

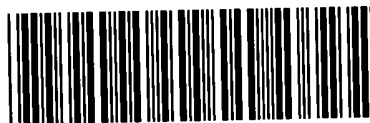
Charity number: 1165917
Company number: 09997836

NMRN Hartlepool
(A company limited by guarantee)

Trustees' report and financial statements

for the period ended 31 March 2017

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NMRN Hartlepool
(A company limited by guarantee)
Company number: 09997836

Legal and administrative information

Charity number	1165917
Company registration number	09997836
Registered office	H M Naval Base PP66 Portsmouth Hampshire PO1 3NH
Business address	NMRN Hartlepool Jackson Dock Maritime Avenue Hartlepool TS24 0XZ
Director General and Accounting Officer	Professor Dominic Tweddle
Chairman	Mr Tim Schadla-Hall
Trustees	Councillor Christopher Akers-Belcher Ms Gill Alexander Professor Cliff Hardcastle Mr Richard Hatfield Mr Peter Olsen
Auditors and Auditors	Compass Accountants Limited Venture House, The Tanneries, East Street, Titchfield, Hampshire PO14 4AR
Bankers	NatWest PLC 130 Commercial Road, Portsmouth, PO11EJ

Trustees' annual report (incorporating the directors' report) and Strategic report

Foreword

The charitable objectives of NMRN Hartlepool [the charity], as defined in the Articles of Association, are

- a) The promotion of education and learning of the Naval Service and Auxiliaries personnel and other members of the public about the history, deeds and traditions of the Naval Service and Auxiliaries, in particular but not exclusively, by forming and maintain a naval museum and exhibits in and around Hartlepool.
- b) The promotion and enhancement of military efficiency by assisting recruitment and retention and fostering the Esprit de corps, of the men and women who are serving in the naval service or auxiliaries; and
- c) The commemoration and remembrance of those members of the Naval Service and Auxiliaries who have died on active service and the encouragement of public recognition of the sacrifice made by such persons.

Performance report

Overview

The charity was established in February 2016 and is one of eight naval service museums within the National Museum of the Royal Navy [the National Museum]. The National Museum strategy sets out to increase the scale, scope, reach and resilience of the museum with a vision to become the world's most inspiring Naval Museum. The National Museum is one of the few headquartered outside London, acquiring key sites also outside the capital, enabling people to learn, enjoy and engage with the story of the Royal Navy, and its impact in shaping the modern world.

Activities

The charity brings together the National Museum of the Royal Navy, Hartlepool Borough Council and HMS Trincomalee Trust, to work together to develop the National Museum of the Royal Navy Hartlepool within the context of a wider waterfront development scheme in Hartlepool, attracting visitors, sharing the stories of the Naval Service, seeking inward investment, and stimulating the local and regional economy.

Plans for Future Periods

The charity will continue to seek to develop the National Museum of the Royal Navy Hartlepool, with a view to bringing synergy with the nearby Jacksons Landing site development, bring the Royal Navy story to life for more visitors. Plans for the site's development are being formulated.

Financial Review

Statement of Financial Activities for the Year Ended 31 March 2017

The total incoming resources for the charity in 2015-16 amounted to £5,000, a start-up grant from the parent company, the National Museum of the Royal Navy.

Total resources expended for the charity for 2016-17 amounted to £55. The net movement in funds for the year was an increase of £4,945.

Balance sheet

The net assets as at 31 March 2017 amounted to £4,945.

Auditors

The accounts have been audited by Compass Accountants Ltd. So far as the Trustees and Accounting Officer are aware, there is no relevant audit information of which the charity's auditors are unaware. Trustees have taken all the steps necessary to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by



Mr Tim Schadla-Hall
Chairman on Behalf of the Board of Trustees

Date: 14 July 2017



Professor Dominic Tweddle
Director General and Accounting Officer

Date: 14 July 2017

Accountability report

Trustees' Report and Governance Statement

This report sets out the arrangements for the governance of NMRN Hartlepool, including the Board structure for Trustees. The Trustees, who are also the Directors of NMRN Hartlepool [the charity] for the purposes of company law and who served during the year and up to the date of this report are set out on page 3. The National Museum of the Royal Navy is the sole corporate member of the company.

The Trustees have due regard to guidance issued by the Charity Commission on public benefit and in its charitable objects, the charity seeks to promote the education of the general public about the history, deeds and traditions of the Naval Service and encourage the public to commemorate, honour and preserve the memory of those members of the Naval Service who have died on active service.

This report demonstrates how the system of governance and internal control is maintained within NMRN Hartlepool and how the major risks to which the charity is exposed, as identified by Trustees, have been reviewed and systems have been established to mitigate those risks.

