporary exhibitions: SITA Trust funding continues to support the *Antenna* gallery's regularly updated Topic Zones. In addition, 2011–12 saw a significant grant from the Wellcome Trust, which has supported the research, planning and audience participation aspects of our forthcoming exhibition about anaesthesia.

Public engagement: The Royal Academy of Engineering has provided crucial support to our on-gallery interactions between engineering specialists and our audiences. They have enabled the purchase of an innovative 'talkaoke' machine and have helped us train engineers in its use to better communicate scientific research to Museum visitors and others. Antenna Live events took place with the support of our funders on 3D printers (EADS) and blood gas analysing (with the GB Rowing Team and Siemens). Other initiatives such as sponsorship from Lego and Nintendo were able to strengthen our footfall programme and deliver fun activities during holiday periods.

Science Museum Arts Programme: Thanks to Arts Council England, The Thistle Trust, and The Guido Charitable Trust, we launched *Electroboutique pop-up at the Science Museum*, which brought the work of leading Russian media artists Alexei Shulgin and Aristarkh Chernyshev into the Science Museum. As part of the ongoing Science Museum Arts Programme, we also showed *HEXEN 2.0* by English artist Suzanne Treister.

James Lovelock Archive: We held a very successful fundraising dinner to support the Museum's purchase of the archive of James Lovelock. We are so grateful to the many individuals who have contributed so far to our campaign to secure the archive for the nation, especially to The Friends of the Lovelock Archive and Vivienne

Westwood, who generously contributed items to be auctioned during the evening.

Learning and outreach: Thanks to Johnson Matthey, we have been able to extend our Science Nights to include bursary-funded places. BP continues to be a significant supporter of our learning and outreach programmes. We are delighted that the Science Museum Lates programme has this year been supported principally by MasterCard but also on individual evenings by Barclays, EADS and the Climate Change Funders. Thanks to John Lyon's Charity, we have been able to continue our schools outreach Launchbox scheme, sending resources developed by the Science Museum directly to schools.

Museum of Science and Industry, Manchester

Manchester Science Festival: The fifth Manchester Science Festival took place on 22–30 October 2011, exploring the most exciting ideas, discoveries and possibilities of our time and enthusing future generations of scientists and engineers by opening their imaginations to the world around us. Festival sponsors and donors Siemens, Waters, the University of Salford, Astra Zeneca, and The Oglesby Charitable Trust supported the Festival's imaginative and ambitious programme of events.

No More Waste: SITA Trust supported the redevelopment of *No More Waste*, the opening section of *Experiment*, our interactive science gallery. *No More Waste* deals imaginatively with issues surrounding the reduction of waste to landfill by exploring smart design, creative packaging solutions, and cradle-to-cradle design through interactive and audiovisual exhibits.

Underground Manchester gallery: MOSI worked closely with sponsors United Utilities to revitalise two sections of the *Underground Manchester* gallery. The enhancements helped to make the gallery more interactive and engaging for visitors and provide a better, more flexible environment for visitors and school groups.

National Railway Museum

Redevelopment of Station Hall: Progress has been made on the redevelopment of Station Hall thanks to the agreement of donors to transfer their support from the Great Hall project, which was regrettably cancelled in early 2011, to Station Hall. Support has been received from organisations including the Friends of the National Railway Museum, Central Japan Railway Company, FirstGroup and Hornby. We have also been generously supported by individuals including several of our NRM Patrons and received support from DCMS/Wolfson.

Toy and Train event: During the October 2011 half-term holiday Hornby sponsored a free nine-day celebration of toy and model trains. The event attracted over 6000 visitors.

Art Gallery programme: This new purpose-built exhibition space was made possible by funding from The Foundation for Sport and the Arts. The Art Gallery has also received financial support from the Split Infinitive Trust, Japan Foundation and the Great Britain Sasakawa Foundation.

Learning and public programme: We were generously supported by several new trusts and foundations this year, including The Kirby Laing Foundation and The Holbeck Charitable Trust, whose contributions went towards our under-six play areas and online resources for teachers and students.

National Media Museum

Virgin Media partnership: This year we were excited to receive confirmation of a major new partnership between the NMeM and Virgin Media, for Media Space. Virgin Media is sponsoring three Museum projects at the Science Museum-based Media Space and at the NMeM in Bradford. This includes financial support as well as assisting in PR and other awareness-raising activity.

18th Bradford Animation Festival 2011: We are grateful for the continued support of Bradford College, which was Principal Sponsor of the Festival for the fifth consecutive year. Bradford Animation Festival was also generously supported by Screen Yorkshire, Kudlian and Sumo Digital, a leading independent games developer.

18th Bradford International Film Festival 2012 (BIFF): This year Virgin Media confirmed that it would be title sponsor of BIFF for the next three editions. The Festival retains a strong support base of both private and public bodies, including Screen Yorkshire, BFI, Creative England, Bradford Council, Black Sheep Brewery and the David Lean Foundation. A number of significant new funding partnerships have also been forged, including with Coutts & Co., Leeds Metropolitan University/Northern Film School, University of Bradford and The Boris Karloff Foundation. We are also grateful to those who made our public appeal to support the Widescreen Weekend associated with the 60th anniversary of Cinerama a success.

Life Online: At the end of this year we opened our latest gallery, *Life Online*, with the support of Yorkshire Forward funding and Virgin Media as a corporate supporter. A new in-kind corporate partnership was developed with leading experiential designer Start JudgeGill, who contributed significant resources to the design of the *Life Online* temporary exhibition space.

Media Space: Fundraising for Media Space continued throughout 2011–12. Virgin Media was secured as the project's first major corporate sponsor, adding to the substantial donations already confirmed by private donors. In 2011 we were also grateful to receive confirmation

of a significant gift from the Dana and Albert R Broccoli Charitable Foundation.

Ray Harryhausen Collection: This year we commenced a fundraising campaign to ensure that the Museum is able to conserve, share and display the collection of the life work of celebrated special effects animator Ray Harryhausen, gifted from The Ray and Diana Harryhausen Foundation. We are very grateful to the Esmée Fairbairn Collections Fund, The Clothworkers' Foundation and to The Ray and Diana Harryhausen Foundation itself for its generous support.

Patrons, Corporate Members, legacy support and membership

Members

It was decided to close the membership scheme at the Science Museum as it was not proving cost effective. Membership at the NMeM has retained a strong level of loyalty, and we are enormously grateful to the many members either joining or renewing in 2011–12.

Patrons and Trustees

Our Patrons give essential financial support to the Science Museum in our mission to help people make sense of the science that shapes our lives. Their generosity and engagement enables the Science Museum to develop exhibitions and to build and protect our collection for future generations. We launched a Patrons Programme at the NRM in March 2011. We are exceptionally grateful to those Patrons who have supported us in this first year. This support enables the NRM to preserve and care for its historic collections, and engage with its visitors young and old through new exhibitions and displays. We look forward to welcoming new members in 2012. We would also like to thank the Honorary Patrons of MOSI for their support throughout the year.

Finally we are extremely grateful for the invaluable support of our Trustees and Advisers who readily share their knowledge, experience and networks for the benefit of all our Museums.

Corporate Members

We have successful Corporate Membership schemes at each of our Museums. Our Corporate Members are a group of industry leaders committed to supporting learning in science, technology, media, engineering and manufacturing, and to inspiring the next generation. The support that we receive from our Corporate Members is invaluable in helping us to maintain our facilities and collections and deliver life-enhancing learning experiences, either on site or in the community. We are extremely grateful for the enthusiastic commitment that our Corporate Members show to our Museums.

Legacy support

Legacy support for all our Museums continues to grow through gifts and pledges. We are exceptionally grateful to all those who have chosen to support our Museums in this very personal way.

Visitor giving

We have been greatly impressed with the generosity of our visitors and donations to the Museums continue to increase. To maximise income and ensure that our visitors receive the best welcome on arrival, a new team of Visitor Fundraisers are being recruited and trained.

Volunteers

This year almost 700 individuals volunteered at our Museums. Volunteer programmes across the Group offer people the chance to gain a range of skills and experiences, and are an important and increasingly valued resource, enhancing delivery across our Museums. We are very grateful to all of our volunteers and would like to thank them for their time which has helped make our work possible across a great variety of departments within SMG.

Science Museum: We are delighted that we have had 103 volunteers actively taking part in long-term roles at the Museum. This year has seen an increase in the range of roles the Museum can offer and we have 49 different types of position. The roles span from one of our new positions, Ambassadors – who work with our visitors in the Museum to ensure they get the most out of their experience with us – through to specialist conservation of the Pegasus computer.

Museum of Science and Industry, Manchester: During the course of the year, the Museum had 111 active volunteers providing approximately 31,000 hours of their valuable time. Their huge contribution covers a range of key activities such as assisting with railway operations, printing, cataloguing, customer service and conservation. In addition, the Museum also manages the STEMNET contract for the Greater Manchester area. Since April 2011, 438 new volunteers have registered with the STEM Ambassador Programme, bringing the current total to 787. Their work has included carrying out activities in schools across Greater Manchester, supporting Manchester Science Festival and volunteering at the Museum itself.

National Railway Museum: At the NRM in York the volunteer programme continues to thrive with 300 active volunteers giving 29,000 hours of their time across a broader range of activities than ever before. In addition to the usual volunteer roles around information provision and miniature railway and rail operations, this year volunteers have also provided research support, tours of the Art Gallery and assistance with gardening. Highlights of the year include the presentation of the John Coiley Award for Locomotive Restoration to our Deltic volunteers, the launch of Year of the Volunteer, and the Christmas Award Dinner attended by over 180 people.

Locomotion: Volunteering opportunities at Locomotion have been developed and promoted this year, with the number of active volunteers increasing from 67 to 85. Volunteers help to operate the steam train service, assist with projects in the York conservation workshop, meet regularly to care for the objects in the collection, and get involved with enhancing the visitor offer at events throughout the year. These volunteers have given 6500 hours of their time in the past year. In addition the Museum has continued to develop links with a range of other community groups and similar organisations whose volunteers have supported the Museum.

National Media Museum: At the NMeM the volunteer programme continues to grow. We now have 66 volunteers who contributed 4100 hours of their time. Roles included the provision of a valuable research service for visitors through the Library project, facilitating the weekly senior screening film discussions and assisting with our programmed events and film festivals.

1.8 Performance

Information is sourced through both internal records and periodic independent visitor surveys. There has been no change in the method of calculation this year compared with previous years for the previous members of the Science Museum Group. MOSI joined the group on 1 February 2012 and it should be noted internal records and external surveys to establish visitor profile used a different methodology to the rest of the Group.

Performance against SMG key performance indicators

Total number of visits to the Museum (including corporate hire)	SM	MOSI	NRM	Locomotion	NMeM	All SMG
Outturn 2010–11	2,791,534	638,347	653,198	198,697	501,664	4,783,440
Outturn 2011–12	2,951,010	838,648	732,246	210,109	488,378	5,220,391

Visits by all visitors in educational groups	SM	MOSI	NRM	Locomotion	NMeM	All SMG
Outturn 2010–11	367,470	56,642	41,687	75,709	51,582	593,090
Outturn 2011–12	408,570	63,440	40,614	71,067*	44,415	628,106

* SMG is currently reviewing the methodology used to collate this figure which has been identified as different to that used by its other Museums. For the purpose of year-on-year comparison they are included here for reference, but should not be used to compare Museum against Museum.

Performance against DCMS indicators

Total number of visits to the Museum (excluding corporate hire)	SM	MOSI	NRM	Locomotion	NMeM	All SMG
Outturn 2010–11	2,766,994	638,347	630,396	198,697	496,492	4,730,926
Outturn 2011–12	2,921,685	838,648	717,274	210,109	482,790	5,170,506

Number of visits by children under 16	SM	MOSI	NRM	Locomotion	NMeM	All SMG
Outturn 2010–11	1,074,128	254,933	175,837	53,466	130,001	1,688,365
Outturn 2011–12	1,049,811	335,341	219,580	59,957	178,580	1,843,269

Number of visits by UK adult visitors aged 16 and over in NS-SEC groups 5–8	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	234,801	99,688	106,821	23,949	84,439	549,698
Outturn 2011–12	216,389	130,860	111,085	28,529	67,869	554,732

Number of visits by UK adult visitors aged 16 and over from an ethnic minority background	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	61,790	23,005	4,273	282	49,256	138,606
Outturn 2011–12	89,101	55,364	4,629	0	26,558	175,652

Number of visits by adult visitors aged 16 and over who consider themselves to have a limiting long-term illness, disability or infirmity

	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	12,358	46,010	51,274	12,679	17,592	139,913
Outturn 2011–12	25,457	25,165	46,286	17,117	26,558	140,583

Number of overseas visitors

	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	747,088	63,835	37,824	5,961	19,860	874,568
Outturn 2011–12	934,939	67,092	50,209	10,505	14,484	1,077,229

Percentage of visitors who would recommend a visit

	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	99%	78%*	99%	94%	98%	96%
Outturn 2011–12	99%	99%*	99%	93%	99%	99%

* Different data collection methodologies for MOSI were used in these two years with a more robust number of people sampled in 2011–12.

Number of facilitated and self-directed visits to the museum/gallery by children under 16 in formal education

	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	232,944	44,758	28,014	6,554	27,027	339,297
Outturn 2011–12	256,845	46,586	27,221	9,671	27,338	367,661

Number of instances of children under 16 participating in on-site organised activities

	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	379,116	52,390	130,650*	50,338	66,290	678,784
Outturn 2011–12	422,006	62,531	135,222	48,235	85,962	753,956

* Because the NRM turntable was used for part of an exhibition over the summer it was not possible to offer the two demonstrations a day previously delivered, which reached anywhere between 200 and 1000 visitors a day.

Number of instances of children under 16 participating in outreach activities outside the museum/gallery

	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	99,981	2,656	3,066	555	2,963	109,221
Outturn 2011–12	108,399	40	1,565	540	2,135	112,679

Number of instances of adults aged 16 and over participating in organised activities at the museum/gallery

	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	196,533	55,237	215,771*	71,817	42,108	581,466
Outturn 2011–12	194,976	68,055	236,210	61,396	54,868	615,505

* Because the NRM turntable was used for part of an exhibition over the summer it was not possible to offer the two demonstrations a day previously delivered, which reached anywhere between 200 and 1000 visitors a day.

Number of instances of adults aged 16 and over participating in outreach activities outside the museum/gallery*

	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	24,217	1,715	1,119	145	2,148	29,344
Outturn 2011–12	27,889	70**	220	98	1,884	30,161

* Figures exclude members of the public experiencing the operation of NRM locomotives across the UK.

** Reduction due to the conclusion of an externally funded outreach project in 2010–11.

Number of unique website visits

	SM	MOSI	NRM (including Locomotion)	NMeM	SMG*
Outturn 2010–11	11,077,629	330,000	976,904	1,553,020	15,350,206
Outturn 2011–12	11,498,227	383,125	1,375,583	1,079,241	16,063,663

In line with DCMS requirements robots have been excluded from figures wherever possible, however it has not been possible to exclude robots from two sites. * Figure additionally includes pan-SMG websites.

Number of UK loan venues

	SM	MOSI	NRM	Locomotion	NMeM	SMG
Outturn 2010–11	96	10	57	N/A	11	174
Outturn 2011–12	89	17	61	N/A	18	185

SMG-wide

	Outturn 2010–11	Outturn 2011–12
Admissions	£0k	£38k
Trading income	£2,865k	£3,822k
Charitable giving (fundraising/contributed income)	£6,160k	£5,628k

2 About the Science Museum Group

2.1 The name of the charity

The National Heritage Act 1983 created the charity, the Board of Trustees of the Science Museum. Previously the Board was generally known by the name of the National Museum of Science & Industry (NMSI). This year it was agreed to change this name to Science Museum Group (SMG) in order to better reflect our status as a group of museums with commercial subsidiaries.

The Science Museum Group comprises:

Science Museum
Museum of Science and Industry, Manchester
National Railway Museum in York and Shildon
National Media Museum
SCMG Enterprises Ltd
MOSI Enterprises Ltd (for two months, 1 February to 31 March 2012)

2.2 The address of the principal office of the charity and its charitable company

2.2.1 Museum addresses

Science Museum
 Exhibition Road
 London SW7 2DD

Science Museum at Wroughton
 Hackpen Lane
 Wroughton
 Wiltshire SN4 9NS

Blythe House
 23 Blythe Road
 London W14 0QF

Museum of Science and Industry, Manchester
 Liverpool Road
 Castlefield
 Manchester M3 5BG

National Railway Museum
 Leeman Road
 York YO26 4XJ

National Railway Museum at Shildon, Locomotion
 Shildon
 County Durham DL4 1PQ

National Media Museum
 Pictureville
 Bradford BD1 1NQ

2.2.2 Company addresses

Company	Registered office	Registered number
SCMG Enterprises Ltd	Exhibition Road South Kensington London SW7 2DD	2196149
Greater Manchester Museum of Science and Industry Trust	Liverpool Road Castlefield Manchester M3 5BG	02067804 Charity Registration 518412
MOSI Enterprises Ltd	Liverpool Road Castlefield Manchester M3 5BG	02965671
Bradford Film Ltd (a company limited by guarantee)	Exhibition Road South Kensington London SW7 2DD	3309258

2.2.3 List of SMG advisers

SMG	SCMG Enterprises Ltd and Bradford Film Ltd	Greater Manchester Museum of Science and Industry Trust	MOSI Enterprises Ltd
Auditors			
Comptroller and Auditor General National Audit Office 157–197 Buckingham Palace Road London SW1W 9SP	Grant Thornton UK LLP Grant Thornton House Melton Street London NW1 2EP	Beever and Struthers St George's House 215–219 Chester Road Manchester M15 4JE	Beever and Struthers St George's House 215–219 Chester Road Manchester M15 4JE
Bankers			
Barclays Bank plc Floor 27 1 Churchill Place London E14 5HP	Barclays Bank plc Floor 27 1 Churchill Place London E14 5HP	HSBC Bank plc PO Box 360 100 King Street Manchester M60 2HD	HSBC Bank plc PO Box 360 100 King Street Manchester M60 2HD
Solicitors			
Farrer & Co. 66 Lincoln's Inn Fields London WC2A 3LH	Farrer & Co. 66 Lincoln's Inn Fields London WC2A 3LH	Berg Legal 35 Peter Street Manchester M2 5BG	Berg Legal 35 Peter Street Manchester M2 5BG
CMS Cameron McKenna LLP Mitre House 160 Aldersgate Street London EC1A 4DD			

2.3 Science Museum Group purpose, history and legal status

2.3.1 Purpose

The Science Museum Group (SMG) is devoted to the history and contemporary practice of science, medicine, technology, industry and media. Its collections, in the fields of science, technology, engineering, medicine, design and enterprise, transport and media are the largest, most comprehensive and most significant in their field anywhere in the world. SMG incorporates the Science Museum, the Science Museum Library and the Wellcome Collections of the History of Medicine at South Kensington; the Museum of Science and Industry, Manchester (MOSI); the National Railway Museum (NRM) at York; Locomotion, the National Railway Museum at Shildon; the National Media Museum (NMeM) at Bradford; and Concorde 002 with its associated exhibition at Yeovilton. MOSI became part of SMG on 1 February 2012 and its objects are very similar to those of SMG with a focus on the County of Greater Manchester and surrounding areas. Collections stores are located in Wroughton, Swindon; Blythe House in West Kensington; Foundry Lane in York; Black Dyke Mills in Bradford and Brunel Avenue in Salford.

As defined in the 1983 National Heritage Act, SMG's charitable objectives are to:

- Care for, preserve and add to the objects in its collections
- Secure that the objects are exhibited to the public
- Secure that the objects are available to persons seeking to inspect them in connection with study or research, and
- Generally promote the public's enjoyment and understanding of science and technology and of the development of those subjects, both by means of the Board's collections and by such other means as they consider appropriate

Taking due regard of the Charity Commission's general guidance on public benefit, the Trustees of SMG have agreed that the mission of SMG is to engage people in a dialogue about the history, present and future of human ingenuity in the fields of science, technology, medicine, transport and media. We will achieve this by aspiring to the highest international museum standards in the care and presentation of collections, programming, learning and advocacy for our subject areas. This informs all decision-making, future planning and the setting of strategic objectives.

Our strategic objectives across the Group are to:

- Aspire to the highest international museum standards in the care and preservation of collections, scholarship, programming, learning and advocacy for our subject areas
- Strengthen our core narratives and deliver dynamic gallery displays
- Implement clear audience strategies that focus on providing life-enhancing experiences
- Extend our reach nationally and internationally
- Make optimum use of our estate

- Be an organisation that is extrovert, entrepreneurial, efficient and dedicated to the development of great people

These objectives underpin all of SMG's work and the specific objectives and activities implemented at each of our Museums.

2.3.2 History

The Science Museum has its origins in the South Kensington Museum set up soon after the Great Exhibition of 1851. The NRM, which opened in 1975, was established as a result of the transfer of the British Transport Commission's railway collection to the Board of Trustees of the Science Museum. The NMeM was established in 1983 as the National Museum of Photography, Film & Television, with the support of Bradford City Council as part of the council's economic redevelopment. The Science Museum collections store at Wroughton, a former Second World War airfield, was made available to the Museum by the Ministry of Defence in 1979. Locomotion, the National Railway Museum at Shildon was opened in 2004 in partnership with Sedgefield Borough Council. MOSI opened in 1969 as the North Western Museum of Science and was registered as a charity in 1987 (charity number 518412).

2.3.3 Legal status

SMG was managed directly by Government until 1984, when the Board of Trustees of the Science Museum was established under the National Heritage Act 1983. Thereafter, the Museum ceased to operate as part of a Government department. SMG now has the status of a non-departmental public body, operating within the public sector but at arm's length from its sponsor department, the Department for Culture, Media and Sport (DCMS). These accounts fulfil the requirements of the 1983 Act and the Museums and Galleries Act 1992. SMG is an exempt charity under the Second Schedule of the Charities Act 1993 with DCMS acting as its principal regulator for charity law purposes and is recognised as charitable by HM Revenue & Customs. SMG has a wholly owned subsidiary trading company, SCMG Enterprises Ltd (company registration no. 2196149), set up in 1988. This operates at all four Museums and Gift Aids taxable profits to SMG. Bradford Film Ltd is a company limited by guarantee whose sole member is SCMG Enterprises Ltd. MOSI was the public facing name of the Greater Manchester Museum of Science and Industry Trust (GMMOSIT); the charity was a private company limited by guarantee, a DCMS sponsored body and an NDPB. The assets and undertakings of the Greater Manchester Museum of Science and Industry Trust were transferred to SMG at midnight on 31 January 2012. The assets and undertakings of MOSI Enterprises Ltd, the wholly owned subsidiary of GMMOSIT, were transferred to SCMG Enterprises Ltd at 23.59 on 31 March 2012.

