

ANNUAL REPORT FOR 2001-2002

Board of Trustees of the Royal Navy Submarine Museum

Vice Admiral Sir Roy Newman KCB JP DL	Chairman
Rear Admiral R P Stevens CB (until 31.08.01)	Vice Chairman
Rear Admiral N Kilgour (from 01.09.01)	
Rear Admiral A P Hoddinott CB OBE	
Captain TJ Meadows CBE Royal Navy (Rtd)	
Mr R M Webb	
Dr. MC Copp	
Mr R. Dunkley (until 29.03.02)	
Mr T Schadla-Hall (from 01.07.01)	
Mr L Sharmer-Smith (from 01.07.01)	
Councillor PC Langdon (until 31.05.01)	Nominated/Hampshire County Council
Councillor M Geddes (from 01.06.01)	
Mr R D Wilson (until 31.12.01)	Nominated/Gosport Borough Council
Mr I Lycett (from 01.01.02)	
Mr T Walters BEM	Nominated/Submariners Association

Museum Director

Commander JJ Tall OBE Royal Navy (Rtd)

Advisors

Dr R Bud	The Science Museum
Captain W Alexander	Royal Naval Museum Portsmouth

Legal Advisor

Mr DRG Higham, Blake Laphorn

Chairman Submarine Giftshop Ltd and Society of Friends Representative

Lieutenant Commander CGO Walker MBE Royal Navy (Rtd)

Secretary

Mrs I Stagg

Accountants

Mr S Lawrance, Walton and Co.

Bankers

Lloyds Bank plc.
National Westminster Bank plc

RNSM Audit Committee

Captain TJ Meadows CBE Royal Navy (Rtd)	Chairman
Mr B Ridley	
Dr MC Copp	
Commander JJ Tall OBE Royal Navy (Rtd)	

CHAIRMAN'S INTRODUCTION

I ended my report last year with the anticipation of the Royal Navy Submarine Service's centenary year. I am delighted to say that its activities, a mixture of commemorative and celebratory events, were highly successful and surpassed expectation. The highlights in the two categories were the Service of Thanksgiving in Westminster Abbey in November attended by Her Majesty the Queen and His Royal Highness The Duke of Edinburgh, and the all-ranks Centenary Ball held at the Dorchester Hotel in July. A full list of activities appears in the body of the report, and I wish to express my admiration for the small team who carried the brunt of the work.

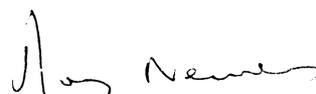
The centenary year, with all its spin-offs such as the Royal Mail stamp issues, the Royal Mint medallion, and media exposure, undoubtedly achieved the aim of raising awareness of the Submarine Service and its Museum. We enjoyed one of our most successful years, and what was even more pleasing were the results of a visitor survey conducted on our behalf by the Southern Tourist Board over the summer months. In terms of value for money and family enjoyment we scored very highly indeed, with our 32,000 visitors below the age of fifteen sharing their parents' enthusiasm for what we offer.

At the same time as playing our full part in the centenary year, we also continued our fund raising efforts. In this too I can report pleasing progress, and we are nearing the target required to finance all aspects of the Museum's future development. We are particularly grateful to BAE SYSTEMS, Rolls-Royce Ltd, Thales Ltd, The Wolfson Foundation, The Esmee Fairbairn Foundation, The John Ellerman Foundation, The Dulverton Trust, The Garfield Weston Foundation and serving and retired submariners for their support.

We have continued to participate in joint ventures with our colleagues who make up the *Renaissance of Portsmouth Harbour* Consortium, and we are pleased to see progress at last being made in a number of areas, particularly with the start of the *Spinnaker Tower*, the centrepiece of the Millennium Commission backed project. However only when this is built and a waterbus service introduced will we see the Harbour's potential as a 'visitor destination' realised. Until these ingredients have been added to the mixture, the visitor 'cake' will continue to be sliced ever more thinly as more attractions seek their share of it.

It is of course a great privilege for the Museum, like its parent branch a small but punchy outfit, to be the keeper of a number of highly historic submarines of national and international importance, however with that privilege comes great responsibility. This year the Museum's submarine collection celebrate their twentieth anniversary in their present location, and it is of little surprise that they all need some attention to correct the influence of the elements over two decades in order to guarantee their survival for future generations to enjoy. The programme started last year, and I am delighted to report that the Heritage Lottery Fund-supported *Holland 1* project was delivered to cost and the building is operating as expected. In addition the future of *HMS X24*, our historic mini-submarine and the only one of its genre left that saw active service during WWII, has recently been secured through the HLF's support of our *John Fieldhouse Building* project, which is wonderful news. This leaves *HMS Alliance*, another NHSC Core collection ship, which in need of an internal dehumidification system and an external refit. Through the appointment as consultants of Scott Wilson, the internationally respected construction engineers, we have started the process of her preservation.

At times all the challenges we face seem daunting, however with the wonderful support that has been provided and pledged, support underpinned year on year by our marvellous Society of Friends, resources continue to be made available to our indefatigable Director and his dedicated team to get on with the job. Education through enjoyment is at the heart of our mission for all our visitors – I believe that we do it well.



Vice Admiral Sir Roy Newman KCB JP
Chairman of the Board of Trustees

REPORT OF THE TRUSTEES



Status of the Museum

The Museum is a Registered Charitable Trust with the Charity Commissioners. It is also an Executive Non-Departmental Public Body operating under the sponsorship of the Ministry of Defence. Day to day aspects of this sponsorship are handled by the Naval Personnel Secretariat of the Office of the Second Sea Lord and Chief of Naval Personnel.