The Governance Framework

NMRN Hartlepool is a company limited by guarantee (company number: 09997836) and a charity registered with the Charity Commission (registration number: 1165917). It is governed by its Articles of Association dated 10 February 2016, which incorporates its charitable objects, the powers of the company and provides for the appointment and reappointment of Directors. Trustees are appointed in accordance with the guidelines issued by the Officer of the Commissioner for Public Appointments (OCPA).

The charity is one of seven naval museums within the National Museum of the Royal Navy Group (the others being the Fleet Air Arm Museum, the Royal Marines Museum, Explosion! The Museum of Naval Firepower, the Royal Naval Museum, HMS Caroline and Royal Navy Submarine Museum).

The Trustees ensure the distinct legal responsibilities and charitable objectives of the charity are fulfilled within an overall policy and strategy framework. The day-to-day operation of the charity within that framework is delegated to the Director General and Accounting Officer and to the Executive Directors.

A formal induction process for Trustees is in place which combines all the necessary background reading material including items such as the Articles of Association, copies of minutes of recent meetings, a copy of the Charity Commission publication, "The Essential Trustee: what you need to know", a copy of the National Museum's strategy, the company's corporate plan and a copy of the Museum Association publication, "Code of Ethics for Trustees" with a day visit to the National Museum to meet key members of staff and to discuss current issues. Recent appointees continue to confirm their satisfaction with this process.

The Board of Trustees meet periodically through the year to set the long-term strategic objectives of the charity, agree the priorities and review performance against previous objectives set. The Board undertakes a periodic review of its membership and skills set and new appointments made on the basis of what skills Trustees believe the Board is lacking or believe are needed to tackle specific issues.

Register of Interests

A register of Trustees' and Executives' interests is maintained, requiring declaration of any interest, pecuniary or otherwise, in any matter being considered by the Board.

Personal data loss

The company has not identified any personal data related incidents during 2016-17. An incident is defined as a loss, unauthorised disclosure or insecure disposal. Protected personal data is information which links an identifiable living person with information about them which, if released would put the individual at significant risk of harm or distress; the definition includes sources of information that because of the nature of the individuals or the nature, sources or extent of the information, is treated as protected personal data by the company.

System of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the charity'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 controls is exercised through the National Museum of the Royal Navy's Audit and Governance Committee. This Committee is chaired by a Trustee of the National Museum's Board of Trustees and draws expertise from other Trustees and committee members, with the executive in attendance as required. The Committee also has access to the independent accountants and external auditors engaged for all companies within the Group, providing review and oversight of the financial control systems and the creation of company and consolidated group accounts.

Risk Management

The charity's risk register and the responses to risk are managed by the Director General and overseen by the National Museum's Audit and Governance Committee as well as the charity's Board. In addition, the charity has a system of internal review and checks which link to plans and risks.

The principal risks faced by the charity centre around identification of and ability to secure future investment streams to support the development of the site.

Statement of Trustees' and Accounting Officer's responsibilities
for the year ended 31 March 2017

The Board of Trustees (who are also directors of the NMRN Hartlepool for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the method and principles of the Charities SORP;
- make judgements and estimates on a reasonable and prudent basis;
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006 and the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Mr Tim Schadla-Hall
Chairman

Date: 14 July 2017



Professor Dominic Tweddle
Director General and Accounting Officer

Date: 14 July 2017

Independent auditors' report to the Trustees of NMRN Hartlepool

We have audited the financial statements of NMRN Hartlepool for the period ended 31 March 2017 which comprise the Statement of Financial Activities, the Company Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice 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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of the incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

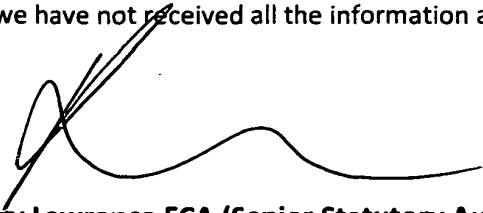
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Kerry Lawrance FCA (Senior Statutory Auditor)
For and on behalf of Compass Accountants Limited, Statutory Auditor
Chartered Accountants and Registered Auditors

The Tanneries
East Street
Titchfield
PO14 4AR

Date: 25 AUGUST 2017

Statement of financial activities (incorporating the income and expenditure account)

For the period ended 31 March 2017

		Unrestricted funds £	Period ended 31/03/17 Total £
	Notes		
Income from:			
Donations and legacies			
Donations	2	5,000	5,000
Total income		<u>5,000</u>	<u>5,000</u>
Expenditure on:			
Charitable activities			
Museum and visitor operations	3	55	55
Total expenditure		<u>55</u>	<u>55</u>
Net income/(expenditure)		4,945	4,945
Transfers between funds		-	-
Net movement in funds		<u>4,945</u>	<u>4,945</u>
Reconciliation of funds:			
Funds brought forward		-	-
Total funds carried forward		<u>4,945</u>	<u>4,945</u>

All recognised gains and losses are included in the statement of financial activities

The notes on pages 14 to 18 form an integral part of these financial statements.