2.4 Relationship between charity and related parties

SMG is an executive non-departmental public body whose parent body is DCMS. DCMS is regarded as a related party. Details of related-party transactions are contained in note 21 to the accounts.

2.5 Framework for operation

DCMS agreed a Management Statement and Financial Memorandum with the Museum in 2002–03; continuing receipt of the Grant is dependent upon the Museum's compliance. This sets out DCMS policy and financial requirements which include the relevant provisions of Managing Public Money and such other guidance as the Treasury, Cabinet Office or DCMS have issued. It also describes the delegated powers and limits. A Funding Agreement between DCMS and SMG defines the commitments by each party every three years and can be seen on the SMG website.

2.6 Staff engagement

2.6.1 Communications

SMG has created several ways of facilitating effective communications with staff. Regular staff briefings from the SMG Director, the Directors of Museums and other senior staff on strategic and topical issues are supplemented by SMG-wide and Museum-specific announcements and news on the SMG intranet and by e-mail. Within MOSI the Director holds regular 'all hands' meetings and staff communications have improved greatly with the Employee Communications Forum.

There are a number of forums where SMG engages with staff representatives and officials from the Trade Unions on matters of mutual interest and concern. These forums are used for the usual business of negotiating pay and benefits, but also for the development of policies and health and safety matters.

SMG operates a performance development process that enables personal objectives to be articulated and fully aligned to the wider business goals. The process looks at how results are achieved as well as the results themselves, enables individual feedback and development and provides for an element of pay to be directly linked to the assessed individual performance level.

The staff opinion survey takes place every 18 months and remains a primary tool to enable tracking of and responding to staff views across a range of issues. The survey is available in online and paper formats. The results are discussed with staff and actions agreed at both central and local level.

A new focus for training this year was in change management skills, as we responded to the Government's funding cuts. We ran Engaging Your Team With Our Future workshops as well as providing support for all line managers. We have continued to invest in leadership and management development and have just started the third round of the Accelerated Development Programme for high-potential employees who are performing well and the Leadership Development Programme for senior management development. Staff at MOSI are currently benefiting from some key project management training which will fundamentally assist forward planning.

2.6.2 Equality and diversity

It is SMG policy that all eligible people shall have equal opportunity for employment and advancement in SMG on the basis of their ability, qualifications and fitness for the work. There must be no discrimination based on gender, race, religion, age, physical disability or sexual orientation against any eligible person whether in recruitment, training, promotion or in any other way.

To support work in this area, SMG has a Diversity Panel made up of a cross section of staff members who have an interest in diversity. The panel is called upon as the need arises and its remit covers promoting diversity, including attracting diverse applicants to the Museums, ensuring Museum policy supports diversity, drawing on expertise outside the Museums and encouraging a staff culture which respects and values diversity. A particular success remains SMG's continued participation in the Young Graduates in Museums and Galleries Programme which engages with young adults from diverse backgrounds, enabling them to explore what a career in museums and galleries has to offer. At MOSI the Access Forum conducts meetings to review MOSI's Equality Action Plan and MOSI will in future be represented on the SMG Diversity Panel.

We have continued to work with occupational health providers, Ellingham Employment Services, Salford City Council, Access to Work and a range of other specialist advisers to make reasonable adjustments to the workplace for staff and potential recruits with disabilities.

2.6.3 Sickness absence

The average number of days lost for sickness for each full-time-equivalent employee was 7.05 days (2010–11 7.55 days). Statistics for MOSI are reported here separately. The average number of days lost for sickness at MOSI for each full-time-equivalent employee was 7.9 days (2010–11 6.9 days).

3 Financial review

3.1 Review of financial position

3.1.1 Visitor numbers

Visitor numbers across SMG totalled over 5.2 million. The Science Museum attracted 2.95 million visitors in 2011–12. This is the highest number of visits received since current records began in 1992 and was 6% up against 2010–11 and 9% up against the five-year average. Factors influencing the success included the ongoing events programme, an increased profile alongside a higher profile for science in the media in general, record-breaking booked education group numbers and benefiting from increased overseas visitors to London. MOSI attracted record visitor numbers in 2011–12 with 839,000 visits, an all-time high. This was mainly the result of the £9 million major refurbishment of the Great Western Warehouse, including the new *Revolution Manchester* and extended *Experiment* galleries, along with the benefits from winning Large Visitor Attraction of the Year 2011. The record visitor numbers represent an increase of 31% compared with 2010–11, when significant parts of the Museum were closed for refurbishment. The NRM attracted 732,000 visitors, 12% up on 2010–11 and 8% down against the five-year average. A programme of events, including the display of *Flying Scotsman*, themed holiday periods, the reopening of Station Hall and a milder winter compared to the severe weather of the previous year helped attract increased visitors. Locomotion had its most successful year to date with 210,000 visitors, 6% up on 2010–11 and 34% up against the five-year average. A programme of events and activities including the most successful Steam Gala to date contributed towards increased numbers. The NMeM welcomed 488,000 visitors, 3% down against 2010–11 and 24% lower than the five-year average. The Museum saw a slight increase in general visitors over the year compared to 2010–11 and the overall reduction was mainly caused by a big drop in people coming to watch full-length IMAX films.

3.1.2 Acquisition of Museum of Science and Industry, Manchester

The assets and undertakings of the Museum of Science and Industry, Manchester were transferred to the Science Museum Group at 1 February 2012 for no consideration. The assets included the share capital of MOSI Enterprises Ltd, the subsidiary trading company. The assets and undertakings of MOSI Enterprises Ltd were transferred to SCMG Enterprises Ltd at 23.59 on 31 March 2012. The land and buildings, previously unvalued as heritage assets, were valued as at 1 February 2012 to align with SMG policies. The value of the acquisition is shown on the SOFA under voluntary income at a value of £42.3m.

3.1.3 Income and expenditure

Income for the year was £104.4m (2010–11 £63.4m), including Grant in Aid of £38.3m, commercial income of £14m and grants, donation, sponsorship and Lottery income of £7.3m and other income of £2.5m. In addition the acquisition of the Museum of Science and Industry, Manchester is represented as a gift of £42.3m. Apart from this gift, income was £1.5m lower than in 2010–11, the decrease being primarily a result of reduced Grant in Aid.

Income overall from sponsorship, grants, legacies, donations and lottery increased to £7.3m from £7.0m. They mainly arose from support for the *Life Online* gallery, *Atmosphere* and associated outreach programme and the new communications gallery, together with funding for a variety of short-term exhibitions and programmes and unrestricted donations. Increased visitor giving is very welcome.

Rental income at £0.5m is slightly lower than the previous year, still making effective use of office space within the buildings and continued letting of short-term storage space at the Wroughton site. **Other income** was related to learning events, service charges to tenants, services to visitors and contributions from Durham County Council towards costs at Locomotion.

Commercial activities included both visitor and non-visitor commercial activities at all the Museums and online, together with the provision of visitors' services and marketing to the Museums.

Operational costs were £69.1m (2010–11 £68.6m). There was continued focus on the most effective use of resources to ensure that even with reduced grant in aid, funds were released whenever possible to support exhibition and gallery development and improve the visitor experience. Restricted expenditure relates to the funding of depreciation for previous capital developments together with supporting a range of programmes and temporary exhibitions, especially in the learning areas, both on and off site.

3.1.4 Balance sheet

Fixed assets increased in value by £83.8m, moving from £264.8m at 31 March 2011 to £348.6m at 31 March 2012. The main components of the increase were the inclusion of the land, buildings and other assets relating to MOSI of £17.3m plus the adjustment for fair value of £26.4m giving a total of £43.7m and increase in the interim valuation of the rest of the estate of £47m.

Additions of £6m mainly comprised the *Life Online* gallery, the Shop, Foyer and Art Gallery at NRM and the upgraded façade at the SM. The impact of a £13m depreciation charge outweighed additions.

Stock levels rose to £0.9m from £0.8m both as a result of the inclusion of MOSI's stock and increased stocks at NRM.

Debtors increased by £1m from £3.5m for 2010–11 to £4.5m for 2011–12 through inclusion of MOSI at £0.3m and as a result of pre-paid costs relating to Railfest which took place in June 2012.

Creditors and deferred income due within one year rose from £7.1m to £9.3m, the increase occurring as a result of £0.2m impact from MOSI inclusion, pre-paid tickets from Railfest, Bradford International Film Festival and future event deposits relating to 2012–13.

Cash and investment balances were increased from £18.5m to £19.6m mainly through the inclusion of MOSI balance of £0.5m.

A Pensions Liability of £2.6m was included in the Balance Sheet following the acquisition of MOSI. SMG became an admitted body of the Greater Manchester Pension Fund, a defined benefit scheme. The liability was last evaluated at 31 March 2012 and details are given in the notes to the Accounts 7.2.5.

3.1.5 Restricted funds

The Sponsorship, Grants and Donations Reserve rose to £2.5m from £2.3m at 31 March 2011 as funds for MOSI were included and the receipt of funds for the new communications gallery matched the use of funds on the *Flying Scotsman* and the Rail Industry National Archive.

3.1.6 Designated funds

The Museum Improvement Reserve increased from £10.1m to £10.3m as funds allocated to projects in 2011–12 such as the NRM Shop, Foyer and Art Gallery, *Life Online* and initial gallery redevelopment at SM were used and future funds allocated towards the communications gallery.

3.2 Financial policies

3.2.1 Creditor policy

The Museum creditor policy operates a 30-days payment policy where no payment terms have been specifically agreed. Using a sampling method, 74.76% of payments were made within this policy for 2011–12 (2010–11 67.60% including possible disputed invoices).

3.2.2 Investment policy

The Trustees are empowered to invest by the Trustees Act 2000. Taking into account both best return, short-term availability and security, SMG makes the optimal use of cash investment opportunities by ensuring that all funds identified as surplus to working capital are reviewed daily and invested on short- to medium-term facilities to maintain their value over time. Until longer-

term surplus cash can be identified, investment of a more permanent nature is not planned; the position is reviewed on a periodic basis. Social, environmental and ethical considerations would be taken into account. The policy was reviewed by the Finance and General Purposes and Audit Committees in September 2007.

3.2.3 Reserves policy

The Trustees review the reserves policy each year as part of the budget process in determining the levels of the reserve allocations. In addition to designated reserves where funds have already been allocated to particular purposes ranging from capital renewal to revenue-funded programmes, funds have also been allocated to a Contingency Fund to provide a reserve for use when significant unforeseen costs arise. The Trustee Finance and General Purposes Committee has reviewed the risks and determines the level of the fund depending on the recent calls on the fund and the size of the current capital programme. The level of the fund is reassessed annually as part of the budget activity and also when any major change in the level of activity is planned.

The Contingency Fund stood at £2.75m at 31 March 2012 and it is intended to increase it to match the added risks arising from the forward masterplan capital programme. Unrestricted general funds usually arise from the previous year's surplus and are allocated for expenditure or to a designated reserve in the following year. See note 18.2 in the notes to the accounts.

3.3 Immunity from seizure

SMG has approved status under Part 6, Section 136 of the Tribunals, Courts and Enforcement Act 2007. This took effect from 9 November 2009, and was granted by the Secretary of State for Culture, Media and Sport. Part 6 of the Act confers protection on objects loaned from abroad for temporary public exhibitions, provided the conditions set out in the Act are met. To date, SMG exhibitions have not included any protected items.

3.4 Sponsors and donors

Science Museum

Accenture
 Arts and Humanities Research Council
 Arts Council England
 Bank of America Charitable Foundation Inc.
 Barclays Group
 Bayer plc
 BP International Ltd
 The British Psychological Society
 Charities Committee of Rothschild
 City Bridge Trust
 Dana and Albert R Broccoli Charitable Foundation
 DCMS/Wolfson Museums and Galleries Improvement Fund
 EADS Deutschland GmbH
 European Cultural Fund
 The ExPat Foundation
 Forestry Commission
 Garfield Weston Foundation
 GlaxoSmithKline
 Google
 Dr Douglas Gurr
 Heritage Lottery Fund
 John Lyon's Charity
 Johnson Matthey plc
 The Leverhulme Trust
 MasterCard
 Meccano Toys (UK) Ltd
 Mrs Margaret Guido's Charitable Trust
 Paramount Pictures
 Penguin Group
 The Pilgrim Trust
 Qualcomm
 The Roger Vere Foundation
 Royal Academy of Engineering Science & Technology Facilities Council
 Shell International
 Siemens plc
 SITA Trust
 Dr John Taylor MA FIPA
 The Thistle Trust
 The Vandervell Foundation
 Wellcome Trust
 Michael and Jane Wilson
 The Winton Charitable Foundation

- Members of the Science Museum
- Donors to the James Lovelock Archive Appeal
- Legacy donors
- Those who have made gifts in memory of friends and family
- All the individuals who contributed whilst visiting the Museum
- Miscellaneous company donations
- Science Museum volunteers
- All those who wish to remain anonymous

Museum of Science and Industry, Manchester

AstraZeneca
 European Regional Development Fund
 The Granada Foundation
 Institute of Physics
 Institution of Engineering and Technology
 National Grid
 NEC Display Solutions
 Northwest Regional Development Agency
 The Oglesby Charitable Trust
 PRISM
 Renold plc
 Science & Technology Facilities Council
 Siemens plc
 SITA Trust
 University of Manchester
 University of Salford
 Waters
 Winton Capital
 The Zochonis Charitable Trust

- Miscellaneous company donations
- All the individuals who contributed whilst visiting the Museum
- MOSI volunteers
- All those who wish to remain anonymous

National Railway Museum

Abellio Group
 Ainscough Group of Companies
 Angel Trains Ltd
 Arts and Humanities Research Council
 ASDAN
 Bachmann Industries Europe plc
 Bauer Media
 British Horological Society
 Central Japan Railway Company
 Durham County Council
 The Ernest Cook Trust
 Miss S Evans
 Eversholt Rail Ltd
 FirstGroup plc
 The Foundation for Sport and the Arts
 Friends of the National Railway Museum
 Great Britain Sasakawa Foundation UK
 Mr Garcia Hanson
 Heritage Lottery Fund Yorkshire
 Hitachi Rail Europe Ltd
 The Holbeck Charitable Trust
 Hornby plc
 Mr Jeremy Hosking
 Mr David Humphreys
 Japan Foundation
 Dr Christopher J King
 The Kirby Laing Foundation
 Dr Prem Lachman
 Leeds Building Society
 Mr F Linke
 London & Southeastern Railways
 Marc Fitch Fund
 The Hon. Sir W McAlpine Bt
 Mr R McGregor
 Mr Harry Medcalf
 Mr Stephen Middleton
 Moveright International Ltd
 General D M Naylor
 Network Rail
 The Patricia & Donald Shepherd Charitable Trust
 Mr Colin Pears
 The Pilgrim Trust
 Mr Stephen Plowman
 Porterbrook
 PPG Industries
 The Pullman Society
 Railway Magazine
 RM Burton 1998 Charitable Settlement
 Shell Pensioners Association
 Dr P Shepherd CBE DL
 Shepherd Group
 Siemens Transportation Systems Ltd
 Signalling Record Society
 Split Infinitive Trust
 Stanley Smith (UK) Horticultural Trust
 Mr Phil Swallow
 Tata Steel
 Mr Joseph Tonks
 Mr Eric Whitehead
 Wrexham Railway Society
 Mrs Angela B Yeoman

- The many individuals who have given to the Steam Our Scotsman appeal, the restoring Deltic 55002 appeal and the Station Hall appeal
- All those who contributed at the Station Hall fundraising dinner
- Legacy donors
- All the individuals who contributed whilst visiting the Museum
- Miscellaneous company donations
- NRM York volunteers
- NRM Shildon volunteers
- *King's Own Yorkshire Light Infantry* volunteers
- All those who wish to remain anonymous

National Media Museum

Austin and Hope Pilkington Trust
 BBC North West
 BFI
 Black Sheep Brewery
 The Boris Karloff Foundation
 Bradford College
 Brass
 Mr Malcolm Clarke
 The Clothworkers' Foundation
 Creative England
 David Lean Foundation
 Digital UK
 Grand Central Railway Company Ltd
 Richard and Anna Greenhalgh
 Heritage Lottery Fund Yorkshire
 The Idlewild Trust
 Imperial DAX UK Ltd
 James Hyman Gallery
 Jurys Inn Hotels
 Mr Andrew King
 Kudlian Software
 Laser Hotline
 Legacy Trust/Arts Council England
 Leeds Metropolitan University
 Media World Logistics Ltd
 Mind Candy
 Northern Rail
 The Ray and Diana Harryhausen Foundation
 Screen Yorkshire
 Spellman Walker
 Split Infinitive Trust
 Start JudgeGill
 Sumo Digital Ltd
 Mr Mike Taylor
 Toon Boom
 Virgin Media Inc.
 Michael and Jane Wilson
 Yorkshire Forward
 Zouk

- All Cinerama is 60 donors
- Members @ National Media Museum
- Miscellaneous company donations
- All the individuals who contributed whilst visiting the Museum
- NMeM volunteers
- All those who wish to remain anonymous

3.5 Corporate partners

Science Museum

Lovelace Laureates

BP plc
Field Fisher Waterhouse LLP
Shell International
Siemens plc

Archimedes Alliance

Bloomberg
GlaxoSmithKline
Life Technologies

Faraday Fellowship

Bank of America Merrill Lynch
CMS Cameron McKenna LLP
Cobham
EADS Deutschland GmbH
Farrer & Co.
Smiths Group plc
TUI UK Ltd

Curie Circle

Chemical Industries Association
Digital Science
Mathys & Squire LLP
MLL Telecom Ltd
Tranter Lowe
Wire: Broadcast Ltd

Museum of Science and Industry, Manchester

Access

Berg
MediaCom North
Midland Hotel
NEC Display Solutions
Renold plc
Siemens plc
United Utilities
Waters Corporation

National Railway Museum

Gold

Central Japan Railway Company
First Transpennine Express
Hornby plc
Porterbrook
The Readers of Steam Railway
West Coast Railways
West Japan Railway Company

Silver

Bachmann Industries Europe plc
Northern Rail
Tata Steel

Bronze

Wabtec Rail Ltd

Community Partner

Hallett Steam Oils
Milburns
Stately Trains
T&R Williams

National Media Museum

Dimbleby

Freeman Grattan Holdings
Schofield Sweeney

Peel

Hallmark

Cerf

Bradford College
Kodak
Last Cawthra Feather
Lime Pictures
Rex Procter & Partners
Turn Key
Universal AV Services
Yorkshire Building Society

Cameron

Approach PR
Catapult Films
Kudlian Software
Linked2Success

3.6 Patrons

Science Museum

Honorary Patron

Dr Peter J T Morris

Newton Circle

The David Harding Foundation
Michael and Jane Wilson

Galileo Circle

Mr and Mrs Donald Brydon
GP Bullhound
Mr and Mrs George Loudon

Brunel Circle

Dr Iain Bratchie
Dr Ann Coxon
Mr Leopold de Rothschild CBE
Mr Andrew Eland and Dr Pascale Hazel
Dr Douglas Gurr
Mr Andrew Hutton
Mr Andrew Jackson
Alan and Virginia Lovell
The Maplescombe Trust
Miss Alexandra Papadakis
Mr Guy Reid
Mr Andrew Scott CBE
Mr Lawrence Staden
Robert and Melanie Stoutzker
Mr Chris Swinson OBE
Lord and Lady Waldegrave of North Hill
Mr Gregg Wilson

All those Patrons who wish to remain anonymous

Museum of Science and Industry, Manchester

Honorary Patrons

Trevor Baylis OBE
Sir Howard Bernstein
Lord Bragg of Wigton
Dr Adam Hart-Davis
Sir Harold Kroto
Sir Patrick Moore
Dame Kathleen Ollerenshaw
Professor Lord Winston

All those Patrons who wish to remain anonymous

National Railway Museum

Scotsman Circle

Mr Ian MacBeth
Mr H Medcalf
Mr Neil Millington

Duchess Circle

Mr Alan Moore CBE
Mr Leslie Ross MBE
Mr and Mrs Andrew Scott CBE

Rocket Circle

Mr William R Adam
Mr Richard Harper
Mr Bill Parker
Mr Rodney Wilson

All those Patrons who wish to remain anonymous

4 Remuneration report

4.1 Membership

The membership of the Remuneration Committee comprised:

Mr Christopher Swinson (Chair)
 Lady Chisholm
 Dr Douglas Gurr
 Dr Gill Samuels

The SMG Director, Mr Ian Blatchford, and Director of Human Resources, Ms Adele McAllister, were in attendance at the meeting which reviewed staff pay (excluding discussion concerning their own pay and performance).

4.2 Policy on the remuneration of senior managers for current and future financial year

The Remuneration Committee reviews salaries of all of the Museums' senior managers whose jobs are of a certain size (as determined by formal job evaluation) and of SCMG Enterprises Ltd senior staff.

When determining salary levels generally, a number of factors are taken into account:

- The projected budget for the annual staff settlement
- Salary levels internally and in the marketplace (through salary surveys)
- Job size and whether this has changed over the period (through formal evaluation, where applicable)
- Government guidance

4.3 Performance-related pay for senior managers

At the beginning of the year, senior managers are set objectives based on the Museums' business plans. At the end of the year they are assessed by the Director on the extent to which they have achieved their objectives and their performance is rated accordingly. The Chairman of the Board of Trustees assesses and rates the Director's performance. All ratings are then reviewed by the Remuneration Committee. All of senior managers' pay depends on performance being delivered, this being deemed the most effective way of achieving the Corporate Plan objectives. Bonuses are payable to three Executive members within a range from 0 to 15%.