Mission of the Museum

The Mission of the Museum, which is in accordance with that agreed for the four Naval museums sponsored by the Ministry of Defence, and which is given formal basis in a Defence Council Instruction, is:

1. To provide an effective and accessible repository, both now and in the future for the heritage of the Submarine Branch of the Royal Navy and raise public awareness of the Royal Navy Submarine Service.
2. To encourage scholarship and research into the history of the Royal Navy Submarine Service.

In pursuit of their aims the Trustees act in accordance with a Code of Conduct based on guidance given by the Committee on Standards in Public Life and the seven principles endorsed by HM Government.

Objectives of the Museum

The Declaration of Trust declares that the Museum exists for the benefit of the public and for the purpose of educating the public in naval and social history and other matters relating to the defence of the realm and in particular:

1. To maintain and manage a public museum and library of all aspects of Submarine endeavour.
2. To preserve, promote and assist in the display, understanding and education of the public of the Submarine Collection and all other property, objects, artefacts and others having relevance to the history of the Submarine Service of the Royal Navy forming the contents of the Museum from time to time.
3. To uphold the traditions of the Submarine Service of the Royal Navy; to perpetuate and commemorate its deeds; to honour and preserve the memory of those who participated in the service and to act as keeper of the 'Regimental Heritage of the Submarine Service'.
4. To relieve distress or need among past and present members of the Submarine Branch of the Royal Navy and their dependants.

Appointment of Trustees

Trustees are appointed by resolution of the Board of Trustees following the completion of a procedure, which follows the guidance given by the Office of the Commissioner for Public Appointments. This includes obtaining nominations from a variety of sources, including advertising, the vetting of nominations by a panel including an independent member and the interviewing of selected candidates. The sponsoring department of the Ministry of Defence is closely involved in the selection process.

Other than ex-officio Trustees, Trustees are normally appointed for a period of five years. Trustees may be re-appointed for a second five-year term at the discretion of the Board. Two new Trustee appointments have been made since the last Annual Report.

Meetings of Trustees

Board Meetings were held in July and October 2001 and January and March 2002.

Major matters discussed included: Management Plan and Budget; approval of Annual Report and Accounts; appointment of Trustees; management of Submarine Giftshop Ltd; conservation of Holland One; application for Lottery Funding for the *Fieldhouse Building*; future plans for Museum Development; staff salaries and conditions of service.

Investment and Reserves Policy

Introduction

The Trustees continually monitor the levels of the Charity's funds expendable at their discretion, defined for the purpose of this policy as the aggregate of the amounts shown as 'Investments' and 'Net Current Assets' in the accounts of the Charity and which are attributable to Unrestricted Funds.

The amounts and term of the investment of the reserves are based on the Trustees' opinion of the immediate and future needs of the Museum by identifying the requirements for continuing operations and setting aside sufficient funds to enable medium to long term development and expansion.

The Museum needs to retain a viable reserve in order to:

- a Cover liabilities
- b Cover annual deficits
- c Provide income
- d Fund development

Scope

Liabilities

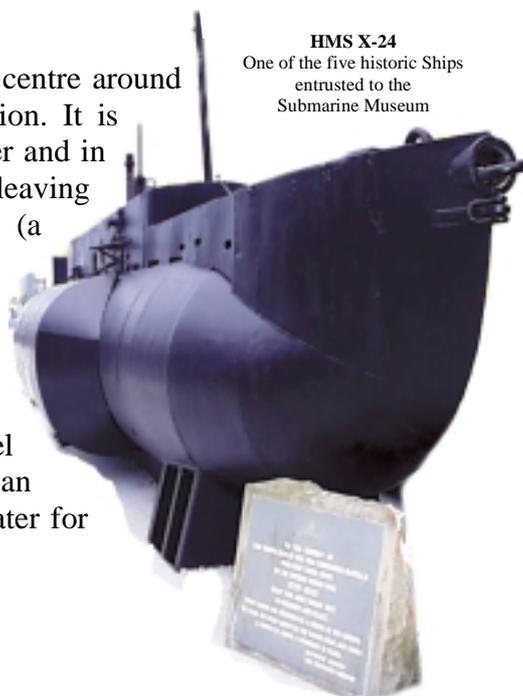
The nature of major liabilities faced by the Trustees centre around the care of the five Historic Ships and the Collection. It is planned to have four out of the five ships under cover and in relatively stable conditions over the next three years, leaving the ship of primary concern to be *HMS Alliance* (a member of the National Core Collection). Even after a planned rolling extensive refit, the fact that she remains exposed to the elements and sitting on concrete blocks in a tidal way implies that she is capable of producing surprises that will have to be dealt with at short notice. Given that she is the 'jewel in the crown' of the 'attraction' operation, an appropriate level of reserve must be maintained to cater for any crisis.

Annual deficits

The Museum does not embrace a deficit culture.

Provide income

The Museum operates on relatively slim profit margins, so accrued interest is a welcome boost to income.



HMS X-24
One of the five historic Ships
entrusted to the
Submarine Museum

Development

After the completion of the *Fieldhouse Building* project, the Museum will have completed three out its five development phases. In the process of fundraising for *Fieldhouse Building* (Phase 3) and *HMS Alliance* (Phase 4), the pool of goodwill from all sources of raising money will have been exhausted. It is therefore contingent on the Trustees to build up the reserve to a level appropriate to provide matched funding for the final phase of development, namely replacing the Weapons Gallery and enhancing the Museum entrance and its surrounds.



