

**COMPANY REGISTRATION NO: 02422890**  
**REGISTERED CHARITY NO: 1059678**

**REPORT & CONSOLIDATED FINANCIAL STATEMENTS**

**MK GALLERY**

**(A COMPANY LIMITED BY GUARANTEE)**

**FOR THE YEAR ENDED 31 MARCH 2025**



# **MK GALLERY**

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## **TRUSTEES' REPORT**

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The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, are pleased to present their annual report and the audited consolidated financial statements of the charity for the year ending 31 March 2025 which are prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes and to comply with the requirements of the Charity Commission.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

### **Objects of the charity and public benefit**

In consideration of strategies and policies of the charity, the Trustees have due regard for the public benefit in accordance with the Charities Act 2011.

The Charity's objects as set out in its Articles of Association are:

1. 'to promote, maintain, improve and advance the education and understanding of the public, particularly through the production and presentation of and engagement with the arts, visual culture and related areas of creative practice, and to formulate, prepare and establish projects and schemes therefore provided that all objects of the Company shall be of a charitable nature'

and

2. 'to present, promote, organise, provide, manage, and produce a balanced programme of artistic activity and endeavour, whether on any premises of the Company or elsewhere, as are conducive to the promotion, maintenance, improvement, and advancement of education and understanding of the public, and encouragement of the arts, visual culture, and related areas of creative practice.'

### **Charitable Purpose**

MK Gallery's principal charitable purpose is to promote, maintain, improve, and advance the education and understanding of the public, particularly by the production and presentation of and engagement with the arts, visual culture, and related areas of creative practice.

Its vision is to be one of the UK's leading centres for the arts with a national and international reputation for artistic excellence and innovation and to be a cultural beacon for the city.

### **Mission**

The Gallery's mission is:

To provide access to high quality, innovative and thought-provoking art from around the world and through its programme, stimulate participation and debate, and build relationships between artists and audiences.

MK Gallery has three core values that support its vision and mission:

- Quality – By championing excellence the charity seeks to raise ambition and build confidence;
- Diversity – The charity welcomes and actively supports inclusivity;
- Opportunity – The charity is a platform for the development and exchange of art and ideas.

**Objectives**

In order to achieve the principal charitable purpose, in line with the vision and mission, the Trustees set out a set of objectives:

1. Build, diversify and increase visitors to the building and create opportunities for artistic/cultural engagement for everyone in the community
  - a. Deliver a broad range of onsite and digital programmes that enable everyone to enjoy, and take part in cultural activity
  - b. Develop an audience strategy that achieves 50,000+ footfall across all programmes from a range of visitors that reflects the demographic of the catchment area
  - c. Develop new programmes and activities for children and young people that build confidence and encourage creativity and critical thinking
  - d. Create opportunities for artists and creatives to develop and share their work and reignite their careers post-Covid
2. Be ambitious and seek partnerships to deliver quality programmes and activities that change lives.
  - a. Work in partnership to develop and strengthen cultural opportunities in Milton Keynes and the South East
  - b. Create opportunities for diverse local communities to develop a sense of ownership and connection with the Gallery and to animate spaces and exchanges with their creative voices, vision, imagination, and curiosity
  - c. Pursue programmes that deliver against the health and wellbeing agenda and impact positively on people's lives
3. Be flexible, dynamic, and creative in the approach to improving financial sustainability and diversity among our workers.
  - a. Build a strong sustainable financial base to enable innovation and risk-taking in the longer term
  - b. Support apprenticeships and paid/unpaid work experience opportunities to incubate and grow the creative talent pool
  - c. Maximise onsite and digital commercial opportunities that appeal to a diverse audience
4. Consider the Gallery's commitment to environmental responsibility and how to embed this in the organisation.
  - a. Understand MK Gallery's environmental impact and develop a strategy to mitigate that impact
  - b. Consider how MK Gallery's programmes can contribute and influence current debate at a local and regional level

The charity's objectives are in the process of being reviewed and updated in line with the newly refreshed Business Plan (2025-2028).

### **Public Benefit**

The Trustees confirm that they have referred to the Charity Commission guidance on public benefit when reviewing the Charity's aims and objectives as well as future planning of activities.