When determining the salary increase for each individual, the performance and contribution of the individual over the period (through performance appraisal) forms the major component of the change together with any impact from changes in job scope and external factors.

4.4 Policy on contractual terms

Senior staff are permanent employees of either the Science Museum Group or of SCMG Enterprises Ltd. Notice periods for senior employees are between one and three months, for the Director, six months. Termination payments are in accordance with Museum or SCMG Enterprises Ltd contractual terms. There were no severance or compensation payments to senior managers or former senior managers in year nor were there any payments to third parties for the services of senior managers in year.

The amount paid in regard of remuneration of Ian Blatchford was £149,500 (2010–11 £54,167 from 18 December 2010) and the employer's pension contributions were £31,525 (2010–11 £12,514 from 18 December 2010).

All Museum employees, except those working at the Museum of Science and Industry, Manchester, are members of the Principal Civil Service Pension Scheme with associated redundancy and early retirement conditions. Civil Service pension details are given in notes to the accounts at 7.2.5. Museum staff, working at the Museum of Science and Industry, Manchester, are members of the Greater Manchester Pension Fund for which SMG is an admitting body. All SCMG Enterprises Ltd staff are entitled to payments as defined under the Employment Rights Act 1996 unless individual contracts define other terms.

The members of the Board of Trustees of the Science Museum, who hold overall responsibility for SMG, are not remunerated. Expenses paid are disclosed in note 7.1.4 to the Annual Accounts.

4.5 Median reporting

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The midpoint for the banded remuneration of the highest-paid director in SMG in the financial year 2011–12 was £147,500 (2010–11, £142,500). This was 7.5 times (2010–11, 7.1) the median remuneration of the workforce, which was £19,710 (2010–11, £20,131).

In 2011–12 or 2010–11, no employees received remuneration in excess of the highest-paid director (on a full year basis). Remuneration ranged from banded midpoint of £7,500 to £147,500 (2010–11 £2,500 to £142,500 on a full year basis). The calculation for 2011–12 includes staff at MOSI for the first time.

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. The calculation for 2011–12 included staff from MOSI which was acquired by SMG during the year. A full year equivalent of MOSI staff salaries was used in the exercise.

	2011-12		2010-11		Total accrued pension at age 60 31.03.12 (£000)	Real increase in pension at age 60 (£000)	CETV at 31.03.12 or end date (nearest £000)	CETV at 31.03.11 or start date (nearest £000)	Real increase in CETV (nearest £000)
	Remuneration and full-year equivalent (FYE) £000	Benefits in kind (nearest £100)	Remuneration and full-year equivalent (FYE) £000	Benefits in kind (nearest £100)					
Ian Blatchford Director (appointed 18.10.2010)	145-150 [includes 15-20 bonus]	-	50-55 [FYE 125-130]	-	30-35	2.5-5	419	346	40
Andrew Scott Acting Director (resigned 15.10.2010)	-	-	60-65 [FYE 115-120]	-	-	-	-	-	-
John Bevin Acting Director of Corporate Services (left Executive on 19.12.2011)	40-45 [FYE 60-65]	-	60-65	800	-	-	-	-	-
Alexandra Burch Acting Director of Learning (seconded 01.02.2012)	10-15 [FYE 60-65]	-	-	-	5-10	0-2.5	81	67	6
Anne Caine Director of Finance	80-85	-	80-85	-	25-30	0-2.5	499	481	76
Steve Davies Director of NRM	100-105	600	100-105	600	-	-	-	-	-
Sue Fisher Director of Development	75-80	600	70-75	600	-	-	-	-	-
Jean Franczyk Director of MOSI (appointed 01.02.2012)	15-20 [FYE 95-100]	-	-	-	5-10	0-2.5	92	62	20
Director of Learning	60-65 [FYE 75-80]	-	70-75	-					
Roger Highfield Director of External Affairs (appointed 28.02.2012)	25-30 [FT, FYE 75-80]	-	-	-	0-5	0-2.5	6	-	5
Karen Livingstone Director of Masterplan and Estate (appointed 19.12.2011)	20-25 [FYE 75-80]	-	-	-	10-15	2.5-5	189	147	35
Heather Mayfield Deputy Director, Science Museum Including NMeM (appointed 01.02.2012)	20-25 [FYE 85-90]	-	-	-	35-40	[2.5-0]	681	651	[31]
Deputy Director, Science Museum (appointed 26.12.2010)	60-65 [FYE 80-85]	-	20-25 [FYE 80-85]	-					
Adele McAllister Director Human Resources	85-90	-	85-90	-	10-15	0-2.5	223	183	12
Judith McNicol Director of Change Management (part time from 01.01.2011, left Executive on 31.12.2011)	35-40 [FYE 80-90]	-	75-80 [FT, FYE 85-90]	300	-	-	-	-	-
Jonathan Newby Chief Operating Officer (from 01.01.2012) MD, SCMG Enterprises Ltd	130-135 [includes 15-20 bonus]	600	-	-	-	-	-	-	-
	-	-	105-110 [includes 0-5 bonus]	400	-	-	-	-	-
Colin Philpott (resigned 30.04.2012)	95-100	-	100-105	-	15-20	0-2.5	264	223	13
Christopher Rapley Director of Science Museum (resigned 31.12.2010)	-	-	70-75 [FT, FYE 95-100]	800	-	-	-	-	-

The table above has been subject to audit. Staff without pension disclosures are not members of the PCSPS pension scheme. The staff included in the remuneration report constitute those managers delivering policy and direction for SMG.

4.6 Remuneration information

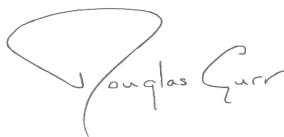
'Remuneration' includes gross salary, performance pay or bonuses, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, and any other allowance to the extent that it is subject to UK taxation. The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue & Customs as a taxable emolument.

4.7 Cash-equivalent transfer values

A cash-equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in his/her former scheme. The pension figures shown relate to the benefits that individuals have accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of his/her purchasing additional pension benefits at his/her own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn. The actuarial factors that are used in the CETV calculation were changed during 2011. This means that the CETV in this year's report for 31/03/11 will not be the same as the corresponding figure shown in last year's report.

4.8 Real increase in CETV

The real increase in CETV reflects the increase effectively funded by the employer. It takes account of the increase in accrued pension that is due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



Dr Douglas Gurr
Chairman of the Board of Trustees
29 June 2012



Mr Ian Blatchford
Accounting Officer and Director
29 June 2012

5 Statement of Board of Trustees' and Director's responsibilities

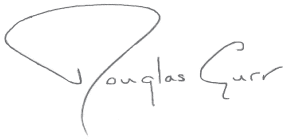
Under Sections 9(4) and (5) of the Museums and Galleries Act 1992, the Board of Trustees is required to prepare a statement of accounts on an accruals basis in the form and on the basis determined by the Secretary of State for the Department for Culture, Media and Sport with the consent of the Treasury.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

In preparing the Museum's accounts the Trustees are required to:

- Observe the Accounts Direction issued by the Secretary of State*, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgments and estimates that are reasonably prudent

- State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements
- Prepare the financial statements on the going-concern basis, unless it is inappropriate to presume that SMG will continue in operation

The Accounting Officer for the Department for Culture, Media and Sport has designated the Director as the Accounting Officer for SMG. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records and for safeguarding SMG's assets are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, issued by the Treasury and published in Managing Public Money.



Dr Douglas Gurr
Chairman of the Board of Trustees
29 June 2012



Mr Ian Blatchford
Accounting Officer and Director
29 June 2012

* A copy of which is available from the Accounting Officer, Science Museum, London SW7 2DD.

6 Governance statement

6.1 Governance framework

6.1.1 The Board of Trustees of SMG

The Board of Trustees of the Science Museum (BoT) is responsible for the whole of SMG. The Trustees, who may number between 12 and 20, are appointed by and responsible to the Prime Minister through DCMS. The Director of SMG, as Chief Executive Officer, is responsible to the Board of Trustees and, as Accounting Officer, is accountable to the DCMS for compliance with the Management Statement and Financial Memorandum.

Within the framework of their statutory duties as stated under the National Heritage Act 1983, the role of the Trustees is to establish SMG's policy, review performance

and endorse appointments to key management positions. Their primary activity is to assist the Chairman in meeting the Board's overall responsibilities, in accordance with the policies of the Secretary of State, and in compliance with charity law. Trustees offer guidance and expertise to the Chairman on SMG's strategy and its practical implementation.

Numbers in brackets refer to membership of advisory boards and subcommittees, as listed below. Key sub-committees in governance terms are Audit and Remuneration committees.

	Term	Date of current appointment	Expiry of appointment	Attendance		
				BoT	Audit	Rem
Chairman	1					
Dr Douglas Gurr (3)	(as Chair)	01.07.10	30.06.14	4/4		2/2
Members						
Lady Chisholm (3) (5)	2	14.01.11	13.01.15	4/4		2/2
Mr Howard Covington (2) (6)	1	07.04.08	06.04.12	4/4		
Professor Dame Athene Donald DBE (7)	1	01.08.11	31.07.15	3/3		
Lord Faulkner of Worcester (1) (4) (10)	1	05.01.11	04.01.15	4/4	4/4	
Mr Andreas Goss (2)	1	01.08.11	31.07.15	2/3		
Lord Grade of Yarmouth CBE (5)	1	01.08.11	31.07.15	2/3		
Professor Ludmilla Jordanova (7) (9)	1	01.08.11	31.07.15	3/3		
Mr Simon Linnett (2) (4)	1	05.01.11	04.01.15	3/4		
Professor Averil Macdonald (7)	1	07.04.08	06.04.12	4/4		
Sir Howard Newby CBE (4)	2	14.01.11	13.01.15	3/4		
Lord Rees of Ludlow	2	06.06.07	05.06.11	0/0		
Dr Gill Samuels CBE (1) (3) (7) (8) (10)	1	07.04.08	06.04.12	4/4	0/1	2/2
Dr Maggie Semple OBE (2) (7) (8)	2	10.10.07	09.10.11	0/2		
Mr James Smith CBE (2)	1	05.01.11	04.01.15	4/4		
Ms Janet Street-Porter (7)	1	07.04.08	06.04.12	1/4		
Mr Christopher Swinson OBE (1) (3) (4)	1	07.04.08	06.04.12	3/4	4/4	2/2
Sir William Wells (1)	2	06.06.07	05.06.11	0/0		
Mr Michael G Wilson OBE (5)	2	13.02.08	12.02.12	2/3		
Mr Peter Fell (Observer)	1	08.03.12	-	1/1		

Trustee subcommittees, advisory boards and subsidiary company boards reflect the individual Museums and cross-SMG activity. These are summarised as follows:

- (1) Audit Committee (Chair – Sir William Wells until 05.06.11, Mr Christopher Swinson OBE from 06.06.11)
- (2) Finance and General Purposes Committee (Chair – Mr Howard Covington)
- (3) Remuneration Committee (Chair – Mr Christopher Swinson OBE)
- (4) National Railway Museum Advisory Board (Chair – Sir Howard Newby CBE)
- (5) National Media Museum Advisory Board (Chair – Mr Michael G Wilson OBE until 12.02.12, Lord Grade of Yarmouth CBE from 13.02.12)

(6) Board of Directors of SCMG Enterprises Ltd (Chair – Mr Howard Covington)

(7) Science Museum Advisory Board (Chair – Dr Maggie Semple OBE until 09.10.11, Dr Gill Samuels CBE from 10.10.11)

(8) Wellcome Wolfson Building Trustee Subcommittee (Chair – Dr Maggie Semple OBE until 09.10.11, Dr Gill Samuels CBE from 10.10.11)

(9) Collections and Research Trustee Subcommittee (Chair – Professor Ludmilla Jordanova from 19.01.12)

(10) Museum of Science and Industry, Manchester Advisory Board (Chair – Lord Faulkner of Worcester from 01.02.12)

6.1.2 Methods adopted for recruitment and appointment of new Trustees

The process of recruiting Trustees takes place in accordance with the procedures defined by DCMS and the Office of the Commissioner for Public Appointments. Descriptions of the roles required are advertised, interviews conducted and recommendations made to DCMS for appointment by the Prime Minister in accordance with the National Heritage Act 1983.

6.1.3 Policies and procedures for induction and training of Trustees

Officers of SMG work with the new Trustees to provide both general briefing about the Museums and the role of the Board of Trustees of the Science Museum within a charity and non-departmental public body, and specific information about particular areas of interest.

6.1.4 Board committee report highlights

The Board of Trustees worked closely with DCMS during 2011–12 to support DCMS's objective of rationalising its relationship with non-national Museums. As a result, after completing due diligence activity and much hard work for both parties, the Board approved the merger of the Museum of Science and Industry, Manchester with the Science Museum Group on 1 February 2012. The National Coal Mining Museum for England (NCMME) already had a close relationship with DCMS and SMG and this relationship was revised to a direct funding relationship between SMG and NCMME following an understanding between DCMS and SMG on the future approach. Following the Government's proposal to abolish the Railway Heritage Committee and transfer its statutory function to SMG, the Board worked with DCMS on the consultation process and to ensure that any future transfer goes smoothly. Individual members of the Audit Committee gave strong assistance in the successful outcome of these changes. In addition the Audit Committee focused on the SMG significant risks, risk-based internal audit activity, external audit matters, in particular the legal and accounting issues arising from the acquisition of MOSI, and health and safety activities.

At the annual Strategy Day, the Board reviewed forward plans for SMG including the Science Museum outline Masterplan. Outcomes within the year included the newly cleaned façade and replacement windows at the SM, the opening of *Life Online* at NMeM, and the opening of the Art Gallery and new entrance at NRM. Work progressed on planning and fundraising for *Media Space* and the new communications gallery, to open at SM in 2013 and 2014 respectively. During the year, the Board monitored

the financial programme to ensure that the impacts of reducing Grant in Aid allocation could be managed. The Board welcomed four new Trustees and thanked four retiring Trustees for their substantial contributions. A Board Effectiveness Review enabled the Board to make continued improvements to its functions and processes.

6.1.5 Board effectiveness

The Trustees conducted a review of the Board's effectiveness between December 2011 and February 2012. A questionnaire was sent to Board members and the Science Museum Group Executive, followed up by telephone interviews with individual Trustees and by a short discussion at a meeting of the Group Executive respectively. A similar exercise was last undertaken in 2010. The findings were reported to the Board meeting on 8 March where its recommendations were approved. A summary is provided below.

In summary, the Board was considered to be working well overall, with appropriate size, skills and composition. Performance was significantly improved in a number of areas since 2010, but there was scope for further improvement, with clarification of governance structures, roles and processes and Trustee induction highlighted as requiring improvement. Executive and Trustees both felt fundraising required improvement.

'Developing (or replacing) the CEO' dropped from a top priority in 2010 to the bottom of the ranking in 2012. 'Overseeing of finance and risk' decreased in importance in favour of clarifying vision and reputation-building. Both groups of respondents (Board and Executive) ranked fundraising high in importance, but low in performance, while 'Overseeing financial performance' and 'Ensuring adequate management' were ranked highly by both groups.

The quality of data provided to the Board had been subject to continuing improvements over recent years to ensure that the information provided was succinct and relevant. The focus in 2011–12 was to improve the advance notice and clarity of information relating to future events across the museums to which Trustees could make specific contributions so they could plan with adequate notice.

The recommendations included a more comprehensive Trustee induction scheme, with a specific handbook and clarification of areas on which each Trustee would focus. Review of the structure, mechanisms and communications supporting meetings would be reviewed.

6.1.6 Membership of advisory boards, Trustee subcommittees and subsidiary company boards

Full membership of these Trustee subcommittees with non-Trustee members is set out below.

Science Museum Advisory Board

Chair

Dr Maggie Semple OBE (Trustee) – until 09.10.11
Dr Gill Samuels CBE (Trustee) – from 10.10.11

Members

Dr Nicolas Barker OBE – until 06.02.12
Dr Sarah Caddick – from 16.08.11
Ms Natalie Ceeney CBE – until 15.06.11
Professor Brian Cox OBE – until 06.02.12
Professor Dame Athene Donald DBE (Trustee) – from 14.02.12
Dr Marcus du Sautoy
Dr Graham Farmelo – until 06.02.12
Mr Malcolm Garrett
Mr Roger Highfield – until 27.11.11
Sir Tim Hunt
Professor Ludmilla Jordanova (Trustee) – from 14.02.12
Professor Averil Macdonald (Trustee) – until 13.02.12
Dr Christine MacLeod – until 06.02.12
Dr Clare Matterson
Professor Christopher Rapley CBE – until 06.02.12
Professor Michael J Reiss
Professor Simon J Schaffer
Ms Janet Street-Porter (Trustee) – until 13.02.12

Museum of Science and Industry, Manchester Advisory Board

Chair

Lord Faulkner of Worcester (Trustee) – from 01.02.12

Members

Professor Colin Bailey – from 02.04.12
Dr Maria Balshaw – from 29.02.12
Mr Michael Emmerich – from 29.02.12
Mr Peter Fell – from 29.02.12
Sir Richard Leese CBE – from 29.02.12
Mr Robert Owen MBE – from 29.02.12
Ms Sinead Rocks – from 02.04.12
Dr Gill Samuels CBE (Trustee) – from 29.02.12
Ms Susan Woodward OBE – from 29.02.12

National Railway Museum Advisory Board

Chair

Sir Howard Newby CBE (Trustee)

Members

Dr Alison Birkinshaw – until 08.02.12
Mrs Gillian Cruddas MBE
Ms Kersten England – until 06.04.11
Lord Faulkner of Worcester (Trustee)
Mr Christopher Garnett
Mr Bryan Gray CBE
Mr Brian Greenwood
Mr Simon Linnett (Trustee)
Mr Richard Lungmuss – until 21.10.11
Mr John G Nelson – until 17.10.11
Ms Sue Palmer OBE
Mr Frank Paterson
Mr Adrian Shooter CBE – from 23.08.11
Mr Christopher Swinson OBE (Trustee) – until 07.04.11
Mr Philip Verster – from 21.03.12
Mr William Woolley – from 07.04.11

National Media Museum Advisory Board

Chair

Mr Michael G Wilson OBE (Trustee) – until 12.02.12
Lord Grade of Yarmouth CBE (Trustee) – from 13.02.12

Members

Mr Simon Beaufoy
Mr Pierre Brahm
Lady Chisholm (Trustee) – from 31.01.12
Professor Mark Cleary – until 28.02.12
Mr Philippe Garner
Lord Grade of Yarmouth CBE (Trustee) – from 03.08.11
Mr Matt Locke
Ms Zahida Manzoor CBE
Mr Peter McCormick OBE
Mr Roger Mosey
Mr Simon Norfolk
Mr Tony Reeves
Ms Carolyn Reynolds
Ms Gillian Reynolds MBE

Wellcome Wolfson Building Trustee Subcommittee

Chair

Dr Maggie Semple OBE (Trustee) – until 09.10.11
Dr Gill Samuels CBE (Trustee) – from 10.10.11

Members

Professor Elizabeth N Anionwu CBE
Professor Colin Blakemore
Dr Graham Farmelo
Sir Roland Jackson BT
Mr Paul Ramsbottom
Mr E F Rover
Mr Ben Stewart
Professor Richard Wiseman

Finance and General Purposes Committee

(meets concurrently with Board of Directors of SCMG Enterprises Ltd)

Chair

Mr Howard Covington (Trustee)

Members

Mr Andreas J Goss (Trustee) – from 21.02.12
Mr Nick Kirkbride – from 12.03.12
Mr Simon J Linnett (Trustee) – from 03.05.11
Dr Martin Scott – from 03.05.11
Dr Maggie Semple OBE (Trustee) – until 09.10.11
Mr James Smith CBE (Trustee) – from 19.12.11

Collections and Research Trustee Subcommittee

Chair

Professor Ludmilla Jordanova (Trustee) – from 19.01.12

Members

Mr Philippe Garner – from 19.01.12
Sir Howard Newby CBE (Trustee) – from 19.01.12

Company information

SCMG Enterprises Ltd

Directors

Chair: Howard Covington
 James Bilefield
 Ian Blatchford
 Jonathan Newby
 Christopher Weller

Secretary

Anne Caine

Greater Manchester Museum of Science and Industry Trust

Directors

(To 31.01.12)

Chair: Peter Fell
 Michael Bailey
 Jane Haxby
 Chelvin Hibbert
 David Phoenix
 Bob Owen
 Vicky Rosin
 Tony Snape
 Virginia Tandy
 Mark Tattersall

(From 01.02.12)

Chair: Ian Blatchford
 Anne Caine
 Jean Franczyk
 Jonathan Newby

Secretary

Tony Hill – to 31.01.12
 Anne Caine – from 01.02.12

Bradford Film Ltd

(a company limited by guarantee)

Directors

Chair: Michael G Wilson OBE (until 12.02.12)
 Heather Mayfield (from 27.04.12)
 Jonathan Newby (from 27.04.12)
 Colin Philpott (until 30.04.12)

Secretary: Anne Caine

MOSI Enterprises Ltd

Directors

(To 31.01.12)

Chelvin Hibbert
 Mike Dyble
 Rod Kilgour
 Lis Phelan

(From 01.02.12)

Chair: Jean Franczyk
 Janet Leigh
 Jonathan Newby

Secretary

Tony Hill – to 31.01.12
 Janet Leigh – from 01.02.12

6.1.7 Group Executive

As Accounting Officer, the Director is personally responsible for safeguarding the public funds for which he has charge, for propriety and regularity in the handling of those public funds as guided by *Managing Public Money* and for the day-to-day operations and management of SMG. The Director of SMG is also Director of the Science Museum and is supported by the Deputy Director of the Science Museum. Each of the other Museums within SMG is headed by a Director who is directly responsible for collections, the Museum's cultural programme and for coordinating the overall delivery of the Museum's goals. During the year it was agreed that upon the departure of the existing NMeM Director in 2012–13, the Directorship will move to the Deputy Director of the Science Museum. A Head of Museum will be appointed for the NMeM reporting to the Deputy Director of the Science Museum.