Conclusion

It is the Trustees' policy that the Reserve should be enhanced to £250,000 by the year 2010 through the generation of £15 - 20,000 surplus over the next six years.

Investment Policy

The Museum is soon to enter a further period of development during which it will be necessary to call on the Museum's Reserves to underpin cash flow until repayments are received from the Heritage Lottery Fund and HM Customs and Excise for VAT. The present investment policy therefore reflects the need for relatively easy access to the Reserve by maintaining it in cash, and accepting a lower rate of return than may be achieved through a stock market based investment fund, but without the attendant risks.

Review

This policy will be reviewed annually.

Trustees' Health and Safety Policy

The Trustees' statement of general policy is:

- To provide adequate control of the health and safety risks arising from our work activities.
- To consult with our employees on matters affecting their health and safety
- To provide and maintain safe plant and equipment
- To ensure safe handling and use of substances
- To provide information, instruction and supervision for employees
- To ensure all employees are competent to do their tasks, and to give them adequate training
- To prevent accidents and causes of work related to ill health
- To maintain safe and healthy working conditions
- To review and revise this policy as necessary at regular intervals

Health and Safety matters are regularly addressed by the Audit Committee through their review of the Risk Management Register.

History of the Museum

The Royal Navy Submarine Museum was formed as a modest 'Submarine Branch Collection' under a Deed of Trust dated 11 September 1963. It was registered as a charity on 12 February 1970. Three small rooms were made available for the collection in the submarine base at *HMS DOLPHIN*.



Treasury Minute dated 28 February 1978 concerning the Conditional Gift of the Submarine *HMS Alliance* and Land and Buildings to the Trustees of the Submarine Museum

Presented to Parliament by the Financial Secretary to the Treasury
by Command of Her Majesty
February 1978

A public appeal was launched in 1978 and a new Deed of Trust for a charity registered as the 'Submariners Memorial' was drawn up in April 1979. The aims of the new Trust covered the preservation and accessibility to visitors of the *Alliance*, the preservation of the collection, held in a new Museum Building adjacent to but outside *HMS DOLPHIN*, and to relieve distress among past and present submariners and their dependants.

Sufficient funds, totalling about £410,000, were raised to enable these aims to be met by 1982. In May 1983, Admiral Sir John Fieldhouse formally opened the new Museum.

In 1982, the Royal Navy's first submarine, HM Submarine Boat No. 1, of the United States 'Holland' design, which had foundered in the western channel whilst being towed to the breakers' yard, was salvaged and after some preservation put on display in the Museum.

In 1985 the Museum became an Executive Non-Departmental Public Body.

The layouts of the two galleries were revised in 1991/92 with the help of a grant from the Museums and Galleries Commission. This enabled the periscopes and Captain's cabin of the Nuclear Submarine *HMS Conqueror* to be installed in the Museum.

In late 1993, it was found that the initial preservation of the *Holland* Submarine had failed to prevent the onset of metal corrosion. After a thorough survey, a major conservation programme was started with considerable financial and technical support from Hampshire County Council and a grant from the Science Museum. A further grant from VSEL, Barrow and a significant injection of the Museum's own funds completed the financial package that enabled the conservation project to proceed. This meant that the submarine had to be withdrawn from display whilst the conservation programme took place.

In 1995, the Trustees decided that the two Trust Deeds covering the Submarine Collection and the Submariners Memorial were confusing, in some matters out of date and in others either repetitive or contradictory. It was decided, therefore, to combine the two Trust Deeds into one document.

In 1998 an appeal was launched to raise funds for the development of the Museum entitled 'The Submarine Centennial Appeal'.

In late 1998 the Museum acquired the use of a redundant building within Fort Blockhouse that enabled it to create a display of its weapons collection, including a Polaris Missile, in a suitable environment for large metallic objects. This was a major step forward in the care of artefacts previously at risk from the elements.

In early 1999 the Museum's avenue for charitable donations to care for submariners and their dependants in need was re-named 'The Submariners Benevolent Fund'. It continues to be administered by the Royal Naval Benevolent Trust on behalf of the Trustees.

In August 2000 the Heritage Lottery Fund approved a Stage II award of £666,500 for the Museum's *Conservation and Interpretation of Holland 1* project.

In October 2000 the Museum changed the nature of occupation of its land with the Defence Estates Organisation from a 30-day notice licence to a 39 year Lease.



Search, Rescue and
Salvage

In October 2000 the Museum acquired a further de-accessioned building from Fort Blockhouse that allowed the development of three additional exhibitions. (*Escape, Diving and Attack*).

In November 2000 it was confirmed that *HMS Alliance* and *Holland 1* were included in the prestigious *National Core Collection* drawn up by the National Historic Ships Committee. Only 49 vessels have been accorded this pre-eminent status. *HMS X24*, the Museum's other historic submarine, although not meeting the criteria for weight (40 tons), was confirmed as a member of the *Historic Fleet*.

In February 2001 the Museum achieved Phase II Registration with Re:Source.

In May 2001 The Countess of Mountbatten formally opened the *Holland 1 Exhibition Building*.

In June 2001, the Museum accepted deaccessioned land that allowed it to triple the size of its car park. Work on the Archive and Administration Building, Torbay Block, was completed.