Through the delivery of world class exhibitions, engaging public programmes, and inclusive volunteering activity, the Charity has promoted, maintained, improved, and advanced the education and understanding of the public, connecting audiences and participants to current and relevant local and global social concerns including race, gender, Britishness, and immigration.

The Charity's priorities are aligned with its major public funders, Milton Keynes City Council and Arts Council England.

### **Activities and achievements during the year**

#### Exhibitions:

MK Gallery attracted 80,744 visitors to the gallery in 2024/25, which is down on the previous year (90,741). This is due in part to a national picture of resistance to taking risks on leisure costs. Visitors came from across the country, with a small number of visitors attending from overseas.

The 2024/25 exhibitions programme included the end of: 'Saul Leiter: an Unfinished World'; 'MK Calling 2024'; 'Vanessa Bell: A World of Form and Colour' and the start of 'Andy Warhol: Portrait of America'. The year presented a broad range of projects ranging from the international to the national to the local, across most artforms, including photography, painting, applied arts and sculpture. The Saul Leiter and Vanessa Bell exhibitions attracted very widespread acclaim and substantial international media coverage, with five-star reviews and high-profile radio programmes, while our regular open call exhibition, MK Calling, provided an unprecedented collaboration with five local communities, including visually impaired, neurodivergent and Middle Eastern groups. The Warhol exhibition, with thanks to the Artist Room team, Tate and Scottish National Galleries, engaged younger and higher proportion of local visitors.

#### Public programmes:

The Public Programming team and Exhibitions team worked with five communities as part of a co-curating process for the open, MK Calling 2024. The five groups included MK SNAP, a group of visually impaired adults, a group of young adult creatives, the Middle Eastern Cultural Group, and Q:Alliance.

The family programme included exhibition themed art trails; weekly afterschool artist-led workshops for children aged 5-11. Adult creative workshops continued in association with the exhibitions programme and delivered a series of MK Lates, offering informal learning and social engagement opportunities for adults; Drawing club continued to offer life drawing sessions on a monthly basis: as part of the Vanessa Bell programme the Gallery offered a series of applied art themed workshops that have provided data to be able to grow the Adult Creative Workshops regular programme including print making, ceramics and wreath making. A new partnership with Sip and Paint franchise has been extremely popular.

### TRUSTEES' REPORT (CONTINUED)

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#### Activities and achievements during the year (continued)

##### Public programmes (continued):

Despite the loss of the public programming team, the Gallery was still able to participate in ARTiculation in partnership with the National Gallery; and 30 different schools and colleges visited the Gallery (down by 2 schools). The Vanessa Bell exhibition was particularly popular with schools in Milton Keynes.

The Inclusive Practice in the Arts (IPA) programme at MK Gallery continued to deliver a rich and accessible arts programme for children, young people, and adults with additional and complex support needs, offering bespoke 1-2-1 workshops, family sessions, sensory tours, and a supported studio for youth. Partnerships with organizations like MK SNAP, St Paul's Catholic School VI Department, and The Pace Centre enabled collaborative sensory tours and artist-led workshops. The IPA Team also co-curated the MK Calling 2024 exhibition with MK SNAP learners and the local VI community, allowing participants to theme gallery spaces and select artworks. A major highlight was the Explore, Create, Play: IPA Autumn Symposium, which brought together 50 professionals from national cultural institutions, coinciding with the IPA Family Celebration Day marking six years of impactful inclusive arts work. The programme was funded by Milton Keynes Community Foundation, Paul Hamlyn Foundation, Art Fund, and Artist Rooms.

The Vanessa Bell conference was sold out in the Sky Room and attracted another 130 attendees online; 10 different speakers presented a wide variety of angles on Bell's work, including new research and scholarship.

As part of the access programme the Gallery delivered; 4 BSL tours; 3 audio described tours; 4 sensory tours and 2 relaxed tours.

Public programme activities were delivered this year with support from Paul Hamlyn Foundation, the Paul Mellon Centre, Milton Keynes Community Foundation, Children in Need, the Austin and Hope Pilkington, Garfield Weston Foundation, and the Paul Mellon Foundation.