The SMG Executive is accountable to the Director of SMG, and is formed by the group of senior managers reporting to the Director within SMG, together with the Director, Finance Director and HR Director. It is responsible for resource allocation, leading strategic management, developing the cultural content and programmes and sustaining SMG values. In 2011–12 the Executive comprised the SMG Director, the Director of each Museum and Science Museum Deputy Director, the Director of Masterplan and Estate, the Managing Director of SCMG Enterprises Ltd (whose role expanded to Chief Operating Officer from 1 January 2012), the Director of External Affairs and the Directors of Human Resources, Finance, Development and Learning.

Group Executive

Ian Blatchford	Director
Alex Burch	Acting Director of Learning (from 01.02.12)
Anne Caine	Director of Finance
Steve Davies MBE	Director of NRM
Roger Highfield	Director of External Affairs (from 28.11.11)
Susan Fisher	Director of Development
Jean Franczyk	Director of Learning (to 31.01.12) Director of MOSI (two year secondment from 01.02.12)
Karen Livingstone	Director of Masterplan and Estate (from 19.12.11)
Heather Mayfield	Deputy Director, Science Museum
Adele McAllister	Director of Human Resources
Jonathan Newby	Managing Director, SCMG Enterprises Ltd (to 31.12.11) Chief Operating Officer (from 01.01.12)
Colin Philpott	Director of National Media Museum

6.2 Corporate governance

The Board of Trustees of the Science Museum and the Board of Directors of SCMG Enterprises Ltd received reports from the Chairs of the Audit Committee and the Finance and General Purposes Committees and the Director concerning matters affecting internal control. The minutes of all subcommittees are distributed to Trustees.

The system of internal control has been in place in SMG for the year ended 31 March 2012 and up to the date of approval of the Annual Report and Accounts, in accordance with Treasury guidance. The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- 1) An Executive management team, comprising the Directors of Museums, Director of Learning, Director of Development, Chief Operating Officer, Director of Finance, Director of HR and Director of Masterplan and Estate, which met seven times in 2011–12 to consider the plans and strategic direction of SMG
- 2) Reviews by the Executive Committee of forward cultural activity development against the Corporate Plan
- 3) Clearly defined capital investment prioritisation and control processes
- 4) Formal project management disciplines paying attention to risk and contingency levels
- 5) Regular reports from managers to the Audit Committee, Finance and General Purposes Committee and Board of Directors of SCMG Enterprises Ltd or management team (as appropriate) on the steps they are taking to manage risks in their areas of responsibility, including progress on key projects
- 6) Annual completion of internal control schedules by senior managers to confirm their compliance with SMG's internal control standards
- 7) Continual development of a range of robust system controls designed to ensure the integrity of SMG's IT networks and external communications links
- 8) Comprehensive budgeting systems, with an annual budget which is reviewed and agreed by the Board of Trustees
- 9) Regular reviews by the Board of Trustees of progress against the key performance indicators that measure attainment against objectives and Funding Agreements, and of periodic and annual financial reports that track financial performance against forecasts
- 10) A Funding Agreement between SMG and DCMS which includes performance measures
- 11) The Corporate Risk Group, chaired by the Finance Director, reporting to the Audit Committee, which is responsible for
 - developing and monitoring the implementation of the Museum's risk strategy
 - maintenance of an organisation-wide risk register, progressing work to develop a consistent evaluation framework
 - encouraging the use of ongoing control and risk self-assessment procedures
 - monitoring changes in the corporate risk profile and, via its Chairman
 - reporting significant changes to the Director, Audit Committee, Board of Trustees and Executive Group

- 12) Maintenance of the register of interests for Trustees, Directors of SCMG Enterprises Ltd, subcommittee advisers and senior staff

The sound system of internal control:

- Supports the achievement of the objectives of SMG
- Safeguards the public funds and assets for which the Accounting Officer is personally responsible in accordance with the responsibilities assigned in Government Accounting
- Ensures compliance with the requirements of SMG’s Management Statement and Financial Memorandum
- Has incorporated risk management within the strategic business planning process

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the Museum’s 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 the principal risks to the achievement of the Museum’s policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within SMG who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management review letter and other reports. SMG is advised of the implications of the result of the review of the effectiveness of the system of internal control by the Board and the Audit Committee, plans to address weaknesses and ensures continuous improvement of the system.

The fees due to the National Audit Office for audit services amounted to £56,000 (2010–11 £55,000). Grant Thornton audited SCMG Enterprises Ltd and Bradford Film Ltd, with fees due amounting to £33,900 (2010–11 £32,000).

As far as the Board of Trustees and the Accounting Officer are aware there is no relevant audit information of which the entity’s auditors are unaware. The Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity’s auditors are aware of that information.

6.3 Risk assessment

6.3.1 Risk profile

The Board of Trustees sees management of risk as one of its major responsibilities. The Board of Trustees is informed by reports from the Audit Committee which in turn relies on the work of the Corporate Risk Group and senior managers. The Corporate Risk Group includes managers representing all sites and functions from across SMG who have received an induction in risk management and can act as a resource for their functions/locations. A Management Statement (outlining key responsibilities) and Financial Memorandum is in place between DCMS and SMG.

In 2011–12, SMG continued to use the internal audit services of Moore Stephens, which operates to the Government Internal Audit Standards. Moore Stephens has provided internal audits and annual assurance for 2011–12 to the Accounting Officer. The work of the internal audit provider is informed by an analysis of the risk to which the body is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the Trustees’ Audit Committee and approved by SMG. The Head of Internal Audit (HIA) provides SMG with regular reports on internal audit activity in the body. The reports include the HIA’s independent opinion on the adequacy and effectiveness of the body’s system of internal control, together with recommendations for improvement. In the internal audit Annual Report for 2011–12 the HIA gave reasonable assurance on the effectiveness of the Museum’s risk management, control and governance processes. Actions arising from all the audits are being addressed by SMG and are monitored through the Audit Committee.

The Corporate Risk Group monitored the major risks and focused on measures in place to manage them during the year, reporting to the Audit Committee and the Board of Trustees. Risk assessment and management formed an integral part of business planning and project management.

During the year, two of SMG’s strategic risks identified were the probable difficulty in obtaining capital funding as donors seek to curb their expenditure in more straitened times and the risk that SMG could not fulfil its plans to increase income and reduce expenditure to adequately respond to the reduction of Grant in Aid. The impact of the risks could be much slower renewal of galleries and a risk to the quality of some storage facilities, with potential impacts on collections care standards together with a reduction in learning and temporary programmes at the Museums. To manage these risks SMG put in place a prioritised fundraising strategy, developed alternate plans should fundraising fail and closely monitored programmes to reduce costs. In addition the merger with MOSI was considered a major risk in the short term for both bodies

as it used a significant amount of resource though is seen as a long-term opportunity. Other significant risks included issues arising from health and safety, an external event such as terrorism or severe weather, and the Museum's creative offer failing to remain attractive to visitors. In response SMG has continued to embed health and safety policy and procedures, put in place business continuity plans at the Science Museum, NRM and NMeM, and commenced long-term planning for gallery and site developments, whilst ensuring the current public offer remained vibrant with an expanded series of events and exhibitions.

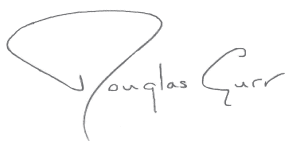
At the end of the year the risk profile continues to include the ongoing risks around obtaining capital funding as we seek to implement our major development plans. Our development and programme ambitions themselves have been recognised as a risk with the potential for the organisation to overstretch itself. Careful planning in implementation and the identification of requirements on support services will be key to managing this risk. The risks being managed from the MOSI merger are now around the need to establish realistic integration plans which will bring benefits to both parties. Potential unforeseen liabilities through MOSI also remain a risk and we are managing this through careful planning. The potential for further reductions in Grant in Aid arises again as a significant risk and we will be liaising with DCMS to minimise the impact of this should it be realised, in parallel with continuing our current income and cost saving plans. External events remain an ongoing risk as a number of factors outside our control, such as rail access, could have major implications for some of our Museums. Close relationships with key partners will be central to managing these risks.

6.3.2 Ministerial Directions

DCMS sent SMG an updated 'Direction in relation to grants to the National Coal Board Museum for England' to recognise the agreed changes.

6.3.3 Information security

During the year there were no centrally recorded incidents related to protected personal data and a report to the Information Commissioner's Office has not been required.



Dr Douglas Gurr
Chairman of the Board of Trustees

29 June 2012



Mr Ian Blatchford
Accounting Officer and Director

29 June 2012

6.4 Assessment of compliance with the Corporate Governance Code

While the Board of Trustees has different responsibilities and is appointed in accordance with the relevant Acts, we confirm SMG's governance processes comply with the intentions of 'Corporate governance in central government departments: Code of good practice 2011'. The Board is well balanced in composition, and supports the Director in leading SMG through strategic direction, monitoring activity and achievement of objectives and ensuring good governance is in place. The work of the Board is well supported by strong committee management. Regular evaluation by the Board of its effectiveness, including the views of senior staff, ensures that the Board is reviewing its activities and processes to continue to improve its performance. The Trustee register of interests is available on the SMG website or for inspection on application to the SMG Committee Manager at the Science Museum, Exhibition Road, London SW7 2DD.

7 Sustainability report

7.1 Introduction

7.1.1 Sustainability in SMG

SMG takes into account sustainability issues when making strategic and operational decisions. We seek to deliver this policy by improving the environmental and ethical performance of all our activities, and encouraging others to reduce their impact. This policy is supported by a set of guidelines and examples of good practice from across the sector.

Significant improvement works to the built estate have increased energy efficiency and provided more flexibility through improved electronic management systems, allowing us to regulate and monitor infrastructure such as lighting more efficiently. This work is resulting in improvements reflected in all our main Museum buildings' Display Energy Certificates.

Energy consumption is decreasing through improvements to the main buildings, including: the NMeM's foyer to minimise heat loss, the replacement of over 3000 fluorescent light fittings with energy-efficient equivalents and interventions to reduce heat loss at the Science Museum, replacing the NRM's outdated boilers with energy-efficient versions and improved building management systems in both York and Bradford enabling greater control of energy consumption. Work continues to identify the next phases of new, replacement or refurbished infrastructure, plant and facilities, striving towards an ever more sustainable operation.

Alongside emission reduction initiatives we have sought to reduce the environmental impacts of projects and operations within the Museums, to communicate energy awareness, sustainability and ethical sourcing to staff, and to ensure that the Museums follow best practice in respect to environmental compliance. A Carbon Reduction Working Party with representatives from across the Museums acts as a forum to discuss and embed sustainability initiatives into all work streams. We are also reviewing the supply chain and procurement processes to ensure that as far as possible SMG promotes a positive impact on society and the environment. These initiatives are supported by an appointed Sustainable Development Manager.

While work continues to improve the way our estate functions, all our staff play an increasing role in addressing sustainability in the organisation. New induction and awareness programmes are helping to identify and personalise how staff can impact on our environmental performance.

7.1.2 Future plans

Ongoing plans include continuing to review SMG's waste, water and energy use, catering, materials purchasing and travel to provide a solid baseline for future decision-making. Other actions already in hand include encouraging staff to cycle to work, intranet guidance on a range of topics and a review of recycling facilities for visitors. On-site energy generation through renewables is being explored and exploited where possible to help provide green electricity for our functions.

In 2011–12 construction of new low-carbon storage using prefabricated hemp and lime mortar panels began at our Wroughton collections store. This is the first time a museum has used this low-embodied-energy building material in the UK, and enables us to provide stable conditions for our objects. Powered by PV panels, this building should have operational running costs around a third of those for a conventional equivalent.

In the longer term, the organisations across the 1851 Estate in South Kensington, including the Science Museum, have defined a major plan which will greatly reduce energy costs for the estate. This project will be split into three phases: building a carbon awareness culture, retrofitting measures to reduce energy demand, and installing a deep aquifer heat store for excess summer heat to be stored until winter demand requires it. The capital funding for this is being reviewed with the Treasury and other investors.

7.1.3 Biodiversity

Our sites vary greatly in terms of location and type, from urban to rural, each with particular levels of biodiversity. At SMG we pay special attention to biodiversity preservation and enhancement. Actions include 40,000 trees recently planted at Wroughton, bat boxes incorporated in the Library refurbishment, managing the flower beds at Bradford for bees and being a case study for the Department for Environment, Food and Rural Affairs to inform how the public sector can enhance biodiversity on its sites under the Natural Environment and Rural Communities Act duties.

7.2 Our reports

Whilst every effort is made to ensure the information is as accurate as possible, part of the data is estimated since some of the recording and monitoring mechanisms need upgrading. Since this is the first year of reporting, comparative data for the previous year is not available. Improvements to metering, monitoring and recording

form part of our ongoing forward plans – allowing us to generate ever-more accurate information. This is recognised as fundamental part of good sustainability management and leads to a greater understanding of efficiency gains, building performance and operational practices.

7.2.1 Greenhouse gas emissions

2011–12

Non-financial indicators (tCO ₂ e)	Total gross emissions	11,331.79
	Scope 3 business travel gross emissions (extrapolated data from 'NMSI Best Foot Forward Report – Carbon Footprint Assessment', January 2012)	999
Related energy consumption (see individual metrics)	Electricity – non-renewable (kWh)	13,825,627
	Electricity – CHP (kWh)	1,243,025
	Gas (kWh)	18,238,574
	Oil (litres)	31,989
	Biomass – wood pellets (tonnes)	62
Financial indicators		£000
	Expenditure on energy	2,595
	CRC expenditure	117
	Expenditure on business travel	451

Performance commentary (including measures)

While SMG strives to reduce its year-on-year emissions, the opening of new galleries (particularly with the interactivity elements the group is renowned for) is creating a challenging environment. A new policy for sustainable development, good practice, preferred materials and documentation for assessing potential impacts of new projects has been implemented. This will allow the group to benchmark its performance and set realistic targets.

Controllable impacts commentary

The main direct impacts from SMG come through electricity and gas consumption. Energy efficiency measures have been implemented to review systems, replace inefficient equipment and to engage staff in energy use reduction. Specification of new projects has sustainability as a key criterion in assessing viability.

Overview of influenced impacts

The SMG supply chain provides the Group with the opportunity to maximise reductions and influence change, from sourcing renewable energy supplies, to specifying sustainable low-carbon buildings, to zero-emission vehicles. Our new procurement tenders and contracts include statements relating to efficiency, sustainability and ethics as a matter of course.

7.2.2 Waste

2011-12

Non-financial indicators (tonnes)	Total waste		1,051.95
	Hazardous incl. WEEE		2.85
	Non-hazardous	Landfill	229.53
		Energy from waste	222.21
		Mixed recycling	399.48
		Wood recycling	32.32
		Metal recycling	14.29
		Glass recycling	151.52

£000

Financial indicators	Total disposal cost		99
	Hazardous incl. WEEE		8
	Non-hazardous	Landfill	22
		Energy from waste	39
		Mixed recycling	21
		Wood recycling	4
		Metal recycling	1
		Glass recycling	-

Performance commentary (including measures)

While our current waste streams are well managed throughout the organisation, waste is still an area where we can improve our practices. For example the Science Museum works in collaboration with the Natural History Museum, recycling and generating energy from waste where possible. However, no specific reduction targets have been set. It is therefore our aim to have this in place in the next cleaning and waste management contract commencing in 2013. At MOSI recycling of waste has increased by 17% in this period – aided by the development of a nearby fuel-from-waste facility.

Overview of influenced impacts

The recycling agenda is firmly embedded in the Museums' culture and reduction and reuse of materials is encouraged among staff. However, the practice of doing so can be improved through more convenient processes and greater awareness of the waste stream which the organisation operates. Our existing contracts for waste management have scope for significant improvement and are being reviewed. We encourage all our suppliers and contractors to minimise the production of waste and recycle where possible.

Controllable impacts commentary

The main direct impacts from the waste supply chain come from our catering and visitor activity, closely followed by office and exhibition rubbish. The new waste contract will minimise waste from these streams and manage it more efficiently. Visitor waste bins are being revised to include waste stream messages informing our visitors about what happens to the waste they throw away during their visit to our Museums.

7.2.3 Finite resources

2011–12

Non-financial indicators (see individual resource for metrics)	Water incl. locomotive operations	m ³	73,487.50
	818.19 FTE at April 2012	FTE	89.82
	Coal – locomotive operations	tonnes	177
	Non-fuel oils	litres	964.50
			£000
Financial indicators	Water supply costs incl. locomotive operations		86
	Coal – locomotive operations		31
	Lubricating oil – locomotive operations		2

Performance commentary (including measures)

The majority of our finite resource use goes into enhancing the visitor offer from our sites. An example of this is the operation of locomotives at NRM and MOSI. To reduce the amount of coal and oil consumed, the Museums would have to limit the operation of the locomotives; this would be detrimental to the visitor experience at these Museums. To combat this and to ensure we operate as sustainably as possible we have a training regime in place to maximise fuel conservation and embed good practice for loco management within our teams.

Controllable impacts commentary

Water consumption from these locomotive operations is considerable, and currently uses a potable water supply. A longer-term strategy to reduce this type of consumption is to evaluate the scope to use water provided via a borehole,

or to harvest water from the large buildings at these sites. Other finite resource use is relatively limited across the Group, and where potable water is used low-water appliances and good-practice working procedures are encouraged to reduce the impacts of our operations.

Overview of influenced impacts

The provenance of the coal used in the locomotives can have a bearing on the sustainability of the supply. Sourcing from this country compared with imported coal from Columbia or Russia not only supports local industry but reduces the transportation carbon footprint of the supply. We engage with our suppliers to set out these parameters when purchasing our stocks. While other impacts are poorly understood at this stage, our procurement processes and sustainable development policy encourage our suppliers to consider resource use in their activities.

7.2.4 Biodiversity enhancement

SMG has made good progress in delivering a Group-wide understanding of why biodiversity is important to the organisation. Future plans will include site phase 1 ecological surveys to ascertain the biodiversity of each site and draw these together into a more focused biodiversity action plan, and aiming to achieve the Wildlife Trust biodiversity benchmark certification by 2013–14. The Wroughton site features strongly in the Group's strategy for biodiversity management as it is a large rural location with specific county wildlife sites, is an SSSI and sits within the Marlborough Downs Nature Improvement Area. Future plans will expand our practices across all sites.

Performance commentary (including measures)

Some successes to date include: 110 acres of new native woodland, the development of a good grounds maintenance programme, the installation of four barn owl and four kestrel boxes, reseeded of open space in woodland with chalk wildflower mixes, installation of two bat boxes in the Library building and four bat tiles into roof space, and the installation of 12 small bird boxes with local school groups.

Controllable impacts commentary

Our major impacts come through better grounds maintenance, incorporation of habitats within new buildings and refurbishment projects, and greater awareness of the requirements regarding biodiversity.

Overview of influenced impacts

We include our sustainable development policy in all tenders for works; contractors are required to answer how they will manage the requirements for these elements in their responses. We also work closely with adjoining landowners to ensure that initiatives reaching beyond our boundaries are maintained and upheld. Where appropriate global biodiversity issues are represented in our public spaces, e.g. www.sciencemuseum.org.uk/antenna/algae/biofuels_future/142.asp.

7.2.5 Sustainable procurement

For SMG as part of our procurement strategy and guidelines we advise all staff to consider a number of objectives when procuring. These include: ensuring that all non-salary spend is committed to obtaining optimum quality, service and quantity and taking into account best value for money. This incorporates operational needs, Government reporting requirements, sustainability, delivery, timeliness, customer service and supplier performance in addition to cost.

As part of our tendering process we advise the evaluation criteria should include sustainability characteristics as well as quality, price, technical merit, aesthetic and functional characteristics, running costs, cost effectiveness, after-sales service, technical assistance, delivery date and delivery period, and period of completion. We also publish a tender response document for suppliers to complete where we outline our sustainability requirements for the contract notice.

Performance commentary (including measures)

Significant services contracts were let in 2011–12. Within these, new sustainability, engagement and partnership working clauses have increased the ability of SMG to work with our suppliers to reduce our impacts. Ongoing consultation has enabled us to facilitate change within the service to the best advantage of the contractor and Museum.

Controllable impacts commentary

New contracts have enabled new metering for provision of services. The ability for the contractors to understand what their direct impact has been on energy use provides greater clarity and a robust rationale for changing the way we operate.

Overview of influenced impacts

Suppliers and contractors are now given the opportunity to present their successes, strategies and practices for reducing impacts on the environment to the Group as part of the ongoing development of the relationship. Understanding that the Group expects them to deliver in a sustainable way helps to prompt change in their services.

8 The certificate and report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the Board of Trustees of the Science Museum for the year ended 31 March 2012 under the Museums and Galleries Act 1992. The financial statements comprise: the Consolidated Statement of Financial Activities, the Consolidated and Museum Balance Sheets, the Consolidated Cash Flow and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Board of Trustees, Director and auditor

As explained more fully in the Statement of Board of Trustees' and Director's responsibilities, the Trustees and the Director as Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Museums and Galleries Act 1992. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the circumstances of the Board of Trustees of the Science Museum and the group and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board of Trustees of the Science Museum; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Review of 2011–12 and plans for the future, About the Science Museum Group, Financial Review, Remuneration Report, Statement of Board of Trustees' and Director's responsibilities, Governance Statement, and Sustainability Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the incoming resources and resources expended 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.