In October 2001 a bid was submitted to HLF for support for the *Fieldhouse Building* project.

In May 2002 the conservation project for *HMS Alliance* was inaugurated.

In July 2002 HLF awarded a Stage 1 pass for the *Fieldhouse Building* project.

The Society of Friends of the Royal Navy Submarine Museum

The Museum has continued to benefit from the support of an active Society of Friends. During the year grants totalling £18,700 were received which contributed to the following improvements to the Museum:

- (a) conservation of the *HMS L14* periscope
- (b) staff professional training
- (c) continuing development of the Museum's education services
- (d) the education marquee

TRUSTEES STATEMENT

The accounts published in this annual report are a summary of information in the full financial statements. The summarised accounts may not contain sufficient information to allow for a full understanding of the financial affairs of the Museum. For further information the full accounts and the Trustees' annual report should be consulted. Copies of these can be obtained from the Director of the Museum. The Museum's Trustees approved the full accounts on 18 July 2002 and these have been filed at the Charity Commission for England and Wales. The auditor's report was unqualified.

Statement of the Comptroller and Auditor General to the Secretary of State for Defence:

I have examined the summary financial statements on pages 9 and 10, which have been prepared on the basis set out above.

Respective responsibilities of the Board of Trustees and the Auditor

The Board of Trustees is responsible for preparing the annual report. My responsibility is to report to you my opinion on the consistency of the summary financial statements within the annual report with the full financial statements and foreword, and their compliance with the relevant requirements of the *Statement of Recommended Practice: Accounting by Charities*.

I also read the other information contained in the annual report and consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the summary financial statements.

Basis of Opinion

I conducted my work in accordance with Bulletin 1999/6 *The Auditors' statement on the summary financial statement* issued by the Auditing Practices Board.

Opinion

In my opinion the summary financial statements are consistent with the full financial statements and foreword of the Royal Navy Submarine Museum for the year ended 31st March 2002 and have been properly prepared in accordance with the *Statement of Recommended Practice: Accounting by Charities*.



Dabinderjit Singh Sidhu OBE

For John Bourn

Comptroller and Auditor General

18 November 2002

National Audit Office

157-197 Buckingham Palace Road

London

SW1W 9SP

**ROYAL NAVY SUBMARINE MUSEUM -CONSOLIDATED STATEMENT OF FINANCIAL
ACTIVITIES-FOR THE YEAR ENDED 31ST MARCH 2002**

	Unrestricted Funds £	Restricted Grant in Aid £	Other Funds £	Total Funds 2002 £	Total Funds 2001 £
Incoming resources					
Grant in Aid (operating)	-	469,411	-	469,411	420,190
Grant in Aid (purchases)	-	16,000	-	16,000	16,000
Other donations and grants :	27,770	17,133	502,918	547,821	418,262
Museum Admissions	159,313	-	-	159,313	132,440
Income of Trading Company	205,172	-	-	205,172	131,808
Sundry Income	15,163	739	38,888	54,790	62,681
Total incoming resources	407,418	503,283	541,806	1,452,507	1,181,381
Resources expended					
Costs of generating funds:					
Fundraising and publicity	210	48,653	14,638	63,501	51,051
Expenses of Trading Company	154,487	-	-	154,487	106,484
	154,697	48,653	14,638	217,988	157,535
Net incoming resources available for charitable application	252,721	454,630	527,168	1,234,519	1,023,846
Charitable expenditure:					
Direct charitable expenditure	179,598	417,157	30,395	627,150	514,206
Management and administration	17,261	43,091	3,400	63,752	67,588
Notional charges	-	42,903	-	42,903	18,805
	196,859	503,151	33,795	733,805	600,599
Total resources expended	351,556	551,804	48,433	951,793	758,134
Net incoming / (outgoing) resources before transfers	55,862	(48,521)	493,373	500,714	423,247
Adjustment for notional charges	-	42,903	-	42,903	18,805
Transfers between funds	2,575	10,000	(12,575)	-	-
Net incoming/(outgoing) resources	58,437	4,382	480,798	543,617	442,052
Other Recognised Gains (Losses)					
Realised gains / (losses)					
Net loss on sale of Fixed Assets	-	(8,189)	-	(8,189)	
Unrealised gains / (losses)					
Revaluation of Fixed Assets	108,131	813,924	(46,836)	875,219	17,550
Net movement in funds	166,568	810,117	433,962	1,410,647	459,602
Fund balances brought forward at 1st April 2001	420,307	309,506	507,579	1,237,392	777,790
Fund balances carried forward at 31st March 2002	586,875	1,119,623	941,541	2,648,039	1,237,392

All transactions are derived from continuing activities.
All recognised gains and losses are included in the Statement of Financial Activities.

**ROYAL NAVY SUBMARINE MUSEUM - CONSOLIDATED BALANCE SHEET GROUP
AS AT 31ST MARCH 2002**

	2002		2001	
	£	£	£	£
FIXED ASSETS				
Tangible assets		2,281,435		1,088,747
Investments		<u>11,230</u>		
		2,292,665		1,088,747
CURRENT ASSETS				
Stocks	49,357		64,098	
Debtors	3,025		61,558	
Cash at bank and in hand	<u>360,944</u>		<u>182,084</u>	
	413,326		307,740	
CREDITORS: amounts falling due within one year		(57,952)		(159,094)
NET CURRENT ASSETS		355,374		148,646
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 2,648,039</u>		<u>£ 1,237,393</u>
FUNDS				
Unrestricted funds:		566,558		408,675
Restricted funds:				
Grant in Aid (operating)		1,109,950		300,811
Grant in Aid (purchases)		9,673		8,695
Other restricted funds		941,541		507,579
Non charitable trading funds		20,317		11,633
TOTAL FUNDS		<u>£ 2,648,039</u>		<u>£ 1,237,393</u>

Approved by the Board of Trustees on 18th July 2002



Vice Admiral Sir Roy Newman KCB JP
On behalf of the Board of Trustees



Cmdr. J J Tall OBE RN
Accounting Officer

- Tangible assets include valuations of the lease and buildings.
- Investments were gifted shares in Cobham Engineering.