Balance Sheet

as at 31 March 2017

	Notes	31/03/17 £
Current assets		
Cash at bank and in hand		4,958
		<u>4,958</u>
Creditors: amounts falling due within one year	6	(13)
Net current assets		<u>4,945</u>
Net assets		<u><u>4,945</u></u>
Funds		
Unrestricted funds		4,945
Total funds		<u><u>4,945</u></u>

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board and signed on its behalf by



Mr T Schadla-Hall
On behalf of the Board of Trustees

Date: 14 July 2017

The notes on pages 14 to 18 form an integral part of these financial statements.

Cash flow statement

for the period ended 31 March 2017

31/03/17

Cash flows from operating activities:

Net cash provided by (used in) operating activities 4,958

Cash and cash equivalents at 10 February 2016

-

Cash and cash equivalents at 31 March 2017

4,958

Net income/expenditure for the reporting period

4,945

Increase in creditors

13

Net cash provided by (used in) operating activities

4,958

Notes to financial statements
for the period ended 31 March 2017

1. Accounting policies

1.1. Charity information

NMRN Hartlepool is a private company limited by guarantee and incorporated in England and Wales. The registered office is the National Museum of the Royal Navy, HM Naval Base PP66, Portsmouth, Hampshire, PO1 3NH

NMRN Hartlepool meets the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report.

1.2. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.3. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

1.4. Grants receivable

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

1.5. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Notes to financial statements

for the period ended 31 March 2017

1.6. Basis of allocation

Costs of generating funds comprise costs incurred in encouraging people and organisations to contribute financially to the charity's work and to promote NMRN Hartlepool as a visitor attraction.

Governance costs include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Charitable expenditure includes expenditure associated with Operations, Collections & Research, and Learning, and includes costs directly attributable to each activity.

Support costs include central functions and have been allocated to cost categories on a basis consistent with the use of resources.

1.7. Restricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overheads and support costs.

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

1.8. Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

Term deposits of less than one year are classified as investments within current assets.

1.9. Leased assets

Rentals applicable to operating leases are charged to the Statement of Financial Activities as incurred.

Notes to financial statements
for the period ended 31 March 2017

2. Grants and Donations

During the year the following grants and donations were received:

	Unrestricted funds £	31/03/17 Total £
National Museum of The Royal Navy	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

3. Museum and visitor operations

	Operations £	31/03/17 £
Governance and support costs	55	55
	<u>55</u>	<u>55</u>

4. Governance and support costs

	Museum & visitor centre operations £	31/03/17 £
Legal and professional	13	13
Bank charges	42	42
	<u>55</u>	<u>55</u>

5. Employee costs

There were no employees directly employed by the charity in the period.

No trustees received remuneration or were reimbursed for any expenses during the period.

Notes to financial statements
for the period ended 31 March 2017

6. Creditors: amounts falling due within one year

	31/03/17
	£
Amount owed to group undertakings	13
	<u>13</u>
	<u><u>13</u></u>

Year end creditor balances with bodies within the Whole of Government Accounts (WGA) boundary were as follows:

	31/03/17
	£
Balances with other central government bodies	-
Balances with other local authorities	-
	<u>-</u>
Subtotal of intra government balances	-
Balances external to government	13
	<u>13</u>
	<u><u>13</u></u>

7. Analysis of net assets between funds

	Net Current Assets	Total
	£	£
Unrestricted funds	4,945	4,945
	<u>4,945</u>	<u>4,945</u>
	<u><u>4,945</u></u>	<u><u>4,945</u></u>

8. Taxation

All of the charity's income is applied for charitable purposes and therefore the charity is exempt from corporation tax.

Notes to financial statements
for the period ended 31 March 2017

9. Ultimate parent undertaking

The NMRN Hartlepool considers the National Museum of the Royal Navy (NMRN), a charitable company (charity number 1126283, company number 06699696), to be its ultimate parent undertaking.

Exercise is controlled by the NMRN being the corporate member of the NMRN Hartlepool.

The NMRN was established in 2008 as a holding company of the NMRN Group which operates seven naval service museums, including NMRN Hartlepool. The NMRN's strategy set out to increase the scale, scope and reach of the museum. Its vision is to become the world's most respected Naval Museum underpinned by a spirit of enterprise and adventure. The goal is to promote the public understanding of the Royal Navy past, present and future.

Consolidated accounts can be obtained from the NMRN's registered office: National Museum of the Royal Navy, HM Naval Base PP66, Portsmouth, Hampshire, PO1 3NH.

10. Analysis of changes in net funds

	Cash flows	Closing balance
	£	£
Cash at bank and in hand	4,958	4,958
Net funds	<u>4,958</u>	<u>4,958</u>