Opinion on regularity

In my opinion, in all material respects the incoming resources and resources expended 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.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the group's and of the Board of Trustees of the Science Museum's affairs as at 31 March 2012 and of its incoming resources and application of resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Museums and Galleries Act 1992 and Secretary of State directions issued thereunder with HM Treasury's consent.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made with HM Treasury's consent under the Museums and Galleries Act 1992; and
- the information given in the Staff Engagement, Review of Financial Position, Financial Policies, Sustainability Report, The Board of Trustees of SMG, Membership of advisory boards, Trustee subcommittees and subsidiary company boards and Group Executive sections of the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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 or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas C E Morse, Comptroller and Auditor General

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

4 July 2012

9 Annual accounts 2011-12

Science Museum Group Consolidated Statement of Financial Activities for year ended 31 March 2012

	Notes	2012 unrestricted funds £000	2012 restricted funds £000	2012 endowment fund £000	2012 total £000	2011 total £000
Incoming resources						
Incoming resources from generated funds						
Voluntary income						
Grant in Aid from DCMS	2	38,129	125	-	38,254	40,153
Grants, legacies and donations	3	938	4,365	-	5,303	5,585
Other grants – transfer of MOSI net assets	4	(1,697)	43,953	-	42,256	-
Lottery income		-	310	-	310	157
Activities for generating funds						
Income from commercial activities	8	13,881	110	-	13,991	13,605
Sponsorship		68	1,587	-	1,655	1,305
Rental income from operating leases		452	50	-	502	627
Investment income	6	159	-	3	162	136
Incoming resources from charitable activities						
Other income	5	1,964	13	-	1,977	1,786
Total incoming resources		53,894	50,513	3	104,410	63,354
Resources expended						
Costs of generating funds						
Costs of generating voluntary income		3,959	244	-	4,203	3,361
Commercial costs (fundraising trading: costs of goods sold and other)		12,018	151	-	12,169	12,087
Charitable activities						
Care for and research into collections		10,611	4,933	-	15,544	16,256
Science education and communication		16,326	8,131	-	24,457	24,148
Visitor services		10,316	1,896	-	12,212	12,317
Governance costs		481	-	-	481	450
Total resources expended	7.1	53,711	15,355	-	69,066	68,619
Net incoming/(outgoing) resources before other recognised gains and losses		183	35,158	3	35,344	(5,265)
Other recognised gains/ losses						
Revaluation Reserve surplus		2,787	44,218	-	47,005	-
Actuarial loss on defined benefit pension scheme	7.2	(610)	-	-	(610)	-
Net movement in funds		2,360	79,376	3	81,739	(5,265)
RECONCILIATION OF FUNDS						
Fund balances brought forward at 01.04.11		38,827	239,954	73	278,854	284,119
Fund balances carried forward at 31.03.12		41,187	319,330	76	360,593	278,854

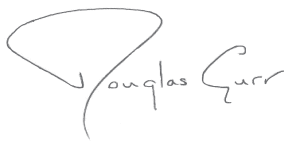
On 1 February 2012, The Science Museum Group acquired control of The Greater Manchester Museum of Science and Industry Trust, [MOSI] a UK charity, for nil consideration; otherwise all operations of the Museum continued throughout both years and no operations discontinued in either year.

The notes on pages 53 to 77 form part of these accounts.

Science Museum Group Balance Sheets as at 31 March 2012

	Notes	Consolidated Balance Sheet		Museum Balance Sheet	
		2012 £000	2011 £000	2012 £000	2011 £000
Fixed assets					
Tangible assets	9	333,138	249,475	327,978	244,094
Heritage assets	10	15,446	15,340	15,446	15,340
Investment		-	-	552	411
		348,584	264,815	343,976	259,845
Current assets					
Stock		919	819	-	-
Debtors	13	4,465	3,471	10,147	7,300
Short-term deposits		11,560	13,000	11,560	13,000
Cash in hand and at bank		8,017	5,530	2,510	2,557
		24,961	22,820	24,217	22,857
Creditors: amounts falling due within one year	14.1	(9,326)	(7,063)	(6,608)	(5,043)
Net current assets		15,635	15,757	17,609	17,814
Total assets less current liabilities		364,219	280,572	361,585	277,659
Creditors: amounts falling due after one year	14.2	(553)	(685)	(283)	(333)
Provisions for liabilities and charges	16	(500)	(1,033)	(500)	(955)
Net assets excluding pension liability		363,166	278,854	360,802	276,371
Pensions liability	7.2.5	(2,573)	-	(2,573)	-
		360,593	278,854	358,229	276,371
Represented by:					
Restricted funds					
Sponsorship, Grants and Donations Reserve		2,465	2,298	2,465	2,298
Capital Reserves		178,336	164,461	177,173	163,147
Revaluation Reserve		138,529	73,195	138,529	73,195
	18	319,330	239,954	318,167	238,640
Unrestricted funds					
Designated funds					
Museum Improvement Fund		10,312	10,053	10,312	10,053
Collections Purchase Fund		344	374	344	374
Capital Reserves		22,863	20,758	22,863	20,758
Revaluation Reserve		5,993	3,370	4,438	1,815
Major Projects Contingency Fund		2,750	2,450	2,750	2,450
Post Office Building Purchase Reserve		1,000	900	1,000	900
		43,262	37,905	41,707	36,350
Deficit on MOSI defined benefit pension scheme	7.2.5	(2,573)	-	(2,573)	-
General funds		498	922	852	1,308
	18.2	41,187	38,827	39,986	37,658
Endowment funds		76	73	76	73
Total funds		360,593	278,854	358,229	276,371

Approved by the Board of Trustees and authorised for issue.



Dr Douglas Gurr
Chairman of the Board of Trustees
29 June 2012



Mr Ian Blatchford
Accounting Officer and Director
29 June 2012

The notes on pages 53 to 77 form part of these accounts.

Science Museum Group Consolidated Cash Flow for the year to 31 March 2012

	Notes	2012 £000	2011 £000
Net cash inflow from operating activities	19.1	6,187	7,048
Returns on investments and servicing of finance	19.2	81	89
Capital expenditure	19.2	(5,738)	(8,202)
Acquisition of MOSI cash balances	4	591	-
Management of liquid resources	19.2	1,440	-
Financing	19.2	(74)	(68)
Increase / (decrease) in cash		2,487	(1,133)
Reconciliation of net cash flow to movement in net funds			
Increase / (decrease) in cash in the period		2,487	(1,133)
Decrease in liquid resources		(1,440)	-
Decrease in debt and lease financing		74	68
Change in net fund resulting from cash flow	19.3	1,121	(1,065)
Net funds as at 1 April	19.3	18,104	19,169
Net funds at 31 March	19.3	19,225	18,104

The notes on pages 53 to 77 form part of these accounts.

Notes to the consolidated account for the year ended 31 March 2012

1 Statement of accounting policies

1.1 Accounting convention

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, and comply with the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice 2005 (SORP), applicable accounting standards and Financial Reporting Manual (FRoM). The accounting policies contained in the FRoM follow generally accepted accounting practice for companies to the extent that it is meaningful and appropriate to the public sector. The accounts follow the Accounts Direction issued by the Department for Culture, Media and Sport in a form directed by the Secretary of State.

Consolidated accounts have been prepared which include the Science Museum Group (referred to as the Museum) and the Science Museum Group's subsidiary companies, SCMG Enterprises Ltd and MOSI Enterprises Limited. The consolidation is on a line-by-line basis with the recharges between the Museum and the trading subsidiaries eliminated from the Statement of Financial Activities. Amounts owed and owing between the entities have been eliminated from the consolidated balance sheet.

1.2 Incoming resources

Grant in Aid from the Department for Culture, Media and Sport is taken to Statement of Financial Activities in the year in which it is received. Except where it has been allocated for a specific purpose, it is disclosed as unrestricted income.

At 31 January 2012 the Assets and Undertaking of The Greater Manchester Museum of Science and Industry Trust [GMMOSIT] were conveyed to the Science Museum Group by a Deed of Transfer. The transfer was made for nil consideration and is therefore shown as a grant in the Consolidated Statement of Financial Activities. February and March receipts of Grant in Aid in respect of the 2011–2012 GMMOSIT Grant in Aid settlement are included in the SOFA.

Grant income, sponsorship and donation income, including Lottery income, is recognised as income when the conditions for its receipt have been met (notes 2, 3, 5).

The Museum recognises the costs and income of a charged exhibition in the year(s) in which the exhibition takes place. Income received for an exhibition taking place in a future period is treated as deferred exhibition income and costs treated as deferred exhibition costs and included in deferred income and prepayments respectively on the Balance Sheet. This deferred income and any deferred expenses, relating to the exhibition, are recognised in the SOFA in the year(s) in which the exhibition takes place.

All other income is accounted for on a receivable basis.

1.3 Expenditure

With effect from 1 February the expenditure includes all costs of associated with the operation of the Museum of Science and Industry, Manchester.

Costs of generating voluntary income include fundraising and publicity costs incurred in seeking voluntary contributions to the Museum, and in publicising the Museum.

Charitable expenditure comprises direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources as set out in note 7.1.2.

Governance costs are the costs associated with the governance

arrangements and the costs associated with the strategic management of the charity's activities. These costs include internal and external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements.

1.4 Fixed assets valuation and depreciation

Fixed assets are defined as assets costing £5,000 or more with a useful life of greater than one year.

All property assets are subject to quinquennial valuations in accordance with the RICS Appraisal and Valuation Manual, supplemented by interim professional valuations. Galleries and exhibitions are not revalued but the lives of these assets are reviewed annually to reflect their true value. For other asset categories, where the assets have short useful lives or low values, SMG adopts a depreciated historical cost basis as a proxy for fair value. A fixed asset impairment review is undertaken annually.

Land, investment property and assets under construction are not depreciated. For other categories depreciation is provided at rates calculated to write off the cost or valuation of each asset evenly over its expected useful life. A full year of depreciation is charged in the year of capitalisation and none in the year of disposal.

Asset category	Expected useful life
Freehold, leasehold and residential buildings*	10–50 years
Plant and machinery	5–25 years
Galleries and exhibitions	5–15 years
Information technology and audiovisual equipment	3–10 years
Fixtures and fittings**	3–10 years

* Freehold and leasehold buildings includes both the building structure with a life of between 10 and 50 years and building fit-out (including such items as lift shafts, raised floors, ventilator ducts) with a life of 10–25 years.

** A small number of racking installations with an expected useful life of 20 years are included within this category.

The difference between current cost and historic cost depreciation is taken to the Revaluation Reserve.

1.5 Investment property

Investment property is accounted for under the fair value model prescribed by SSAP 19.

1.6 Heritage assets

Heritage assets acquired since April 2001 are reported in the balance sheet at cost. Donated assets with an estimated value greater than £5,000 are reported at an internally generated valuation for which reliance is placed on the professional knowledge and expertise of the Museum's in-house curatorial staff.

For the Collections that existed at March 2001, the Board of Trustees is of the opinion that valuation information cannot be obtained at a cost commensurate with the benefits to users of the financial statements so a valuation approach is not practicable and SMG has adopted a non-recognition approach, [note 10.6].

Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the Statement of Financial Activities when it is incurred. Purchases of items at a price less than £5,000 for the collection are charged to the Statement of Financial Activities in the year of acquisition.

An overview of the scope of the SMG collections is set out at note 10.5.

Heritage assets are not subject to depreciation or revaluation.

1.7 Stock

Stock is stated at the lower of cost and net realisable value and comprises goods for resale.

1.8 Leases

Costs relating to operating leases are charged to the Statement of Financial Activities over the life of the lease.

1.9 Pensions

Present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS), which is a non-contributory and unfunded scheme. Although the scheme is a defined-benefit scheme, the Museum's share of the net assets and liabilities cannot be separately identified and liability for payment of future benefits is a charge to the PCSPS. The SMG and other bodies covered by the PCSPS meet the cost of pension cover provided for the staff they employ by payment of charges calculated on an accruing basis.

There is a separate scheme statement for the PCSPS as a whole. Pension contributions are paid at rates determined from time to time by the Government Actuary and advised by the Treasury.

On its acquisition of Greater Manchester Museum of Science and Industry Trust on 1 February 2012 SMG became an admitted body of the Greater Manchester Pension Fund which is a defined benefit scheme. The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries is charged to the Statement of Financial Activities so as to spread the cost over the service lives of the employees in the scheme, in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

The costs of providing defined benefit pensions are treated in accordance with FRS 17. The following elements are charged to the SOFA: the service cost of pension provision relating to the period, together with the costs of any benefits relating to past service (allocated to staff costs); the pension finance cost, which is a charge equal to the increase in the present value of the Pension Fund's liabilities at the previous year end, less a credit equivalent to the Pension Fund's long-term expected return on assets; and the actuarial gain or loss on the Pension Fund's assets and liabilities (allocated to other recognised gains and losses). The difference between the market value of the assets of the Pension Fund and the present value of accrued pension liabilities is shown as an asset or liability on the balance sheet.

SCMG Enterprises Ltd operates a defined contribution pension scheme, the assets of which are held separately in an independently administered fund. Contributions are charged to the Statement of Financial Activities as they become payable, in accordance with the rules of the scheme.

1.10 Early Retirement Scheme

The Museum operated an Early Retirement and Severance Scheme, which gave retirement benefits on redundancy terms to certain qualifying employees. These benefits conformed to the rules of the Principal Civil Service Pension Scheme. The Museum pays annual compensation payments to those employees who retired under this Early Retirement and Severance Scheme.

The total forecast annual compensations payments liability up to normal retiring age in respect of each employee was charged to the Statement of Financial Activities in the year in which the

employee took early retirement. The early retirement provision is recalculated annually, informed by updated information. Funds are released from the provision annually to fund annual compensation payments made in the year (note 16.1).

From December 2010 the entire compensation payment due to retiring employees is payable by SMG to the scheme administrators at the date of retirement.

1.11 Taxation

SMG is exempt from corporation tax on its charitable activities under the available provisions of the Corporation Tax Act 2010.

For SCMG Enterprises Ltd and Bradford Film Ltd, provision is made at current rates of taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the Directors, there is reasonable probability that the liability will not arise in the foreseeable future.

SCMG Enterprises Ltd and MOSI Enterprises Limited undertake to Gift Aid profits, to the extent that the Directors of the subsidiary judge that they do not need to be retained in the business.

1.12 Investments

Funds identified as surplus to working capital in the short- or longer-term are invested to maintain their value over time. The value of the Museum's investment in its trading subsidiaries is disclosed at cost.

1.13 Financial instruments

All material business arrangements are reviewed to determine the nature of the financial instruments they contain. Financial assets and liabilities are categorised in accordance with FRS 26 and included in the financial statements in accordance with FRS 25. The nature and extent of the risks associated with the financial instruments are disclosed in accordance with FRS 29.

1.14 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the time of the transaction and, at year end, balances are restated at the year-end rate. All exchange differences are taken to the Statement of Financial Activities. For significant purchases, an option to purchase currency at an agreed exchange rate at a forward date is secured at the time of contract.

1.15 Provisions

Provisions are made when an obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated. Discount rates provided by the Treasury are used in current value calculations for long-term commitments.

1.16 Accounts Direction

A copy of the Accounts Direction issued to the Science Museum Group by the Department for Culture, Media and Sport may be obtained from the Finance Director at the Science Museum, Exhibition Road, London SW7 2DD.

2 Museum Statement of Financial Activities

	2012 £000	2011 £000
Incoming resources		
Grant in Aid from DCMS	37,588	40,153
Grant in Aid from DCMS – attributable to MOSI	666	-
Voluntary income (grants, legacies and donations)	5,260	5,455
Other grants – transfer of GMOSI Trust net assets	42,256	-
Lottery income	310	157
Activities for generating funds		
Rental income from operating leases	341	482
Investment income, including Gift Aid from subsidiary	3,924	3,352
Sponsorship	70	37
Income resources from charitable activities		
Other income	1,985	1,786
Total incoming resources	<u>92,400</u>	<u>51,422</u>
Resources expended		
Cost of generating funds		
Costs of generating voluntary income	4,203	3,361
Charitable activities		
Care for and research into collections	15,544	16,256
Science education and communication	24,497	24,177
Visitor services	12,212	12,317
Governance costs	<u>481</u>	<u>450</u>
Total resource expended	<u>56,937</u>	<u>56,561</u>
Net incoming/(outgoing) resources before other recognised gains and losses	35,463	(5,139)
Other recognised gains / losses		
Revaluation of assets	47,005	-
Actuarial loss on defined benefit pension liability	<u>(610)</u>	<u>-</u>
Net movement in funds	81,858	(5,139)
Reconciliation of funds		
Reserves brought forward	<u>276,371</u>	<u>281,510</u>
Reserves carried forward	<u>358,229</u>	<u>276,371</u>

In total Grant in Aid of £38,254k was received from the Department for Culture, Media and Sport during the year. The 2011–2012 Grant in Aid settlement to SMG (then known as NMSI and not encompassing MOSI) was £37,588k (2010–11 £40,153k). The resource element, £35,512 part-funds the running of the organisation; the balance of funding needs, including most capital improvements, being delivered from resources that are self-generated. The capital element of the Grant in Aid, £2,076k, (2010–11 £3,500) was used for exhibitions, refurbishment and ICT infrastructure.

3 Voluntary income (consolidated)

	2012 £000	2011 £000
Grants (excluding Lottery grants and European Union grants)	3,130	3,749
Strategic Commissioning DCMS/DCFS	-	157
European Union grants	18	20
Corporate donations	407	118
Value of donated capital assets and heritage assets	16	36
Value of donated goods and services	272	268
Individual donations	1,402	1,148
Patrons' scheme	57	75
Legacies	<u>1</u>	<u>14</u>
	<u>5,303</u>	<u>5,585</u>

4 Transfer of net assets of The Greater Manchester Museum of Science and Industry Trust

On 31 January 2012 the net assets of the Greater Manchester Museum of Science and Industry Trust [Company Number 2067804, Registered Charity Number 518412] were transferred to the Science Museum Group for nil consideration. The book and fair values at the date of the transfer are noted below valuing the transfer at £42.3m; which has been credited to incoming resources.

		Book values at 31 Jan 2012 £ 000	Adjustment on alignment of accounting policy £ 000	Fair value adjustments £ 000	Fair values £ 000
Land, buildings and plant	(1)	14,555	(43)	26,402	40,914
Other tangible assets		2,918	(134)	-	2,784
Heritage assets		15	-	-	15
Investment in trading subsidiary	(2)	109	-	32	141
Debtors		120	-	-	120
Amounts due from trading subsidiary	(3)	313	-	-	313
Bank and cash		591	-	-	591
PAYE and VAT		(47)	-	-	(47)
Current liabilities		(525)	-	-	(525)
Provision: gifted added years pension		(87)	-	-	(87)
Pension liability	(4)	(1,963)	-	-	(1,963)
Net assets acquired		15,999	(177)	26,434	42,256
Purchase consideration					-
Grant of net assets credited to incoming resources					42,256

(1) The MOSI estate was valued by Chartered Surveyors Drivers Jonas Deloitte LLP at 31 January 2012

(2) The independent trading subsidiary, MOSI Enterprises Limited continued in business until 31 March 2012, see note 8.3

(3) Debtors includes Gift aid of £303k due to the Trust from its subsidiary MOSI Enterprises Ltd

(4) An Actuarial Valuation for FRS17 purposes was prepared by Hymans Robertson LLP for the ten month period ended 31 January 2012.

4.1 The Museum of Science and Industry, Manchester

	2 months to 31 March 2012 £000		10 months to 31 January 2012 £000	Year to 31 March 2011 £000
Incoming resources	1,204	Incoming resources	4,222	9,121
Resources expended	1,141	Resources expended	3,682	4,232
Surplus before actuarial loss	63	Surplus before actuarial loss or gain	540	4,889
Actuarial loss on defined benefit pension scheme	(610)	Actuarial (loss)/gain on pension scheme	(693)	1,837
(Deficit) after actuarial loss	(547)	(Deficit)/Surplus after actuarial loss/gain	(153)	6,726

These results form part of the results of the Museum reported at note 2.

The historical results above are not included in the financial statements of the Science Museum Group. Subsequent to control passing to SMG the Trust has had no activity.

5 Other income

Other income arises from project self-generated income, conference and educational events, locomotive hire and cloakroom payments.

6 Investment income

Consolidated investment income of £162k (2010–11 £136k) arose through interest earned from investing surplus funds.

7 Total resources expended

7.1.1 Analysis by functional purpose

	Direct costs £000	Support costs £000	Depreciation £000	2012 total £000	2011 total £000
Cost of generating funds					
Costs of generating voluntary income	3,542	566	95	4,203	3,361
Fundraising trading: cost of goods sold and other costs	11,949	-	220	12,169	12,087
Charitable activities					
Care for and research into the collections	8,498	3,341	3,705	15,544	16,256
Science education and communication	13,762	4,260	6,435	24,457	24,148
Visitor services	6,913	2,755	2,544	12,212	12,317
Governance costs	Note 7.1.3	311	-	481	450
	44,834	11,233	12,999	69,066	68,619

7.1.2 Support cost allocation

	Management (1) £000	Finance (2) £000	Human Resources (3) £000	Information Technology (4) £000	Estates (5) £000	Total £000
Costs of generating voluntary income	146	102	102	216	-	566
Care for and research into the						
Collections	228	156	222	422	2,313	3,341
Science education and communication	511	355	428	652	2,314	4,260
Visitor services	263	(89)	137	130	2,314	2,755
Governance	153	153	5	-	-	311
	1,301	677	894	1,420	6,941	11,233

Costs were allocated to each activity on the basis defined below:

- (1) Management – in proportion to the expenditure
- (2) Finance – in proportion to expenditure with adjustment for internal recharges
- (3) Human Resources – in proportion to the number of full-time equivalent staff
- (4) Information Technology – in proportion to the number PCs/terminals
- (5) Estates – divided equally over the three charitable activities

7.1.3 Governance costs

Governance costs comprise support for Trustee Committee activity and related governance work internal and external audit and resources required to produce statutory accounts.

7.1.4 Trustees

The Chairman and Trustees (listed in the Annual Report) received no remuneration for their services, but travel and subsistence expenses totalling £6,584 were paid to ten Trustees (2010–2011 £3,945 paid to nine Trustees).