REVIEW OF THE YEAR'S ACTIVITIES

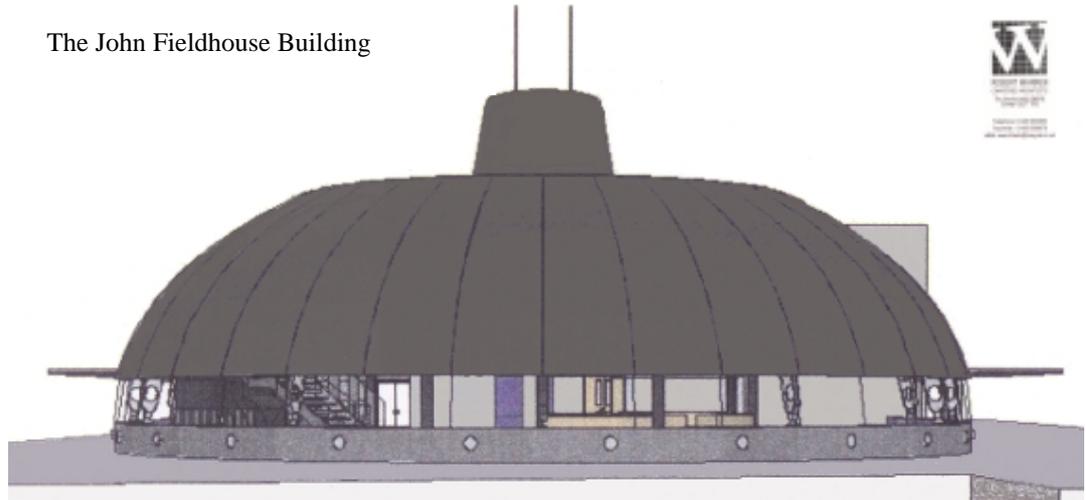
By

Commander Jeff Tall OBE RN (Museum Director)



The John Fieldhouse Building Project

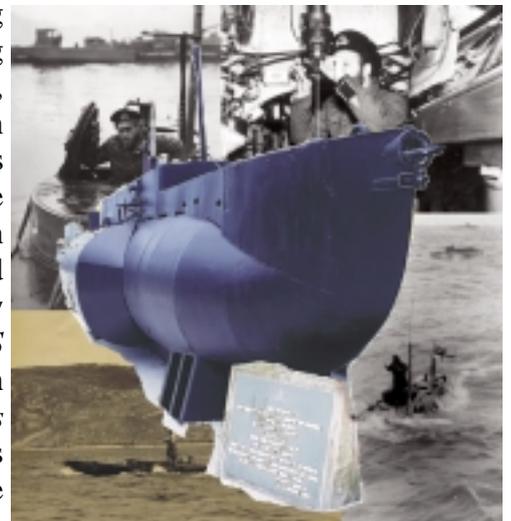
The John Fieldhouse Building



I am delighted to announce that the Museum has been awarded a 'Stage One Pass' by the Heritage Lottery Fund for its *John Fieldhouse Building* project. A 'Stage One Pass' means that the project may proceed to Stage Two. A 'Stage One Pass' does not guarantee that the applicant will be awarded a grant, but it is a positive indication that, provided the project is developed further along agreed lines, it is likely to receive support. HLF have set aside £1.95M for the project, which represents a 67% grant, and has also awarded a development grant of £155,000 to work up the project to Stage II.

The primary objectives of the building, which is thematic in shape, is to provide an environmentally stable home for the historic mini-submarine, *HMS X24*, and an exciting new educational gallery featuring *Submarines and Science*. The building will treble the existing exhibition area available to the Museum, allowing it for the first time to enjoy the flexibility offered by a Temporary Exhibition Space. This will mean that much of the Museum's wonderful art collection will finally see the light of day and be enjoyed by its visitors, as well as enhancing the conditions for the exhibits presently on display. In sum the *Fieldhouse Building*, designed by Robert Warren Chartered Architects, will bring to the Harbour waterfront a feature of high quality, which be overlooked by visitors to Gunwharf Quays and the projected *Millennium Tower*.

The announcement of HLF support for the new building secures the future of *HMS X24*. She saw service during WWII when she twice attacked Bergen in Norway, sinking the only floating dock available to the German U-boat arm and another major support ship. She is unique and represents a family of submarines whose crews, many of whom came from Commonwealth countries, earned chestfuls of awards for bravery and sacrifice, including four Victoria Crosses. She will now take her appropriate place alongside *Holland 1* and *HMS Alliance*, two other jewels in the Museum's crown. With her on display on the ground floor, and the *Submarines and Science Gallery* above, visitors from all generations will have the opportunity to explore submarine technologies and witness their practical application in an exciting, dynamic and relevant way.