##### Volunteering:

The Gallery recorded 235 volunteers with 195 volunteers giving 7,491 hours of their time to support the charity's activities in 2024/25. This is down by 500 hours due to the decrease in opportunities available through schools and family programming. On average 80-90 volunteers gave time each month carrying out such activities as invigilating exhibitions, supporting family and adult creative workshops, cinema usher, outreach activity.

**Activities and achievements during the year (continued)**

**Trading:**

MK Gallery's sustainable finance strategy includes the success of the trading subsidiary, MK Gallery Enterprises Ltd. The subsidiary runs the Sky Room Cinema, the Café, the Shop and Private Hires. In addition, the Gallery charges admission for all exhibitions and non-educational events.

MK Gallery Enterprises Ltd made a profit of £26,931, the first since its opening in 2019. The success was mainly due to tight spending controls and continuous development of our offer in each area.

Cinema exceeded expectation, delivering popular shows in partnership with NT Live and the Royal Opera House.

The Café continued to offer locally sourced produce and has established a partnership with a local brewer, Milk and Beans, which goes from strength to strength. In line with current catering trends the offer caters predominately to vegetarian and vegan dietary requirements with a seasonal menu change.

The shop generated a larger revenue than in previous years and proved that exhibition related merchandise is a key strategy to raising income. This worked particularly with Vanessa Bell as the secondary spend was high with the audience demographic (older, middle class, day trippers).

Private and event hire underperformed as a result of resourcing issues whereby either the Head of Events and Catering or the Events Co-Ordinator role was vacant.

**Future Developments**

The Gallery exceeded expectations in 2024/25, ending the year in a profitable position for the first time since 2019. This success was driven by the strong, in-depth relationships we have built with our partners and stakeholders. Our programme proved highly popular, attracting visitors from across the UK, who also engaged significantly with our café and retail offer.

Looking ahead to 2025/26, the Gallery will focus on building the capacity needed to grow beyond our previous restructures. We will strengthen our capacities in fundraising, learning, and engagement. This will expand our ability to develop meaningful relationships with both the corporate and leisure sectors to grow our enterprising activities.

A newly refreshed Business Plan (2025–2028) sets out clear objectives to deliver world-class programming across exhibitions, public programmes, and cinema. These initiatives will align with the Milton Keynes' tourism strategy, aiming to attract visitors from at least a one-hour drive of Milton Keynes, while continuing to deeply engage our local community.

The Business Plan also outlines significant growth in our entrepreneurial activities. We will broaden our partnerships with the corporate sector to develop a compelling offer for event hire and corporate hospitality. This will open new avenues for corporate investment in our creative programming.

The Gallery also aims to further extend its reach through a strengthened digital presence. Developing our social media strategy will give us a direct voice to global audiences—raising awareness of a programme rooted in deep global discourse that is also locally relevant.

**Finance Review**

The financial performance for 2024/25 and the financial position on the balance sheet are set out in this report. In particular the Statement of Financial Activity (SOFA), which includes both unrestricted and restricted funds, shows the performance of the group during 2024/25.

The principal Charity income for the year is made up of unrestricted annual subsidies from Milton Keynes City Council totalling £317,227 (2024: £304,675), and unrestricted funding from Arts Council England of £390,360 (2024: £390,360).

Further funds were raised through income generation from exhibition admissions; exhibition hire fees; sales of limited-edition artworks; and exhibition catalogues.

Total expenditure for the group was £1,773,110 (2024: £2,109,740) of which £1,616,727 (2024: £1,972,688) was spent on the charitable activities i.e. operation of the art gallery. This included £784,578 (2024: £841,165) of staff costs; £296,052 (2024: £437,047) of exhibition and public programming costs; £262,506 (2024: £277,820) of premises costs; and £161,799 of depreciation (2024: £278,699).



## **MK GALLERY**

### **TRUSTEES' REPORT (CONTINUED)**

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#### **Finance Review (continued)**

The cost of governance activities was £19,027 (2024: £19,046). Direct governance costs have been included in accordance with the SORP 2019 and include audit fees, legal fees, and Trustee expenses.

MK Gallery Enterprises Limited, reported a profit of £26,931 (2024: loss of £8,088) which is better than the budget forecast. MK Gallery Enterprises Limited operates all commercial trading operations carried out on the Gallery premises. The budget had been set with ambitious targets and there were high expectations for visitor footfall (down by 9,997 visitors when compared to 2023/24). Further plans to increase the footfall to the Gallery will increase the potential for revenue opportunities.