7.2 Staff

7.2.1 Staff costs

	Note	2012 £000	2011 £000	
Salaries and wages		19,688	21,774	Included is £419k (2010-11 £400k) in respect of staff costs which have been capitalised.
Social Security costs		1,620	1,776	
Other pension costs (Museum only)		1,868	2,246	
Pension contributions (SCMG Enterprises Ltd)		214	208	
Revaluation of Early Retirement provision	16.1	8	(39)	Included is £477k of costs attributable to staff at the MOSI site for the two months to March 2012.
Agency staff		770	1,583	
Settlements and compensation payments		45	59	
Redundancy payments	7.2.2	510	-	
Net staff costs movement on restructuring costs provision	16.1	(173)	743	
		<u>24,550</u>	<u>28,350</u>	

7.2.2 Redundancy payments

	Note	2011-12 £000
Total cost of compensation and redundancy payments		
Utilisation of Restructuring Provision	16.1	325
Costs charged to SOFA	7.2.1	510
		<u>835</u>

Analysis of compensation and redundancy payments paid prior to 31 March 2012 (2010-11)

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	3 (1)	19 (0)	22 (1)
£10,001-£25,000	1 (0)	7 (0)	8 (1)
£25,001-£50,000	0 (0)	12 (2)	12 (2)
£50,001-£75,000	0 (0)	3 (0)	3 (0)
£75,001-100,000	0 (0)	1 (0)	1 (0)
	<u>4 (1)</u>	<u>42 (2)</u>	<u>46 (3)</u>
Cost £000	33	807	

7.2.3 Employees receiving remuneration over £60,000

£	2012	2011
60,001-65,000	7	10
65,001-70,000	-	-
70,001-75,000	3	3
75,001-80,000	3	4
80,001-85,000	1	1
85,001-90,000	2	2
90,001-95,000	-	-
95,001-100,000	1	-
100,001-105,000	1	1
105,001-110,000	-	2
110,001-115,000	-	-
120,001-125,000	1	-
145,001-150,000	1	-
	<u>20</u>	<u>23</u>

For 6 of these employees, total remuneration includes BUPA contributions.

In the year, contributions totalling £34k were paid to a defined contribution scheme on behalf of six employees who received remuneration over £60,000. For 13 of the staff included above, retirement benefits accrued under a defined-benefit scheme.

7.2.4 Employees (full-time equivalents) analysed by activity

	2012 employment contract	2012 other staff engaged	2012 total	2012 total excluding MOSI employees	2011 total
Care for and research into collections	170	3	173	153	161
Science education and communication	314	6	320	283	320
Visitor services	127	4	131	99	209
Costs of generating voluntary income	75	2	77	68	61
Fundraising and trading	144	2	146	138	143
Governance costs	5	-	5	5	5
	<u>835</u>	<u>17</u>	<u>852</u>	<u>746</u>	<u>899</u>

The 2012 full-time equivalent total includes 106 employees added on the acquisition of MOSI.

Of the 852 full-time equivalent employed staff, 90 were on fixed-term contracts. Of staff included in the above analysis, 13 have declared disabilities. A total of 134 employees, of whom 132 were SCMG Enterprises Ltd employees, received benefits in kind in the form of BUPA contributions.

The reduction in staff numbers is primarily due to the outsourcing of the security function from 1 April 2011, together with the redundancies during the year. (note 7.2.2).

7.2.5 Pension contributions

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a final salary scheme (classic, premium or classic plus); or a whole career scheme (nuvos). These statutory arrangements are unfunded with the cost benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. Increases to employee contributions will apply from 1 April 2012. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on 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. 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.

For 2011–12 employers' contributions of £1,850,279 were payable to PCSPS (2010–11 £2,228,802) at one of four rates in the range 16.7% to 24.3% of pensionable pay, based on salary bands.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution).

None of the contributions due to the partnership pension providers were unpaid at the balance sheet date and none had been prepaid at that date.

Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement). Cost to SMG in 2011–12 £649 (2010–11 £1,214).

The SCMG Enterprises Ltd Pension Scheme

This is a contracted-in group money-purchase scheme with optional contracted-out pensions to which SCMG Enterprises Ltd contributes 7% and the employee 5%. SCMG Enterprises Ltd pension contributions of £214,067 were paid (2010–11 £204,832).

Greater Manchester Pension Fund

As a result of the acquisition of GMOSI Trust SMG is now an admitted body of the Greater Manchester Pension Fund ("the fund") which is part of the Local Government Pension Scheme ("the LGPS"); a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations it is contracted out of the State Second Pension. The last formal triennial valuation of the fund was carried out at 31 March 2010. The results of this valuation have been projected forward to 31 March 2012 using approximate methods. Results Schedules were prepared by qualified independent actuaries Hymans Robertson LLP at 31 January 2012 and 31 March 2012 to show SMG's share of the scheme assets and liabilities. The actuarial calculations are based on individual membership data submitted at 31 March 2010 for the purposes of the formal funding valuation at that date updated to reflect the latest numbers of employees, deferred pensioners and pensioners.

SMG has accounted in full for two months share of 2011–12 pensions benefits.

The major assumptions used by the actuary were:

	31 March 2012	January 2012
Rate of increase in salaries	4.30%	3.80%
Rate of increase in pension	2.50%	2.30%
Expected return on assets	5.6%	5.2%
Discount rate	4.80%	4.90%

Retail Price Inflation (RPI) assumption: this is derived by considering the difference in the yields available on fixed interest and index linked Government bonds.

The employer's share of the scheme assets

	Fair value at 31 March 2012 £000	% of total plan assets	Expected return on assets at 31 March 2012	Fair value at 31 January 2012 £000	% of plan assets
Equities	5,941	70%	6.3%	5,475	66%
Bonds	1,528	18%	3.9%	1,576	19%
Property	424	5%	4.4%	415	5%
Cash	594	7%	3.5%	830	10%
Fair value of assets	<u>8,487</u>	100%		<u>8,296</u>	100%

The SMG share of net pension liability as at:

	31 March 2012 £000	31 January 2012 £000
Fair value of employer assets	8,487	8,296
Present value of scheme liabilities	<u>(11,060)</u>	<u>(10,259)</u>
Net pension liability recognised in the balance sheet	<u>(2,573)</u>	<u>(1,963)</u>

2 months to
31 March 2012
£000

Amount charged to net incoming /(outgoing) resources

Current service costs	40
Past service cost	-
Total operating charge	<u>40</u>

Amount credited to net finance income under FRS 17

Expected return on scheme assets	92
Interest on pension scheme liabilities	<u>(88)</u>
Total operating charge	<u>4</u>

Total charge to net incoming resources in the Statement of Financial Activities 36

Recognised loss in the Statement of Financial Activities

Difference between expected and actual return on scheme assets	94
Experience loss on scheme liabilities	(167)
Changes to actuarial assumptions (see above)	<u>(537)</u>
Actuarial loss	<u>(610)</u>

Movement in scheme obligation during the two month period to 31 March 2012

	£000
Opening defined benefit obligation	10,259
Current service costs	40
Interest on scheme liabilities	88
Contributions by members	18
Past service costs	-
Benefits paid	(49)
Actuarial losses	704
Closing defined benefit obligation	<u>11,060</u>

Changes in the fair value of the scheme assets during the two month period ended 31 March 2012

	£000
Opening fair value of the employer's assets	8,296
Expected return on assets	92
Contributions by members	18
Contributions by the employer	36
Actuarial gains	94
Benefits paid	(49)
Fair value of the employer's assets at close of period	<u>8,487</u>

Projected pension expense for the year to 31 March 2013

	£000	% of pay
Projected current service cost	282	17.2%
Increase on obligation	534	32.6%
Expected return on plan assets	(479)	(29.2%)
Past service cost	-	-
Losses/(gains) in curtailment and settlements	-	-
Total	<u>337</u>	<u>20.6%</u>

The estimate of the Employer's contributions in the year to 31 March 2013 will be approximately £291k

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

	Approximate % increase to Employer liability	Approximate monetary amount £000
0.5% decrease in Real Discount Rate	10%	1,148
1 year increase in member life expectancy	3%	332
0.5% increase in the Salary Increase Rate	2%	235
0.5% increase in the Pension Increase Rate	8%	914

7.3.1 Other direct costs

	2012 SMG £000	2012 SCMG Enterprises/ Bradford Film £000	2012 MOSI Enterprises Limited £000	2012 total £000	2011 total £000
Auditors' remuneration – audit fees	53	33	2	88	88
Auditors' remuneration – MOSI acquisition	3	1	-	4	4
Auditors' remuneration – other services	-	4	-	4	4
Lease rental payments on land and buildings	96	-	-	96	115
Lease rental payments on equipment	123	5	-	128	135
Lease rental payments on vehicles	34	-	-	34	37

7.3.2 Costs relating to the acquisition of the Greater Manchester Museum of Science and Industry Trust

	£000
Legal costs	39
Travel and subsistence, telephone costs	2

8 Trading Subsidiaries

8.1 Subsidiary companies

The Science Museum Group has SCMG Enterprises Ltd (formerly trading as NMSI Enterprises Ltd) and MOSI Enterprises as subsidiaries. SCMG Enterprises Ltd has National Science Centre Ltd, Wide Eye Management Company Ltd, Lift Off Interactives Ltd, Science Shops Ltd, Launch Pad Ltd, Curricula Ltd and Curriculum Ltd as dormant subsidiaries. Bradford Film Ltd, a company limited by guarantee, is a subsidiary of SCMG Enterprises Ltd.

	2012 £000	2011 £000
Carrying value of investments in active trading subsidiaries		
Investment in SCMG Enterprises Ltd	411	411
Investment in MOSI Enterprises Ltd	141	-
	<u>552</u>	<u>411</u>

The Greater Manchester Museum of Science and Industry Trust is a private company limited by guarantee governed by its Memorandum and Articles of Association. It is a registered charity. SMG has the right to appoint the Trustees and exercises a dominant influence over the Trust.

Following the transfer of its net assets to SMG on 31 January the Trust has received no income and incurred no expenditure. The Trust will file full accounts to 31 March 2012 with Companies House and the Charity Commission. At 31 March 2012 the Trust had no assets and no liabilities.

8.2 SCMG Enterprises Ltd

The Board of Trustees of the Science Museum owns the single share which is the entire issued share capital of SCMG Enterprises Ltd, a company registered in England and Wales. The company's principal activities are retailing, catering, corporate hire, corporate partnership, temporary exhibitions and interactive production and providing services to the Museum for admissions, public relations, sponsorship and fundraising. Bradford Film Ltd is a company limited by guarantee for which SCMG Enterprises Ltd is the sole member.

SCMG Enterprises Ltd transfers profits, the amount determined by the Directors, by Gift Aid to SMG. SCMG Enterprises Ltd was gifted shares in Science Exhibitions Ltd as part of the outsourcing of exhibition development to Science & Media LLP.

8.2.1 SCMG Enterprises Ltd Consolidated profit and loss account for the year ended 31 March 2012

	2012 £000	2011 £000
Turnover	13,866	13,764
Cost of sales	(4,778)	(4,560)
Gross profit	9,088	9,204
Administrative expenses	(17,163)	(17,232)
Other operating income	12,739	11,424
Operating profit	4,664	3,396
Interest receivable	6	5
Interest payable	(58)	(65)
Profit on ordinary activities before taxation	4,612	3,336
Tax on profit on ordinary activities	-	-
Profit for the financial year	4,612	3,336
Gift Aid	(4,580)	(3,311)
Retained profit for the financial year	32	25
Reserves brought forward	1,580	1,555
Reserves carried forward	<u>1,612</u>	<u>1,580</u>

8.2.2 SCMG Enterprises Ltd consolidated balance sheet

	2012 £000	2011 £000
Tangible fixed assets	5,160	5,381
Stock	919	819
Debtors	1,748	1,510
Bank and cash	5,506	2,973
Creditors due within one year	(8,142)	(5,213)
Creditors due after one year	(3,579)	(3,812)
Provisions	-	(78)
Net assets	<u>1,612</u>	<u>1,580</u>
Capital and reserves		
Called-up share capital	-	-
Revaluation Reserve	1,555	1,555
Profit and loss account	57	25
Shareholder's funds	<u>1,612</u>	<u>1,580</u>

8.3 MOSI Enterprises Limited

Until 31 January 2012 MOSI Enterprises Limited was the wholly owned subsidiary of the Greater Manchester Museum of Science and Industry Trust. With effect from 1 February 2012 ownership of MOSI Enterprises passed to SMG. At the end of the Company's financial year to 31 March 2012 operational control of the undertaking was transferred to SCMG Enterprises Limited. From 1 April onwards the company ceased active trading.

8.3.1 MOSI Enterprises Limited profit and loss account for the two months to 31 March 2012

	£000
Turnover	202
Cost of sales	(104)
Gross profit	98
Administrative expenses	(37)
Operating profit	61
Gift aid	(61)
Retained profit/(loss) for the period	<u>-</u>

8.3.2 MOSI Enterprises Limited Balance Sheet at 31 March 2012

	£000
Debtors (inter-company with SMG)	<u>141</u>
Represented by:	
Called up share account	109
Profit and loss account	32
	<u>141</u>

9 Tangible fixed assets

9.1 Consolidated assets

	Land and buildings £000	Plant and machinery £000	Galleries and exhibitions £000	Fixtures and fittings £000	Information technology and audio- visual equipment £000	Assets under construction £000	Total £000
Cost or revalued amount as at 01.04.11	232,171	64,080	21,429	3,702	1,235	207	322,824
Transfers from assets under construction	134	-	9	-	-	(143)	-
Additions during year	1,175	91	2,132	436	282	1,843	5,959
Acquisition of MOSI	14,160	293	2,622	153	55	13	17,296
Fair value adjustment [MOSI Estate]	20,554	5,848	-	-	-	-	26,402
Revaluation	32,733	14,272	-	-	-	-	47,005
Disposals	(13)	(32)	-	(384)	(272)	-	(701)
Cost or revalued amount as at 31.03.12	300,914	84,552	26,192	3,907	1,300	1,920	418,785
Depreciation as at 01.04.11	37,937	22,334	9,731	2,630	717	-	73,349
Disposals	(13)	(32)	-	(384)	(272)	-	(701)
Charge for the year	4,833	4,929	2,701	267	269	-	12,999
Depreciation as at 31.03.12	42,757	27,231	12,432	2,513	714	-	85,647
Net book value at 31.03.12	258,157	57,321	13,760	1,394	586	1,920	333,138
Net book value at 31.03.11	194,234	41,746	11,698	1,072	518	207	249,475

The net book value at 31 March 2012 represents fixed assets for

	Land and buildings £000	Plant and machinery £000	Galleries and exhibitions £000	Fixtures and fittings £000	Information technology and audio- visual equipment £000	Assets under construction £000	Total £000
Charitable activities	254,306	56,172	13,760	1,234	586	1,920	327,978
Other activities	3,851	1,149	-	160	-	-	5,160
	258,157	57,321	13,760	1,394	586	1,920	333,138

The Science Museum was transferred from the Secretary of State for the Environment on 10 August 2001. Wroughton Airfield was transferred from the Secretary of State for Defence to the Science Museum on 27 July 1997. The buildings and land relating to the National Railway Museum were transferred from the Secretary of State for the Environment on 1 August 1997. The Royal Naval Air Yard was purchased from the Ministry of Defence on 31 March 2000.

Blythe House is currently occupied by the British Museum, the Science Museum and the Victoria and Albert Museum. The freehold title is held by the Office of the Deputy Prime Minister, although ministerial responsibility for all museum estate issues has subsequently transferred to the Secretary of State for Culture, Media and Sport. As a longstanding tenant and beneficial user SMG shows a one-third share of the value, as established by Knight Frank at March 2009, on its balance sheet. The fair value of the specialist buildings at MOSI in Manchester has been determined by a valuation on the basis of depreciated replacement cost.

9.2 Museum assets

	Land and buildings	Plant and machinery	Galleries and exhibitions	Fixtures and fittings	Information technology and audio-visual equipment	Assets under construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or revalued amount as at 01.04.11	228,320	60,781	21,241	1,501	1,235	207	313,285
Transfers from assets under construction	134	-	9	-	-	(143)	-
Additions during year	1,175	91	2,132	436	282	1,843	5,959
Acquisition of MOSI	14,160	293	2,622	153	55	13	17,296
Fair value adjustment [MOSI Estate]	20,554	5,848	-	-	-	-	26,402
Revaluation	32,733	14,272	-	-	-	-	47,005
Disposals	(13)	(32)	-	(32)	(272)	-	(349)
Cost or revalued amount as at 31.03.12	297,063	81,253	26,004	2,058	1,300	1,920	409,598
Depreciation as at 01.04.11	37,937	20,405	9,543	589	717	-	69,191
Disposals	(13)	(32)	-	(32)	(272)	-	(349)
Charge for the year	4,833	4,708	2,701	267	269	-	12,778
Depreciation as at 31.03.12	42,757	25,081	12,244	824	714	-	81,620
Net book value at 31.03.12	254,306	56,172	13,760	1,234	586	1,920	327,978
Net book value at 31.03.11	190,383	40,376	11,698	912	518	207	244,094

9.3 Land and buildings

	Net book value at 31.03.12			Net book value at 31.03.11
	Museum assets £000	NMSI SCMG Enterprises £000	Total £000	Total £000
Freehold land and buildings	233,858	-	233,858	174,576
Investment property	-	2,846	2,846	2,846
Freehold residential properties	524	-	524	538
Short leasehold*	19,924	1,005	20,929	16,274
	254,306	3,851	258,157	194,234

* Defined as leases with less than 50 years to run at Balance Sheet date.

9.4 Revaluation of assets

The interim valuation by Chartered Surveyors Drivers Jonas Deloitte as at 31 March 2012 was in accordance with the RICS Appraisal and Valuation Manual. The South Kensington site, National Media Museum and Locomotion at Shildon were valued on the basis of depreciated replacement cost. The National Railway Museum site, Science Museum site in Wroughton, and Blythe House are included at existing use valuations.

The Concrete Works, an undeveloped site adjacent to the National Railway Museum is owned by SCMG Enterprises Ltd and is held as an investment property at a value of £2.8m. It was valued by Drivers Jonas Deloitte, Chartered Surveyors, as at 31 March 2012.

10 Heritage assets

At 31 March 2012, the combined cost (for purchases) and value (for donated heritage assets) of capitalised heritage assets acquired from 2002 onwards was £15,446k (31.03.2011: £15,340k). In the year heritage assets valued at £16k were donated to the collections. Only purchases which cost £5k or more were capitalised. Only those donations where the attributed value was £5k or more were capitalised. All valuations were carried out by Museum curatorial staff. In the Trustees' view the value of the less significant donations is not material and obtaining a current valuation would involve disproportionate cost.

No capitalised collection objects were disposed of during the year. Heritage assets are not subject to depreciation or indexation.

10.1 On-Balance-Sheet heritage assets

	Acquisitions at historic cost £000	Donated assets at valuation £000	Total £000	Purchases	Donated assets	Total
				Number of on-balance-sheet assets		
2002-2008	7,408	6,730	14,138	15	25	40
2009	160	260	420	6	3	9
2010	47	554	601	7	6	13
2011	145	36	181	4	2	6
2012	90	16	106	8	2	10
Balance at 31.03.2012	7,850	7,596	15,446	40	38	78

10.2 Acquisitions policy

Acquisitions are made in accordance with the Collecting Policies agreed for each Museum by the Board of Trustees and may be by purchase or donation. Further details of policies can be found at www.sciencemuseumgroup.ac.uk.

10.3 Collections management

SMG exists, under the terms of the National Heritage Act 1983 (NHA), to develop, manage and make this collection useful for the public. The Act requires it to preserve, care for and add to the objects in its collection, to exhibit them to the public and to make them available for study and research, and to promote the public's enjoyment and understanding of science and technology and of the development of those subjects.

SMG follows the principle that it will share its collection widely. This objective is mainly delivered through public programmes of displays, events, publications and websites. Objects from the collection are either displayed in its Museums, or made available via loans to third parties, or else they are in store for future use and research.

Storage and care

- The collection is displayed and stored according to SMG standards for the prevention of material deterioration; these are based on international standards and current research.
- Library and archive storage facilities and exhibitions are based upon and informed by the requirements of BS 5454 and the National Archives Standard for Record Repositories.
- Collections management and care are regularly reviewed by SMG to ensure adherence to these standards.

SMG will:

- keep all objects in conditions in which they do not deteriorate;
- undertake conservation so that objects may be made accessible to audiences;
- manage hazards in the collection with clear and effective systems to ensure public, staff and object safety.

Documentation

- Objects in the collection are documented in accordance with MLA requirements, SPECTRUM and PAS 197.
- Records proving title or relating to the history of objects in the collections are managed in accordance with the requirements of the Public Records Act and SMG's status as a designated Place of Deposit.
- Information relating to the history and management of objects in the collection is held within the collections management system. This constitutes the primary record of the collection and is subject to regular review.
- Information relating to the SMG's Library and Archive collections is held within local management systems. It is made accessible to the public subject to relevant legislation.

SMG will:

- have secure title to all objects in the collection;
- hold basic data on every object so that it can be uniquely identified and the collection audited regularly;
- ensure records relating to objects in the collection are enhanced and made available to audiences.

Further details of policies adopted by SMG in the management of its collections can be found at www.sciencemuseumgroup.ac.uk.

10.4 Disposal policy

The Museum occasionally disposes of objects from the collection where the Trustees determine this does not detract from the integrity of the collection.

There is a strong presumption against the disposal of any accessioned items in the Museum's collection except for sound curatorial and/or collections management reasons. The NHA makes provision that accessioned material may be disposed of from the collection provided that the Object:

- is a duplicate of another accessioned object in the collection;
- is unsuitable for the collection and can be disposed of without detriment to the interests of students or other members of the public;
- is transferred to another National Museum;
- has become useless on account of damage, physical deterioration or infestation by destructive organisms.

SMG complies with the NHA and works within the framework of the Museums Association's Code of Ethics for Museums and the requirements of the MLA's Accreditation Standard and therefore it is our policy that:

- disposals will not be made for primarily financial reasons – either to increase income or decrease expenditure;
- duplicate or unsuitable objects will be transferred to other National or Accredited museums and galleries;
- where homes in other National or Accredited museums and galleries cannot be found, these objects will be disposed of, by sale or exchange, to other appropriate bodies in the public domain;
- where homes within the public domain cannot be found, these objects will be offered for sale on the open market, either by public auction or private treaty sale through advertisements in appropriate specialist publications (both hard copy and online).

Any monies accrued by virtue of disposal shall be applied by the Board in the acquisition of objects to be added to the collections in accordance with the NHA.

All material that is in such poor condition as to render it unusable will be destroyed to remove risk of contamination or infestation to the permanent collection.

10.5 An overview of the collections

It should be noted that the SMG Collections Register numbers include the records for those artefacts where the cost, or attributed value, is lower than the capitalisation threshold established under SMG's accounting policies (£5,000).