Highlights of the Centenary Year

The following list is a tribute to a myriad of organizations and individuals around the country who provided time, enthusiasm and sponsorship to ensure a memorable year.



- The issue of Royal Mail Stamps, launched onboard HMS VICTORIOUS, a Trident missile armed SSBN, and at the Museum

- The award of the Freedom of the Town of Barrow to the Royal Navy Submarine Service. Unfortunately His Royal Highness the Prince of Wales was unable to attend because of the Foot and Mouth crisis. Our two VCs paraded through the town in an open-topped Rolls Royce behind the Guard and Band.

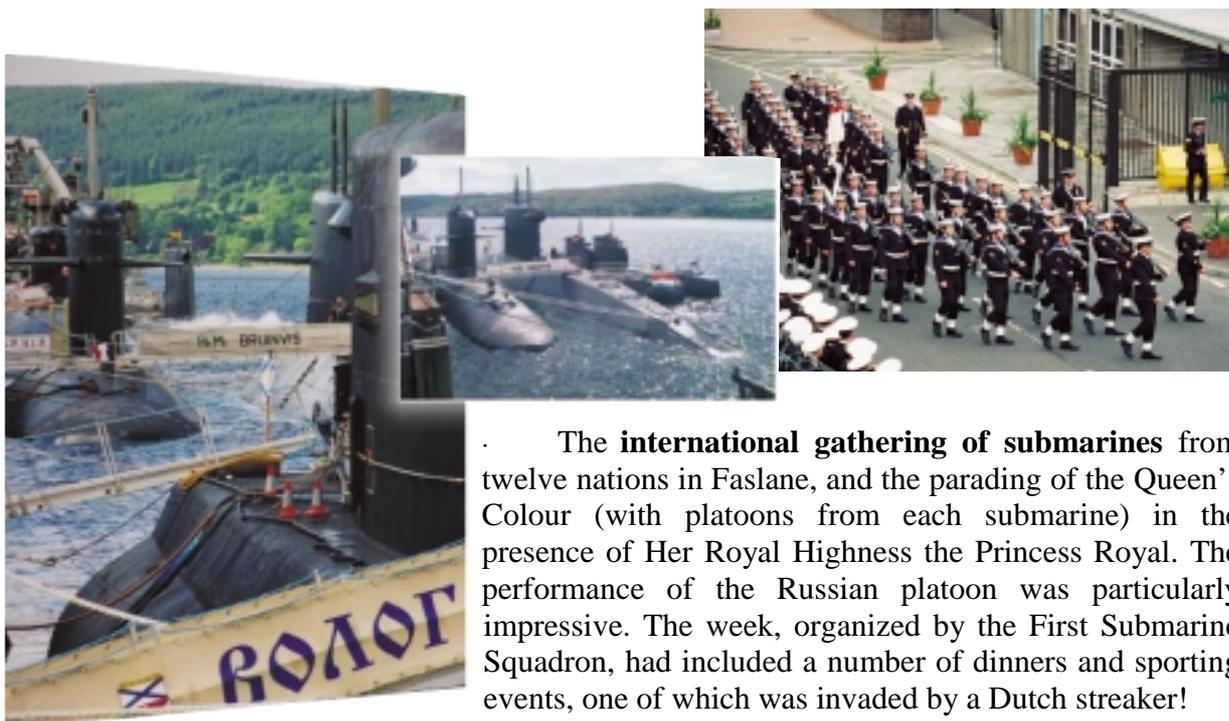


- **The opening of the *Holland1 Gallery* by Countess Mountbatten of Burma**, putting the world's most historic submarine back on display to the general public. This was to be Nat Gould's last appearance in public.

- The debut of the Submarine Service's brand new march, *The Jolly Roger*, at the Royal Marines' Festival of Music at the Royal Albert Hall. Mr. Richard Baker, who had assisted with the selection of the march in a competition, was in attendance

- The Art Exhibition at Pallant House, Chichester. Organised by Rear Admiral Frank Grenier CB, a former Flag Officer Submarines. HRH the Prince of Wales generously donated a lithograph of one of his paintings for auction. It was attended by Sir John Mills, an honorary submariner, and his daughter, Hayley.

- The issue of a Submarine Philatelic Medal Cover by the Royal Mint



- The **international gathering of submarines** from twelve nations in Faslane, and the parading of the Queen's Colour (with platoons from each submarine) in the presence of Her Royal Highness the Princess Royal. The performance of the Russian platoon was particularly impressive. The week, organized by the First Submarine Squadron, had included a number of dinners and sporting events, one of which was invaded by a Dutch stalker!

- The publication of *We Come Unseen* by Jim Ring. This book, which drew back the curtain on RN submarine activities during the Cold War, later won the Mountbatten Prize for the best maritime exposition of the year. The author has generously donated all his fees and royalties to the Appeal
- The all ranks Centenary Ball at the Dorchester Hotel in London, attended by The Secretary of State for Defence Procurement and graced by the presence of a number of distinguished submariners from other nations
- The Mansion House Lunch hosted by the City of London in honour of the Centenary, and attended by His Royal Highness the Duke of York
- The issue of the second set of submarine related stamps by the Royal Mail
- The Centennial Reunion of submariners at Fort Blockhouse, including a Beat Retreat by the Band of HM Royal Marines. A new Standard for the Submariners Association was dedicated at a formal church service, and it was later paraded as the Submarine Service exercised its right to march with fixed bayonets through the Town as Freemen of the Borough of Gosport.
- **The Service of Thanksgiving** at Westminster Abbey in the presence of Her Majesty the Queen and His Royal Highness the Duke of Edinburgh, and attended by 1800 members of families of submariners who had given their lives, distinguished guests, serving and retired submariners, Mayors of affiliated towns, and Naval Attaches. The service was followed by a traditional submarine gathering at the Horticultural Halls.
 