The Trustees are fully aware of the need to protect the Charity's funds beyond the period of committed support from Milton Keynes City Council whilst ensuring that the charity can fulfil the key charitable objectives in the short and medium term.

The Charity's financial forecasts and strategies were examined while preparing the Forward Plan 2025 - 2028; those continue to be monitored and tested through its financial controls and reporting systems.

#### **Financial Summary**

The year-end financial position for the charitable group (to the nearest thousand) was as follows:

	£
Unrestricted funds carried forward	
General surplus	311,000
Capital fund	10,613,000
Designated funds carried forward	
Capital construction fund	(3,000)
Capital renewal fund	600,000
Restricted funds	277,000
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Net assets	£11,798,000
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#### **Going concern**

The financial statements have been prepared on a going concern basis. Trustees consider that there is reasonable expectation that the charitable company and group have sufficient resources to continue in operational existence for the foreseeable future and for this reason they have adopted the going concern basis in preparing the financial statements.

**Reserves policy**

The trustees have considered the level of reserves required to maintain sufficient working capital to operate the Gallery in the most efficient manner and to meet unforeseen liabilities that may arise. The Trustees have therefore established a reserves policy that aims to protect the charity's activities from risk of disruption at short notice due to lack of funds.

They take the view that the nature of MK Gallery's consolidated cash flows is such that they have set as a medium-term objective to maintain an unrestricted reserve, at a level of 3 months operation or £350,000.

At 31 March 2025, restricted funds in the company stand at £277,093, and unrestricted funds as £401,443 and designated funds at £597,255. Free reserves of the group as of 31 March 2025 were £311,006.

At 31 March 2025 the building contract retention has been resolved with a reserve of £25,000 to resolve fire curtain failures.

To regain the level of reserves necessary the Gallery will undergo a review of income, expenditure, and investment in 2025/2026.

In the view of the Trustees the free reserves are sufficient at the current time as the decision can be taken to reverse any designations in the event the funds are needed for general purposes (see note 1).

**Investment Policy**

Trustees have the power to invest funds not immediately required from operational purposes such as securities or properties as they see fit. The underlying investment policy is to accept only a low-level risk, therefore available funds are invested through a charitable investment portfolio with Ruffer LLP.

MK Gallery operates a policy of investing a minimum sum of £1,000,000 (plus accumulated value) relating to the current Development Fund long-term with an investment manager.

MK Gallery assets are invested in line with its aims, in such a way that enables the trust to achieve its goals in both the short and long term. The Trustees do not wish to adopt an exclusionary policy, but individual investments may be excluded if perceived to conflict with the Trust's purpose. Such instructions may be issued to the Investment Manager on behalf of the Trust by the Finance and Operations Committee.

Investment in 2025 represented profit of £41,898. The Board made the decision to release £85,000 of funds during the year to invest in high interest accounts to ensure a level of interest in the short term and to support cashflow. The team continue to research the best investment approach.

## **MK GALLERY**

### **TRUSTEES' REPORT (CONTINUED)**

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#### **Assets**

In the opinion of the Trustees, the charitable company's assets are sufficient to fulfil the obligations of the Charity.

#### **Trustee Liability Insurance**

Liability Insurance exists for the benefit of all Trustee Directors.

#### **Legal and Administrative Details**

The Charity is MK Gallery (registered number 1059678) and is constituted as a private company limited by guarantee (registered number 02422890) incorporated in the UK on 14th September 1989 and is governed by its Memorandum and Articles of Associations. The principal and registered address is MK Gallery, 3 Theatre Walk, Central Milton Keynes, MK9 3PX. All current Trustees stand as guarantors to the company in the sum of £1 each.