Science Museum

The Science Museum holds the nation's pre-eminent collections in the fields of science, technology, engineering and medicine. The collections have their roots in those of the South Kensington Museum, founded in 1857, augmented by those of the Patent Office Museum, the Special Loan Collection of Scientific Instruments and the Wellcome Trust.

The diverse collections comprise scientific demonstration instruments from leading makers of the 19th century and other historical artefacts often acquired from major collectors, examples of contemporary instrumentation and laboratory science, non-Western astronomy and elementary mathematics. The Industrial Revolution and post-industrial eras are represented by examples of the work of central figures such as James Watt, Henry Maudslay, Richard Arkwright, Marc and Isambard Brunel. The development of mechanical, electrical and electronic communications technologies from the mid 19th century to the present is also fully represented and the Museum holds the Merrion Monotype Collection of hot metal typesetting and the only surviving Fleet Street rotary newspaper press. The development of computing is charted from the Babbage machine, via electromechanical equipment, to early business and home computers and contemporary technologies. Space technologies from the 1960s onward are well represented. The Museum also holds the collection of the Farnborough Museum of the Royal Aircraft Establishment.

Additionally, there are significant holdings of prints, drawings, paintings, printed ephemera, technical drawings, maps, photographs, postal items, sculpture and contemporary art and the Library and Archive collections, comprising important collections of rare books and documents, which span the full history and development of science and technology.

Museum of Science and Industry, Manchester

The Museum was founded in the mid-1960s when Manchester's traditional industries, particularly engineering and textile production, were undergoing major changes. Factory closures and modernisation programmes were leading to the potential loss of historic material, which was a major factor in the Museum's creation. The concept of 'The Museum of the Industrial City' has been the unifying theme for collections development. The collections thus reflect the special industrial, scientific and social character of the Manchester area, primarily from the late eighteenth century to the present day.

The Museum of Science and Industry, Manchester curates its collection in five main areas: energy, industry, science, transport and community history.

National Railway Museum

These collections have evolved over the last 150 years, from the amalgamation of the railway collections of the Science Museum with those of the former railway museum at York and railway items from the British Transport Commission (BTC) Museum of British Transport, Clapham. They have expanded since the opening of the National Railway Museum in 1975, through collecting from the modern railway industry and private individuals.

The National Railway Museum curates its collection in five main subject areas: The origins of railways; the impact of railways on our lives; the impact of railways on our world; the impact of railways on our culture; the science and technology of railways.

National Media Museum

Founded in 1983 as the National Museum of Photography, Film & Television, the National Media Museum inherited collections from its parent institution, the Science Museum.

The collection currently numbers in the region of 3.25 million individual objects. These range from one-off individual donations of ephemeral material such as instruction manuals; to family photographic portraits; to Atari computer game consoles; to the most significant collection of American television receivers in the UK; to the Royal Photographic Society collection, comprising photographs, letters, journals, books and equipment dating back to the very beginnings of photography.

The National Media Museum curates its collection in four main areas: photography (encompassing photographic technology and photographs); cinematography; television (incorporating radio broadcast) and new media (including gaming).

Category	Estimated number of items as at 31.03.12	Number capitalised as at 31.03.12
Science Museum		
Scientific instruments	25,651	12
Commerce and industry	42,855	14
Medical	18,671	1
Archive and printed books	6,900	1
Art	7,271	3
Coins and medals	902	1
Library and Archive collections	700,000	-
National Railway Museum		
Railway origins	5,061	1
Locomotives and rolling stock	2,732	17
Railway life and work	20,094	-
Railway image and sound collections	18,013	-
Railways and culture	4,215	-
Library and Archive collections	2,962,122	2
Handling collections	226	-
National Media Museum		
Photographic collections	6,036	23
Printed materials and ephemera	312	-
Cinematography	2,867	-
Photographic technology	11,229	-
Television and new media	1,252	2
Library and Archive collections	3,485,000	-
Museum of Science and Industry		
Science	2,850	1
Industry	5,300	-
Transport	1,331	-
Communications	2,840	-
Energy	5,000	-
Community history	7,050	-
	7,345,780	78

10.6 Non-inclusion of heritage assets in the Balance Sheet

In the opinion of the Trustees, reliable information on cost or value is not available for the Museum's collections. This is owing to the lack of information on purchase cost; the lack of comparable market values; the diverse nature of the objects; and the volume of items held.

In the Trustees' opinion, conventional valuation approaches lack sufficient reliability and any valuation is likely to incur significant cost that is likely to be onerous. Even if valuations could be obtained this would not be at a cost commensurate with any benefits to the Museum management, curatorial staff, the public, or users of the financial statements.

For this reason the collections assembled up to the end of the 20th century, large proportions of which were gifted to the Museum at nil cost, and are incomparable in nature, are not recognised as assets in the Museum's balance sheet.

Prior to 1 April 2011 The Museum of Science and Industry, Manchester did not recognise Heritage assets in the balance sheet. The small number of objects acquired between 2001 and 2011 are of low value and it is not considered to be a sensible use of resources to attempt to determine their appropriate capital value.

11 Commitments under operating leases

As at 31 March 2011, SMG had annual commitments under non-cancellable operating leases as set out below:

	2012 Land and buildings £000	2012 Vehicles £000	2012 Equipment £000	2012 Total £000	2011 Land and buildings £000	2011 Vehicles £000	2011 Equipment £000	2011 Total £000
Operating leases which expire:								
Within one year	25	7	123	155	-	1	122	123
in the second to fifth year	68	27	5	100	92	34	25	151
After more than five years	11	-	-	11	11	-	-	11
	<u>104</u>	<u>34</u>	<u>128</u>	<u>266</u>	<u>103</u>	<u>35</u>	<u>147</u>	<u>285</u>

12 Capital commitments

At the balance sheet date outstanding contracted commitments for the Science Museum at Wroughton amounted to £346k for new storage facilities. £21k is committed in respect of completion of the foyer and retail space at NRM.

13 Debtors

	Consolidated 2012 £000	Consolidated 2011 £000	Museum 2012 £000	Museum 2011 £000
Trade debtors	1,575	1,261	629	539
Provision for bad debts	(9)	(11)	-	(5)
Other debtors	121	89	59	62
Prepayments and accrued income	1,810	1,453	1,061	689
Taxation recoverable (VAT)	968	679	968	658
Museum loans to SMG Enterprises Ltd	-	-	2,298	2,298
Intercompany current account	-	-	5,132	3,059
	<u>4,465</u>	<u>3,471</u>	<u>10,147</u>	<u>7,300</u>

13.1 Loans to trading subsidiary

Purpose of loan	£000	Interest payable
Future purchase of leasehold interest in the Old Meteorological Building, Exhibition Road	1,005	0%,
Purchase of land at Leeman Road, York	1,293	1% above Bank of England Base rate
	<u>2,298</u>	

Both loans held by the trading subsidiary are repayable on demand and are secured by a floating charge on all of the subsidiary's assets. The Museum has confirmed that it will not call the loans for repayment until at the earliest 30 June 2013, then subject to the ability of the subsidiary to make repayments.

14 Creditors

14.1 Amounts falling due within one year

	Consolidated 2012 £000	Consolidated 2011 £000	Museum 2012 £000	Museum 2011 £000
Trade creditors	3,596	2,951	3,074	2,150
Other creditors	4	34	-	34
Accruals and deferred income	5,021	3,492	3,268	2,558
Taxation and Social Security costs	623	512	266	301
Bank loan	82	74	-	-
	9,326	7,063	6,608	5,043

14.2 Amounts falling due after one year

	Consolidated 2012 £000	Consolidated 2011 £000	Museum 2012 £000	Museum 2011 £000
Bank loan	270	352	-	-
Deferred income: advance rent*	283	333	283	333
	553	685	283	333

* The advance rent will be recognised as income in instalments of £50,000 per annum over the next six years.

15 Intra-Government balances (Consolidated)

	Debtor balance £000	Creditor balance £000
Balances with central Government bodies	1,362	841
Balances with local authorities	1	59
Balances with public corporations and trading funds	-	-

16 Provisions

16.1 Movements on provisions

	Restructuring costs	Early Retirement	Added years Pension costs	IMAX maintenance	TOTAL
Opening balance at 01.04.2011	743	232	-	58	1,033
Pension costs provision acquired from GMOSIT	-	-	87	-	87
Utilisation of provision	(325)	(109)	-	(58)	(492)
Unused amount reversed in the year	(418)	-	-	-	(418)
Additional provision made in the year – staff costs	245	-	-	-	245
Additional provision made in the year – legal costs	37	-	-	-	37
Revaluation of Early Retirement provision	-	8	-	-	8
Closing balance at 31.03.2012	282	131	87	-	500
Liability due within one year	282	89	7	-	378
Liability due after one year	-	42	80	-	122

Restructuring costs provision

The closing balance has been adjusted in anticipation that further costs associated with redundancies will be incurred in 2012–13.

Early retirement provision

The final charge against the provision will be in the year to March 2014. The amount of the provision anticipates increases of 4.85% per annum in the cost of the compensation payments payable to those ex-employees who have reached the age of 55. In accordance with FRS12 guidance the sum provided is equivalent to the present value of expenditures expected to be required to settle the obligation. In accordance with Treasury guidance on the discounting of pension liabilities the discount factor applied is 2.8%.

Added years pension costs provision

In accordance with FRS12 the sum provided is equivalent to the present value of expenditures expected to be required to settle the obligation to pay for the added-years benefits gifted to two ex MOSI employees. The amount of the provision anticipates increases of 5.2% in 2012–13, 4.85% thereafter. In accordance with Treasury guidance the discount factor applied is 2.8%.

IMAX maintenance provision

This related to SCMG Enterprises contractual obligation to refurbish the IMAX theatre at the Science Museum.

17 Financial instruments

17.1 Liquidity risk

Approximately 62% of SMG's income (excluding income relating to the acquisition in the year of MOSI) is provided by Grant in Aid from the Department for Culture, Media and Sport, and 21% of SMG's income is from a wide range of commercial activities. As the cash requirements of the Charity are met largely through 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 majority of financial instruments relate to contracts to buy non financial items in line with the Charity's purchase and usage requirements and the Charity is therefore exposed to little credit, liquidity or market risk.

The foreign currency risk is negligible as substantially all income and expenditure and material assets and liabilities are denominated in sterling.

17.2 Financial assets by category

	Note	2012 £000	2011 £000
Trade debtors	13	1,566	1,250
Other debtors	13	121	89
Short-term deposits	per balance sheet	11,560	13,000
Cash	per balance sheet	8,017	5,530

The above figures exclude statutory debtors which relate to VAT due from HM Revenue & Customs. None of the financial assets have been subject to impairment other than trade debtors in respect of provision for bad debts.

17.3 Analysis of the ageing of the non-impaired trade debtors

	Trade debtors £000	Less than 30 days £000	30–60 days old £000	More than 60 £000
As at March 2012	1,566	982	258	326
As at March 2011	1,261	680	284	297

The Museum's principal exposure to credit risk is primarily attributable to trade debtors. However this risk is not considered significant as major customers are familiar to the Museum. The amounts presented in the Balance Sheet are net of provisions for doubtful receivables estimated by the Museum's management based on prior experience and their assessment of the current economic value.

17.4 Movement in the provision for bad and doubtful debts relating to the trade debtors

	£000
Provision at 1 April 2011	11
Charges to the SOFA	(23)
Provision released	21
Balance at 31 March 2012	9

17.5 Financial liabilities by category

	Note	2012 £000	2011 £000
Trade creditors	14.1	3,596	2,951
Other creditors	14.1	4	34
Accruals		5,021	3,492
Bank loan	17.6	352	426

The above figures exclude statutory creditors, which related to Tax and Social Security due to HM Revenue & Customs. With the exception of the bank loan, other liabilities are non-interest bearing.

17.6 Bank loan

The amount due in relation to financial liabilities, SCMG Enterprises Ltd borrowing, was:

	2012 £000	2011 £000
Analysis of maturity of debt:		
Within one year of demand	82	74
Between one and two years	189	82
Between two and five years	81	270
	<u>352</u>	<u>426</u>

The leasehold interest in the Old Meteorological Building at Exhibition Road, London (net book value at 31.03.12 £1,004,697) is subject to a mortgage equal to the total amount of the bank loan shown above.

The bank loan is at a fixed interest rate.

18 Statement of funds

18.1 Statement of restricted funds

	Sponsorship, Grants and Donations Reserve	Capital Reserves	Revaluation Reserves	Collections Purchase Fund	Total restricted funds
	£000	£000	£000	£000	£000
Opening balances at 01.04.11	2,298	164,461	73,195	-	239,954
Income	6,735	17,360	26,402	16	50,513
Expenditure	(4,096)	(5,973)	(5,286)	-	(15,355)
Gain on re-valued assets	-	-	44,218	-	44,218
Transfers:					
Capitalised project expenditure	(2,472)	2,472	-	-	-
Capitalisation of donated heritage assets	-	16	-	(16)	-
Closing balances at 31.03.12	2,465	178,336	138,529	-	319,330

18.2 Statement of unrestricted funds

	Museum Improvement Reserve	Collections Purchase Fund	Capital Reserve	Revaluation Reserve	Contingency Fund	Post Office Building Purchase Fund	Total designated funds excluding pension liability	MOSI pension scheme liability	General funds	Total unrestricted funds
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Opening balances at 01.04.11	10,053	374	20,758	3,370	2,450	900	37,905	-	922	38,827
Income	10,040	-	13	-	-	-	10,053	(1,963)	45,804	53,894
Expenditure	(6,387)	(54)	(1,459)	(164)	-	-	(8,064)	-	(45,647)	(53,711)
Gain on revaluation	-	-	-	2,787	-	-	2,787	-	-	2,787
Recognised loss on defined benefit pension scheme	-	-	-	-	-	-	-	(610)	-	(610)
Transfers:										
Capitalised project expenditure	(3,394)	-	3,394	-	-	-	-	-	-	-
Capitalisation of heritage assets purchased using operating budgets	-	(76)	76	-	-	-	-	-	-	-
Capitalisation of non-heritage assets purchased using operating budgets	-	-	81	-	-	-	81	-	(81)	-
Transfer to increase Collections Purchase Fund	-	100	-	-	-	-	100	-	(100)	-
Transfer to replenish Contingency Fund	-	-	-	-	300	-	300	-	(300)	-
Annual transfer to Post Office Building Purchase Reserve	-	-	-	-	-	100	100	-	(100)	-
Closing balances at 31.03.12	10,312	344	22,863	5,993	2,750	1,000	43,262	(2,573)	498	41,187

18.3 Analysis of group net assets between funds

Fund balances at 31 March 2012 are represented by:	Unrestricted funds	Restricted funds	Endowment fund	Total
	£000	£000	£000	£000
Tangible fixed assets	30,919	302,219	-	333,138
Heritage assets	467	14,979	-	15,446
Current assets	22,074	2,811	76	24,961
Current liabilities	(8,647)	(679)	-	(9,326)
Long-term creditors	(553)	-	-	(553)
Pension liability	(2,573)	-	-	(2,573)
Provisions	(500)	-	-	(500)
Total net assets	41,187	319,330	76	360,593

18.4 Funds

18.4.1 Restricted funds

Where a donor or sponsor has specified a particular purpose for a donation, grant or sponsorship income, that income is shown as restricted income in the year in which receipt is due.

Sponsorship, Grants and Donations Reserve

Sponsorship income, grants and donations received for specific projects or events are shown as restricted income and credited to a Sponsorship, Grants and Donations Reserve.

Capital Reserves

The restricted Capital Reserves represent the net book value of fixed assets financed by restricted income. £1,313k (2011: £1,464k) of the Capital Reserves represents the net book value of two IMAX cinema projectors purchased with a capital grant from the Heritage Lottery Fund.

Revaluation Reserve

Where assets have been financed by restricted income then any revaluation movements arising from the quinquennial professional revaluations and the interim revaluations are recognised within this reserve; the associated current cost depreciation is charged to this reserve.

Collections Purchase Fund

Income received for the purchase of specific items or from the sale of objects is shown as restricted income and credited to the Collections Purchase Fund.

18.4.2 Endowment fund

The Brink endowment fund is a permanent endowment established to advance the education in science of disadvantaged children. The income generated by the endowment is treated as restricted to the purpose of the fund.

18.4.3 Unrestricted designated funds

Where the Museum decides to commit to a specific project, an allocation is made to a designated fund. Income is recognised in the Statement of Financial Activities as it arises and is allocated as explained in the reconciliation and analysis of movements of the funds.

Museum Improvement Reserve

Museum funds committed to specific future project activity are credited to the Museum Improvement Reserve and released in the year in which the related expenditure takes place.

Capital Reserves

The restricted Capital Reserves represent the net book value of fixed assets financed by unrestricted income; the reserves fund future historic cost depreciation.

Revaluation Reserve

Where assets have been financed by unrestricted income then any revaluation movements arising from the quinquennial professional revaluations are recognised within this reserve; the associated current cost depreciation is charged to this reserve.

Collections Purchase Fund

Museum funds committed specifically to the purchase of objects for the collections are credited to the Collections Purchase Fund and released in the year in which expenditure takes place.

Contingency Reserve

Funds have been allocated to a Contingency Reserve to provide a reserve for use when significant unforeseen costs arise. The level of the reserve is determined by the Finance and General Purposes Committee with reference to recent calls on the funds and the size of the current capital programme. The necessary level is reassessed annually as part of the budget activity and also when any major change in the level of activity is planned. Transfers within the year to support gallery development were replenished by the end of the year.

Post Office Building Purchase Reserve

The Museum is contracted to purchase the leasehold (99 years from 1995) of 'The Post Office Building' (formerly known as the Old Meteorological Building), Exhibition Road, for £1,004,697 in 2016, once the mortgage on the property is repaid by SCMG Enterprises Ltd. This fund represents monies set aside to meet this obligation.

18.4.4 Pension Scheme liability

This corresponds to the employer's share of the Greater Manchester Pension Fund net liability set out at note 7.2.5

18.4.5 General funds

General funds are available for use in furtherance of the general objectives of the Museum and are usually allocated for expenditure in the year after they arise. Specific general reserves are detailed under designated funds.

19 Cash-flow information

19.1 Reconciliation of net incoming resources to net cash inflow from operating activities

	Note	2012 £000	2011 £000	
Net incoming/(outgoing) resources		35,344	(5,265)	
Movement on corporation tax liability		-	15	
Investment income	6	(161)	(136)	
Interest payable		39	46	
MOSI acquisition - book value of tangible assets acquired	9.2	(17,296)	-	
MOSI acquisition - fair value adjustment to assets	4, 9.2	(26,402)	-	
MOSI acquisition - heritage asset		(15)	-	
MOSI acquisition - investment in MOSI Enterprises Ltd.	4	(141)	-	
MOSI acquisition - pension liability	4	1,963	-	
MOSI acquisition - net bank and cash at date of transfer	4	(591)	-	
Donated fixed assets and heritage assets	10	(16)	(36)	
Release from deferred income		(160)	100	
Depreciation	9.1	12,999	12,311	
Proceeds of heritage asset sale		-	(27)	
(Increase) in stocks		(100)	(151)	
(Increase)/decrease in debtors (1)	13	(951)	656	(1) Movement includes £120k of debtors transferred from GMMOSI Trust
Movements on bad debt and specific grant provisions	17.4	(2)	(346)	
(Decrease)/Increase in creditors, excluding loans (2)	14.1	2,210	(707)	(2) Movement includes £572k current liabilities transferred from GMMOSI Trust
Net movement on restructuring costs provision	16.1	(461)	743	
Increase in pension provision	16.1	8	(39)	
In-year payments to early retirees	16.1	(109)	(125)	
MOSI acquisition - provision for added years pension costs	16.1	87	-	
Movement on IMAX provision in SCMG Enterprises	16.1	(58)	9	
Net cash inflow from operating activities		6,187	7,048	

19.2 Gross cash flows

	2012 £000	2011 £000
Returns on investments and servicing of finance		
Interest received	120	136
Interest paid	(39)	(47)
	81	89
Capital expenditure		
Receipt from sale of tangible fixed assets	-	27
Payments to acquire tangible fixed assets	(5,738)	(8,229)
	(5,738)	(8,202)
Management of liquid resources		
Cash withdrawn from /(invested in) short-term investments	1,440	-
Financing		
Loan repayments	(74)	(68)

19.3 Analysis of changes in net funds

	At 01.04.11 £000	Cash flows £000	At 31.03.12 £000
Cash at bank and in hand	5,530	2,487	8,017
Current asset investments	13,000	(1,440)	11,560
Debt due within one year	(74)	(8)	(82)
Debt due after one year	(352)	82	(270)
	18,104	1,121	19,225

20 Contingent liabilities

A contingent liability exists in relation to a potential grant reclaim at the Museum of Science and Industry, Manchester. The amounts are not disclosed as the position is under discussion with the other party.

21 Related-party transactions

The National Museum of Science & Industry is an executive non-departmental public body whose parent body is the Department for Culture, Media and Sport. The Department for Culture, Media and Sport is regarded as a related party. During 2011–12 the National Museum of Science & Industry had a number of transactions in the normal course of business and at full arms length with the Department and with other entities for which the Department is regarded as the parent Department. The Director acts as Accounting Officer for the National Coal Mining Museum for England Trust Ltd. Loans of objects were also made to other museums for which DCMS is the parent body. In addition, SMG provides advisory services to the Heritage Lottery Fund for which it receives payment. SMG also had a small number of transactions with other Government departments and other central Government bodies.

Five Trustees had relationships with bodies with which SMG had transactions;

Organisation	Nature of transaction	Name	Goods services purchased by SMG £000	Income charged or grant income received £000	Creditor £000	Debtor £000
Grant Thornton International	Audit of SCMG Enterprises Ltd	Professor Dame Athene Donald	36	-	10	-
British Film Institute	BFI Transition Fund Grant	Sir Howard Newby	-	15	-	-
The Carbon Trust	Event hire	Mr James Smith	-	7	-	-
Creative Communication Ltd	Event hire	Lord Grade of Yarmouth	-	13	-	-
Royal Television Society	Event hire	Ms Janet Street-Porter	-	7	-	-

SCMG Enterprises Ltd was gifted 16.5% of shares in Science & Media LLP, the holding company for 'Science of' which creates the 'Science of' exhibitions shown in the Science Museum and elsewhere. Dr Gurr and Ms Jackson hold unremunerated directorships within that group of companies to ensure the interests of SCMG Enterprises Ltd are represented.