- The featuring of the Submarine Service during the Festival of Remembrance at the Royal Albert Hall and the honour of being the lead platoon during the march-past at the Cenotaph on Remembrance Sunday.
- The transmission of the TV programme on Channel 5 of *Submarine*. This two-part documentary was produced by Richard Kennan (a former submariner) of Anglia TV and received critical acclaim.

Fund raising for the Centennial Appeal

Interspersed amongst these events was a raft of fund-raising activities including lunches and dinners for senior representatives from Industry and Trusts, generously hosted by the then First Sea Lord, now Chief of the Defence Staff, Admiral Sir Michael Boyce GCB OBE ADC; the Second Sea Lord, Vice Admiral Sir Peter Spencer KCB ADC, who made his Flagship *HMS VICTORY* available on a number of occasions; and Flag Officer Submarines, Rear Admiral Rob Stevens CB, who was tireless in his support of the Appeal as well as orchestrating the year's events through the Centenary Committee.

A fund-raising committee under the Chairmanship of Vice Admiral Sir Roy Newman KCB JP DL, the Chairman of Trustees, and made up of volunteers from all over the country, organised a number of events. Pallant House has already been mentioned, and in addition, there was a fashion show onboard *TS Wellington*, a City and Serving Dinner at the Armourers Hall, a race day at Exeter Race Course, a gala dinner on the Isle of Man, a Music Hall evening at the Drapers' Hall, a national raffle, and a Centenary Dinner-Dance organised by the Second Submarine Squadron.

All these activities resulted in attracting strong support for the Appeal, and we are now within £100,000 of the target of £1.4M

Mr Nat Gould VC

It was with great sadness that we learnt of the death of Nat Gould VC in December 2001. Nat was a superb and tireless supporter of the Museum and everything it represents, and he will be greatly missed.



Visitor numbers

A confluence of factors, not least the Museum's growing reputation, boosted numbers by 16% during the year to 78,000. The increase was in line with predictions of the Business Plan, and the Museum enjoyed a satisfactory surplus for the fourth year running.

Visitor satisfaction

A visitor survey conducted during last summer by the Southern Tourist Board indicated a high level of visitor satisfaction for both value for money, warmth of welcome, facilities, and content of the exhibitions. Overall visitor satisfaction emerged as 99% good or very good, with 1% considering their visit to have been satisfactory. What was particularly pleasing was that the response profile of the under-15 year olds who were interviewed independently fitted that of the adults.

The Collection

It has been a busy year in Collection reorganization. The improvements made to the fabric of Torbay Block by the Ministry of Defence triggered significant activity within its walls for the benefit of the Collection. The written archive was moved to the more stable conditions of the ground floor, and sited next to the Library. The reserve 3-D collection was also moved to the ground floor into a dedicated store, which has made it much more accessible. The photographic collection has expanded into an appropriately prepared area, providing more room and additional storage racking. New offices were also provided for the Staff.

A major achievement during the year was the documenting of the artefact collection in its entirety.

The Collections (Archive, Library, Photographs and Artefact) have continued to grow, with material and objects, some of them pre-WWI, being donated or purchased. The arrival of the Library of the Historic Diving Society is worthy of particular note, because it creates a resource of enormous breadth within the Museum for researchers in all 'underwater' matters.



Staff matters

We are pleased to welcome on the staff Miss Alexandra Havelock, our new Keeper of Artefacts, and a Museum specialist. This is a new post funded by our Sponsor Department and fills a vacuum in our expertise. The posts of the Education Officer (Mrs Jackie Edelman) and Museum Secretary (WO Coxn Colin Way MSM RN (Rtd)) were converted from part to full-time in July 2001. Bob Mealings, the Curator and Deputy Director, achieved the accreditation of AMA in January 2002.

The Education Centre



A major impact area for the Museum during the year has been its educational activities. Our Education Officer armed with more time, and endowed with grants from the Society of Friends and COPUS, has transformed her Education Centre into a room of great atmosphere and welcome. The stars of her show are Queenie and Billikins, the two sealions who underwent (unsuccessful!) training as U-boat hunters during WW1, but their activities in all kinds of underwater endeavour capture the imagination of young and old alike, and

they are much in demand. The summer educational activity programme, organised in conjunction with local education authorities, was a great success and will be repeated in 2002. A marquee has been purchased with the help of a grant from the Society of Friends to host these events.

Site improvements

As already mentioned, the *Holland 1 Gallery* was opened in May 2001

The Museum is grateful to its parent establishment, Fort Blockhouse, for the deaccessioning of a portion of land that has allowed it to triple the size of its car park.

All the planned improvements to Torbay Block (internal rearrangement of the collections, additional office and storage space) were completed in June 2001.

A new staff room has been provided in a former groundsman's store deaccessioned by Fort Blockhouse.



The **ticket office** and visitor reception area has been revamped, and a new First Aid Room has been developed thanks to a Grant from the Mountbatten Trust.

The former Staff/Guides Room and associated offices have been stripped out, and the area converted to a **Cafeteria Annex**.



The **Weapons Gallery** has been revamped internally to create additional exhibition space. It has also created sufficient space to move the German *Biber* one-man submarine, the Italian *Maiale* human torpedo, and the British *Dalgety* Special Forces canoe, under cover and be co-located.

The Pilgrim Trust Conservation Awards for 2002

The Museum, in conjunction with its conservation expert, Ian Clark, has been short-listed for the prestigious Conservation Project of the Year Award for its Conservation and Exhibition of Holland 1 project. The result will be announced in November.



The periscope from HMS L14

This may be the only surviving example in the world of a WWI periscope, making it a most historically significant artefact. Manufactured by Grubb & Co (number 500) in 1918; in 1931 when the submarine was scrapped, given by Admiral Martin Dunbar-Nasmith VC to a wealthy merchant, Boyd Anderson, so that he could look out over the Moray Firth; attached to Anderson's house that subsequently became the Skerry Brae Hotel, Aberdeenshire, it was finally 'rescued' by purchase in 2001. Grants were received from the PRISM Fund and the Society of Friends for its purchase and conservation, which is now complete.

The Submarine Exhibition at the Imperial War Museum



This joint exhibition, mounted to celebrate the Centenary of the RN Submarine Service in the heart of London, was originally intended to operate from April 2001 for six months. It has proved to be so popular that it has been extended by mutual consent until April 2003. A young correspondent for the Children's Express commenting on a day at the IWM, wrote *One of the highlights was the Submarine Exhibition, which cleverly showed what it was like living underwater in a confined, metal container – very claustrophobic.* This exhibition demonstrates two major points; the first is the interest of the young in the submarine story; the second is what can be achieved when two Museums work together and share their artefacts and experience.

Book Publication

The Centenary Year produced a pleasing plethora of books on the history of the RN Submarine Service, with the Museum contributing in one way or another to the majority of them. More recent offerings, which all drew heavily on the Archive and photographic collection, have been *The Forgotten Flotilla – The diary of Vice Admiral Leslie Ashmore during the Submarine Baltic Campaign in WWI* edited by Brian Head, the leader of the Museum's Archive Working Party; *Submarines and Deep Sea Vehicles* by Jeff Tall; and *Honoured by Strangers – The life of Captain Francis Cromie CB DSO RN* by Roy Bainton.

Media matters

As well as many of the staff contributing to a number of TV historical programmes on the Submarine Service, the highlight being the Anglia TV production of *Submarine* screened by Channel 5, the Museum was also nominated as one of the top fifty 'specialist' Museums in the country by *The Independent* newspaper. It was also at the centre of media interest in both the UK and Russia over its story of *Polyanna*, the reindeer presented by a Russian Admiral to *HMS Trident* during WWII.

Website review

The popularity of the Museum website www.rnsubmus.co.uk continues to grow. In May 2002 there were 454 visitors per day, compared with 350 in May 2001. Over the last twelve months there have been 129,777 visitors to the site, who downloaded 2,497,810 files made up of 21,237,546 Kbytes of information.

EXTERNAL PERFORMANCE INDICATORS



INTRODUCTION

Performance Indicators must be supported by relevant measures and facts that are finite, repeatable, and consistent. The following Performance Indicators have thus been established to assess the performance and activity of the institution:

Quantitative

- Number of visitors in a financial year (Strat Aim 1)
- Ratio of self-generated income to GiA (Strat Aim 1/4)
- GiA subsidy per visitor (Strat Aim 1/4)

Qualitative

- % of visitors reporting good or better value for money (Strat Aim 4)
- Number of children visiting in pre-booked school parties (Strat Aim 2)
- Number of photographic research enquiries received (Strat Aim 2)

Visitor numbers

1997/98	1998/99	1999/00	2000/01	2001/02
63,110	57,500	62,527 Adult 17374 OAP 6962 Child 22369	67,468 Adult 21298 OAP 7356 Child 22931	78,276 Adult 45069 OAP 8752 Child 24455

Ratio of self-generated income to GiA

Year	Trustee Income	Grant-in-Aid Income	% Total Revenue GiA	% Total Revenue Trust
97/98	156,000	316,000	67%	33%
98/99	157,000	367,000	70%	30%
99/00	177,000*	437,000**	71%	29%
00/01	209,000*	436,000	68.5%	31.5%
01/02	259,000	485,000	65%	35%

(* excludes Appeal Fund income. ** excludes capital grant for disabled lift)

GiA subsidy per visitor

Year	GiA - visitors	GiA per visitor	GiA - Trust per visitor
97/98	£316,000 - 63,110	£5.00	£2.13
98/99	£367,000 - 57,500	£6.38	£3.65
99/00	£437,000 - 62,527	£6.98	£4.15
00/01	£436,000 - 67,468	£6.46	£3.36
01/02	£485,000—78,276	£6.20	£3.21

Visitor Satisfaction

Year	% Good/Very Good	No of written complaints
97/98	95%	2
98/99	92%	1
99/00*	95%	1
00/01	See report	1
01/02**	99%	1

(*Hampshire Benchmarking Project marketing research) ** Southern Tourist Board

Number of children visiting in pre-booked school parties*

Year	Number
97/98	2,221
98/99	4,018
99/00*	3,260
00/01*	3,906
01/02*	4,243

(*excluding CACTO)

Number of photographic research enquiries received*

Year	Number
97/98	311
98/99	280
99/00	311
00/01	268
01/02	353**

(*invoices dispatched) **100 Centenary related