22 Post balance sheet events

Following the year end on the 31 March 2012, the Science Museum Group was informed of a potential grant reclaim which is included in Contingent Liabilities (note 20). The Annual Report and Accounts 2011–12 were authorised for issue by the Trustees and Accounting Officer on the date they were certified by the Comptroller and Auditor General.

10 Awards and nominations, exhibitions, publications and acquisitions

Awards and nominations

Science Museum

- Recognised by Action on Hearing Loss as the top destination for visitors with hearing loss in a survey of 20 top London visitor attractions, tied with the British Museum
- Highly commended in the Best Practice of Working with Deaf Parents Award, sponsored by Sprue Safety Products Ltd 2011 for SIGNtific
- Winner of the Public Buildings category of the 10th Annual Lighting Design Awards for DHA Design of the *Atmosphere* gallery
- Winner of the Coolest Venue for Gala Dinners in the Prestige Events Cool Venues Award 2012
- Media and Technology Committee 2011 Honorable Mention MUSE Award in recognition of the Highest Standards of Excellence in the use of media and technology for interpretive interactive installations for the *Atmosphere* gallery

Museum of Science and Industry, Manchester

- Manchester Tourism Awards Large Visitor Attraction of the Year 2011
- The Sandford Award for Excellence in Heritage Education
- Museums and Heritage Online Readers' Award for favourite attraction as voted by the public
- St John's Ambulance First Aid Award – Winner of the Community Award (leisure not-for-profit)
- Biffaward Life as a Local Hero Award – Highly Commended for the Great Western Warehouse redevelopment
- Short-listed for the Micheletti Award – international award for innovative museums in the sectors of industry, science and technology
- Short-listed for the European Museum of the Year Award 2012

National Railway Museum

- Deltic locomotive 55002 *King's Own Yorkshire Light Infantry* (KOYLI) group at the National Railway Museum won the John Coiley Award for locomotive projects
- The Rail Express Modern Traction Award was given to the Deltic Preservation Society for working with Locomotion and the East Lancashire Railway on the Deltic Gathering event at Shildon to mark the half century of these locomotives
- Security Supervisor Sarah Field was nominated for a British Security Industry Association award and received a regional (Yorkshire) award for 'Outstanding Act'

National Media Museum

- Third in Yorkshire's Most Magnificent Attraction Competition 2011

Exhibitions Started between 1 April 2011 and 31 March 2012

Science Museum

	Opened	Closed
<i>Ten Climate Stories</i> (gallery intervention)	April 2011	Ongoing
Chronophage clock (temporary display)	April 2011	October 2011
<i>Protomodel</i> by Conrad Shawcross (gallery intervention)	May 2011	May 2012
Three biological parents? (update in <i>Who am I?</i> gallery)	May 2011	July 2011
Climate Change Outreach exhibition	July 2011	July 2011
Can you feel the beat? (update in <i>Who am I?</i> gallery)	July 2011	October 2011
A piece of the Moon (permanent addition to <i>Exploring Space</i> gallery)	July 2011	Ongoing
<i>Oramics to Electronica: Revealing Histories of Electronic Music</i>	July 2011	Ongoing
<i>Water Wars</i> (<i>Antenna</i> feature exhibition)	September 2011	September 2012
<i>In the House of My Father</i> (update in <i>Who am I?</i> gallery)	October 2011	March 2012
<i>Hidden Heroes: The Genius of Everyday Things</i>	November 2011	June 2012
<i>Electroboutique pop-up at the Science Museum</i>	November 2011	February 2012
<i>Stephen Hawking: A 70th birthday celebration</i>	January 2012	April 2012
Fénix 2: Icon of the Chilean mine rescue (installation in Wellcome Wing)	February 2012	May 2012
<i>HEXEN 2.0</i> by Suzanne Treister	March 2012	May 2012
<i>Palaces</i> (installation in <i>Who am I?</i> gallery)	March 2012	June 2012

Museum of Science and Industry, Manchester

<i>Customising, Culture and Harley-Davidson</i>	April 2011	September 2011
<i>Inside DNA: A Genomic Revolution</i>	May 2011	November 2011
<i>Ernest Rutherford: Father of Nuclear Physics</i>	August 2011	October 2011
<i>Lighting the Future</i> (upgrade to permanent gallery)	September 2011	Ongoing
<i>Giants of the Infinitesimal</i>	October 2011	March 2012
<i>Holland's Pies</i>	November 2011	February 2012
<i>Logic 11</i>	November 2011	February 2012
<i>No More Waste</i> (upgrade to permanent gallery)	January 2012	Ongoing
<i>Manpowered: A Men's Group Challenging Disability</i>	February 2012	July 2012
<i>Underground Manchester</i> enhancement (upgrade to permanent gallery)	February 2012	Ongoing

National Railway Museum

Art Gallery (new permanent gallery)	June 2011	Ongoing
<i>Treasures from the Art Collection</i>	June 2011	July 2011
<i>Japan's First Railway: Colour woodblock prints from the 1870s</i>	July 2011	September 2011
<i>The Art of Advertising: Posters and paintings by Royal Academy artists 1924</i>	October 2011	January 2012
<i>The Institution of Locomotive Engineers: A centenary celebration</i>	January 2012	May 2012
<i>Fear and Fascination: Art from the dawn of the railways</i>	February 2012	May 2012

Locomotion

<i>Railart 2011: The Annual Exhibition of the Guild of Railway Artists</i>	August 2011	October 2011
Durham Amateur Football Trust: <i>Jimmy McMillan: Crook Town Legend</i>	October 2011	November 2011
Age UK Durham County display	November 2011	December 2011
<i>Track Across Time</i>	January 2012	March 2012
North Eastern Locomotive Preservation Group display on the J27		
Class locomotive restoration project	February 2012	Ongoing
Durham Amateur Football Trust: <i>Amateur Football and the Railways 1889–1974</i>	March 2012	April 2012
<i>Painting the Crab</i>	March 2012	June 2012

National Media Museum

<i>The Lives of Great Photographers</i>	April 2011	September 2011
<i>David Spero: Churches</i>	April 2011	September 2011
<i>Outposts: Donovan Wylie Bradford Fellowship 2010/11</i>	September 2011	February 2011
<i>Daniel Meadows: Early Photographic Works</i>	September 2011	February 2011
<i>In the Blink of an Eye</i>	March 2012	October 2012
<i>Life Online</i> (new permanent gallery)	March 2012	Ongoing
<i>[open source]: Is the internet you know under threat?</i>	March 2012	February 2013

Publications

Science Museum

Published academic papers

T Boon, 'On the varieties of medical filmmaking: an alternative path to the cultures of bio-medicine', in M Jackson (ed.), *Oxford Handbook of the History of Medicine* (Oxford: OUP, 2011) pp 617–634

T Boon, 'Old industry, new science? The GPO Film Unit between palaeotechnology and neotechnology', in S Anthony and J Mansell (eds), *The Projection of Britain: A History of the GPO Film Unit* (Basingstoke: BFI/Palgrave Macmillan, 2011)

T Boon, 'A walk in the museum with Michel de Certeau: a conceptual helping hand for museum practitioners from Michel de Certeau', *Curator*, 54/4 (October 2011)

R Bud, 'Innovators, deep fermentation and antibiotics: promoting applied science before and after the Second World War', *Dynamis Acta Hispanica ad Medicinam Scientiarumque Historiam Illustrandam*, 31/2 (2011), pp 47–66

R Bud, 'Life, DNA and the model', *The British Journal for the History of Science* (online November 2011), pp 1–24

A Green and D De Cogan, 'Numerical analysis of some measurements on the first trans-Atlantic telegraph cable', *IET Science, Measurement & Technology*, 5 (2011), pp 117–24

J Insley, 'Picturing James Watt', *British Art Journal* (spring 2011)

P Morris, 'The fall and rise of the history of recent chemistry', *Ambix*, 58 (July 2011), pp 238–56

J Wess, 'History versus science in science museums? Challenges old and new', in F Seroglou, V Koulountzos and A Siatras (eds), *Science and Culture: Promise, Challenge and Demand, Proceedings of the 11th International History, Philosophy and Science Teaching Group Conference*, Thessaloniki, July 2011

J Wess, 'Avoiding arithmetic, or the material culture of not learning mathematics', *BSHM Bulletin: Journal of the British Society for the History of Mathematics* (online November 2011)

Other published papers

T Boon, 'Introduction: Co-Curation and the Public History of Science & Technology' (introduction to a selection of papers from a Science Museum international workshop), *Curator*, 54/4 (October 2011), pp 383–7

T Boon, *Viewpoint*, 97 (February 2012), p 5

T Boon, 'Land of promise', *Viewpoint*, 97 (February 2012), p 7

C Connelly, 'Object of the issue', *Viewpoint*, 95 (June 2011), p 7

C Connelly, 'How do historians of science interact with different communities?', *Viewpoint*, 97 (February 2012), p 4

S Emmens, 'Checking up on your medics', *Family Tree Magazine*, 27/6 (2011), pp 30–3

S Emmens (co-author), 'Mining for ancestors', *Family Tree Magazine*, 27/9 (2011), pp 18–21

S Emmens (co-author), 'Made in the UK', *Family Tree Magazine*, 28/1 (2011), pp 76–9

J Insley, 'Distinguishing fossils – the crystal models belonging to the Watt family 1790–1819', *Bulletin of the Scientific Instrument Society*, 111 (December 2011), pp 2–5

J Insley, 'Model mining – dioramas at the Science Museum', CD-ROM of proceedings of the conference *On the Surface: The Heritage of Mines and Mining*, Innsbruck, April 2011

J Liffen, 'Notes from *The Great Optical Illusion*' (Science Museum television exhibition, 1980), *The Bulletin of the British Vintage Wireless Society*, 36/2 (summer 2011), pp 4–13

J Liffen, 'The wireless cabin on the SS *Minnetonka*, 1904', *The Bulletin of the British Vintage Wireless Society*, 37/1 (spring 2012), pp 14–15

S Mossman, 'Beyond the lab – Science Museum in London features plastics', *Materials Research Society Bulletin*, 36 (August 2011), pp 586–8

S Mossman, 'Giant molecules: from nylon to nanotubes by W. Gratzler', *Ambix*, 58/2 (July 2011), pp 183–4

B Russell, 'Where Watt worked', *Viewpoint*, 95 (June 2011), pp 8–9

B Russell, 'James Watt and our world', *Links: The Newsletter of the Newcomen Society* (June 2011)

B Russell, introductory essay for the catalogue of the film installation 'All that mighty heart', an Arts Council-funded project at Armley Mills – Leeds Industrial Museum and Kelham Island Museum, Sheffield

Museum of Science and Industry, Manchester

Published academic papers

P Webb and R Holgate (co-authors), 'Digital heritage – realising the potential of multimedia visitor guides: practical experiences of developing mi-Guide', *Museum Management and Curatorship*, 27/1 (2012), pp 67–82

Other published papers

J Beckerson, 'The refurbishment of a recuperative gas lamp', *Historic Gas Times*, 68 (2011), p 2

R Holgate, 'The MOSI Collections Centre', in A Nichols (ed.), *Proceedings of the Kenneth Hudson Seminars 2009–2010* (Bologna: European Museum Academy/Pardes Edizioni, 2011), pp 113–21

National Railway Museum

Books

L Frost, *Railway Posters* (Botley: Shire Publications in association with the NRM, 2012)

R Gwynne, *Railway Preservation in Britain* (Botley: Shire Publications in association with the NRM, 2011)

Published academic papers

B Schmucki, "'If I walked on my own at night I stuck to well lit areas", gendered spaces and urban transport in 20th century Britain', *Research in Transportation Economics* (2012), special issue on gender and transportation, guest eds M Grieco and R Mcquaid

B Schmucki, 'Against "the Eviction of the Pedestrian" – the Pedestrians' Association and walking practices in urban Britain after WWII', *Radical History Review*, 114 (autumn 2012)

B Schmucki, 'Towards new routes in tramway history', in G Mom, P Norton, G Clarsen and G Pirie (eds), *Mobility in History – Themes in Transport, T2M Yearbook 2011*, (Neuchâtel: Edition Alphil/Presses universitaires suisses, 2011) pp 127–33

C Divall, 'Civilising velocity: masculinity and the marketing of Britain's passenger trains, 1921–39', *Journal of Transport History*, 32/2 (December 2011)

C Divall and H Shin, 'Cultures of speed and conservative modernity: representations of speed in Britain's railway marketing', in B Fraser and S Spalding (eds), *Trains, Modernity and Cultural Production: Riding the Rails* (Lanham: Lexington Books, 2011), pp 3–26

C Divall, 'Transport history, the usable past and the future of mobility', in M Grieco and J Urry (eds), *Mobilities: New Perspectives on Transport and Society* (Farnham: Ashgate, 2011), pp 305–19

Other published papers

S Batchelor, review of *Ice Road Locomotives – Early Experiences in America*, *The Journal of the Friends of the National Railway Museum* (summer 2011), p 25

S Batchelor, review of *Ice Road Locomotives III – Success and Decline*, *The Journal of the Friends of the National Railway Museum* (autumn 2011), p 26

National Media Museum

Published academic papers

C Harding, 'Charles Howell: photographer of pleasure', in B Snape and H Pussard (eds), *Recording Leisure Lives: Holidays and Tourism in 20th Century Britain* (Brighton: Leisure Studies Association, 2011), pp 153–64

Other published papers

C Harding, 'Annie Leibovitz and Julia Margaret Cameron', *Black and White Photography*, 122 (March 2011), pp 84–5

C Harding, 'The Kodak Girl', *Black and White Photography*, 123 (April 2011), pp 84–5

C Harding, 'John Jabez Edwin Mayall', *Black and White Photography*, 124 (May 2011), pp 84–5

C Harding, 'The International Photo-Cine Fair of 1961', *Black and White Photography*, 125 (June 2011), pp 84–5

C Harding, 'Early photography and Plymouth', *Black and White Photography*, 126 (July 2011), pp 84–5

C Harding, 'The Reports by the Juries, Great Exhibition, 1851', *Black and White Photography*, 127 (August 2011), pp 82–3

C Harding, 'Benjamin Brecknell Turner in Amsterdam', *Black and White Photography*, 128 (September 2011), pp 84–5

C Harding, 'Kenneth Grange and Kodak', *Black and White Photography*, 129 (October 2011), pp 82–3

C Harding, 'John Dudley Johnston', *Black and White Photography*, 130 (November 2011), pp 84–5

C Harding, 'Kodak premium cameras', *Black and White Photography*, 131 (December 2011), pp 84–5

C Harding, 'John Ruskin and the daguerreotype', *Black and White Photography*, 132 (Christmas 2011), pp 78–9

C Harding, '1912 – Captain Scott and the *Titanic*', *Black and White Photography*, 132 (January 2012), pp 78–9

C Harding, 'Arthur Clive Banfield', *Black and White Photography*, 134 (February 2012), pp 78–9

Acquisition highlights

Science Museum

Collection of documents (including lab notebooks, project reports, photographs, engineering drawings, technical proposals, technical reports and project videos) associated with the development of the ZEUS Central Tracking Detector, c. 1999–2005

Prototype of a new type of patient chair for use in hospitals to minimise the risk of healthcare-acquired infections, designed by PearsonLloyd and made by Kirton Healthcare, 2010

Maxwell dynamic machine illustrating the Maxwell–Faraday equation, designed by Dr Ian Hopley and made by Keith Watson, c. 1961

Working demonstration model, scale 1:16, of tunnelling shield used to excavate Rotherhithe Tunnel, London, constructed in aluminium and brass loose on an ebonised wooden base, made by tunnel engineer J Henry Price, c. 1908

National Westminster Bank punched card for use in cash machines for 24-hour cash withdrawal, used with Chubb MD2 dispensers, c. 1970

Duboscq-Soleil polarimeter, serial number 926, without stand, made by Schmidt & Haensch, mid-1870s

Clover chloroform inhaler with case, by Coxeter, London and George Barth and Co., England, 1862–1900

The records of Bakelite Xylonite Ltd and constituent companies, c. 1904–80

Mathematical puzzles including 'dickory dock', solitaire variant, 1920s

Prototype Synthi-E briefcase synthesiser for schools, designed by Tim Orr and made by Electronic Music Studios (London) Ltd, c. 1974

Wang PC personal computer manufactured by Wang Laboratories, including monitor, keyboard and printer, c. 1984

Evaluator's handbook for Valpar occupational aptitude tests (work samples nos. 1–17), made by Valpar International Corporation, Tucson, Arizona, c. 1976

Hagelin B-21, the beginning of the Hagelin pinwheel machines, superficially resembling the Enigma, developed by Boris Hagelin based on Arvid Gerhard Damm's patented design of the B-18, 1925

Collection of 188 objects made by Alexander Parkes, inventor of Parkesine, c. 1862

The Simpsons World of Springfield interactive figure with packaging, Dr Stephen Hawking, c. 2003

'Pock-marked faces: a curious illusion', published by the Anti-Vaccination League, London, c. 1880s

Two football 'helpmeet' capsules related to the 2010 World Cup in South Africa, containing yohimbine tree (faux herbal Viagra) pills to enhance male sexual function, purchased in Ghana, made by Tienbao Biology, Cambridge, c. 2010

Museum of Science and Industry, Manchester

Royale, Royale 250R and the Royale Digital projectors for dissolving slide shows, with associated slide magazines, examples of slides and cassettes, folding table/suitcase, planning sheets and drawing sheets for the components, circuit boards and assemblies, made by CBAV, Leyland, 1981–2005

Personal papers of Ian Munro relating to the Daresbury Synchrotron Radiation Source Laboratory (Munro was the first Director of the Laboratory), 1977–2000

Personal papers of Professor A W Crook relating to the Turbine Generating Department at AEI, Trafford Park, 1960s–70s

Hesketh HZE-Vectrix 2008 lithium-ion battery electric motorcycle, supplied to the Force India Formula 1 racing team as a paddock bike for the racing driver Adrian Sutil, made by Hesketh Motor Company, Bramhall, 2008

Ornamental turning lathe made by Richard Roberts, Manchester c. 1820 (acquisition supported using public funding by Arts Council England)

Silver salver presented to Percy Newton in recognition of 50 years' service at the Beyer, Peacock locomotive works, Gorton, 1959

Business records relating to textile trade with Armenia, Egypt, India, Russia, China, Argentina, Chile, Peru, Uruguay and Australia from Olivo & Bakirgian, Manchester 1891–1985

Brass plaque commemorating the centenary of the opening of the Liverpool and Manchester Railway, made by John Whitehead, Manchester, 1930

Set of quarter-scale nuclear reactor aluminium fuel bricks (together with one graphite fuel brick and one interstitial brick), made specially for laboratory tests by AMEC, Birchwood, 2012

National Railway Museum

Two cost books of Midland Railway locomotives compiled by S W Johnson, Midland Railway: 'New engines charged to capital', 1873–88, and 'New work in progress', 1880–88

Brass-faced steel tablet, Tyer's No. 6 electric tablet, School of Signalling, Manchester, made by Tyer's Co., c. 1920

Logbook containing handwritten entries by Ray Coleman, a BR engineer working on the APT-E project, 1975–76

LMS Royal Train dining car attendant's uniform comprising jacket and trousers, London Midland & Scottish Railway, c. 1925

Station warning sign reading 'Cycling, skateboarding and rollerskating are prohibited within station limits. By order of British Railways Board', British Railways Board, c. 1985

Pamphlet by Thomas Hill, 1829

Book *The David Shepherd Archive Collection*, collection of artist David Shepherd's work, 2011

Plaque from HST power car 43078 *Shildon County Durham* giving details of the naming ceremony, 1983

Collection of 39 silver gelatin lantern slides in glass mounts, featuring Southern Railway posters, c. 1923–30

Trophy, London & South Western Railway Track Inspectors Challenge Cup, 1904

Watercolour painting of Slough Station with ivory plaque on frame reading 'Slough Station, 1841, 576', c. 1842

Collection of photographs of the final non-stop run of the Flying Scotsman service between London and Edinburgh, by John Drysdale, 1962

GER Engine Book, c. 1921, with inserted in the back copy correspondence of L C Bowers of the Locomotive Stores, Cambridge MPD, in response to queries of R Justin about a J37 petrol shunter and S44 class loco, 1958–59

Correspondence by Anthony Newman containing complaints about rail travel, 1962–2001

Collection of postcards of the ten Railway Convalescent Homes, collected by Roy Smith, c. 1960

Notebook of Driver William Holbrey, c. 1926–27

Collection of original recordings and questionnaires featuring interviews with workers on the former Somerset and Dorset Joint Railway line, recorded between c. 1990 and 1999, compiled by Alan Hammond, member of the Somerset and Dorset Railway Trust

Cupro-nickel 1939–45 war medal, awarded to George Roberts for military service, 1945

Letter by William Lynd & Co. (Isle of Cinder, Leeds) to Thomas McNay, 15 November 1856

National Media Museum

Panasonic colour television receiver with fastext, model TX-3370GR, 1987

Six digital c-type prints by Edmund Clarke from the SSSI series, printed by Genesis-Digital, London, 2011

Broadcasting Handbook, Olympic Games, London, 1948, issued by the BBC

Manuscript for the song 'Here's Looking at You', written by Ronnie Hill to launch the BBC Television service in 1936

Collection of animation sets, models and equipment used by the Bolex brothers in the creation of their work, particularly *The Secret Adventures of Tom Thumb*, 1993

Wireless licence savings bank (with one sixpence piece), 1930s

Sony Betamax video recorder with Sony Trinitron television console, model LV-1901D, 1975

The Lambie Nairn Agency Archive comprising objects relating to the history of film and television, Martin Lambie Nairn, 1970s–90s

Photograph by Boyd Harnell, gelatin silver print, John F Kennedy pre-election press conference in San Diego, 1960

Three *cartes de visite* by Julia Margaret Cameron, 1860s

Elvis Presley Memorial Radio, made by Unico, with original box, c. 1977

Six colour photographs by Maurice Broomfield, 1950s–60s



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