#### **Trustees**

The directors of the company are its Trustees for the purposes of charity law. The Trustees and Officers serving during the year were as follows:

Chair	Elizabeth Gifford Asase Amoah Cllr Robin Bradburn (passed away 14 September 2024) Susan Carbert Natalie Drought Cllr Jenni Ferrans (appointed 9 December 2024) Cllr David Hopkins David King Cllr Shanika Mahendran Roselyn Mascarenhas Fidele Mutwarasibo (resigned 19 December 2024) Ranjit Singh (appointed 11 June 2024, passed away 26 May 2025) Neil Smith Anthony Spira Sarah Westacott Sunita Yeomans
Company Secretary	Natalie Drought (appointed 17 December 2024)
Gallery Director	Anthony Spira
Deputy Director	Francis Ranford

## **MK GALLERY**

### **TRUSTEES' REPORT (CONTINUED)**

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The trading subsidiary of MK Gallery is MK Gallery Enterprises Ltd. The Directors of the subsidiary company (who are also Trustees of MK Gallery) who served during this year and up to the date of this report were:

Chair	David King Susan Carbert Anthony Spira
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#### **Advisers**

The following acted as advisers to the charity during the year:

<b>Bankers</b> METRO Bank One Southampton Row London WC1B 5HA	<b>Auditors</b> HW Bedford Ltd Woburn Court 2 Railton Road Kempston Bedford MK42 7PN
<b>Solicitors</b> HCR Law 50-60 Station Road Cambridge CB1 2JH	<b>Accountants</b> Monico Tunley Ltd 19 Goldington Road Bedford MK40 3JY

#### **Structure, Governance and Management**

The Board of Trustees has responsibility for the ongoing strategic direction of MK Gallery and its subsidiary MK Gallery Enterprises Ltd, overseeing finances and approving the budget, working with the Gallery Director and Deputy Director in the development and implementation of policy to meet the Gallery's objects and to ensure it meets its statutory duties. The Board meet at least four times a year and a Finance and Operations Committee meets on a quarterly basis.

Day to day management is delegated to the Gallery Director, the Deputy Director, and the Senior Leadership Team: Head of Exhibitions, Head of Marketing and Audience Development and Head of Catering and Events.

### **TRUSTEES' REPORT (CONTINUED)**

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#### **Trustee (Director) recruitment**

The Articles provide that two directors may be appointed by Milton Keynes City Council. Other directors may be appointed after recommendation of the Directors after they have considered:

- Making such a recommendation after the advertisement of the vacancy and the response to an advertisement.
- Aiming for a board of Directors with a range of skills, experience, and abilities relevant to the objectives and activities; and
- Aiming for a board of Directors that is representative of Milton Keynes.

Each Director serves for a three-year term from the date of their appointment. The Directors may resolve to re-appoint a Director for a further term. The exceptions to this rule are Directors nominated by Milton Keynes City Council, who are appointed on an annual basis and the Gallery Director, who has been appointed as company Director following the amendments to the Articles in 2022.

New Trustees receive induction and training through meetings with the Chair, Director, and staff of the Charity and through receipt of the Charity Commission's The Essential Trustee, a copy of the charity's Articles of Association and other key internal documents including the most recent Business Plan and Board papers.

As the company is limited by guarantee, not having any share capital, none of the Trustees hold any interest in the company or hold any right to subscribe to shares.

#### **Remuneration of Key Management Personnel**

Remuneration of management personnel is set by comparison internally with similar posts and, when possible, benchmarking with similar organisations through peer networks such as Plus Tate.

#### **Inclusive employer**

MK Gallery is committed to being an inclusive employer, ensuring barriers to employment are removed and that the working environment is an open, safe place to work. The Gallery achieved Disability Confident Employer status in 2023.

#### **Related parties**

Save for the Executive Director, none of the Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with an artist, contractor, performer or other supplier must be disclosed to the full Board in the same way as any other contractual relationship with a related party.

The charity's wholly owned subsidiary, MK Gallery Enterprises Limited, was established in 2018 to undertake the Gallery's trading activities.

#### **Risk Management**

The Trustees actively and regularly review the major risks to which MK Gallery is exposed and have implemented procedures to manage and minimise any impact should any of the identified risks materialise. A Risk Management policy, supported by an organisational risk register, is maintained setting out an assessment of the likelihood and impact of risk with required actions identified to manage risk, which is monitored no less than quarterly.

The Trustees are satisfied that there are clear lines of delegation and authority to teams regarding risk management and that the team are aware of the need to address risk in their area.

Key risks:

- Threat to financial stability with stand still core funding, a more competitive fundraising landscape, an unstable financial market, rising costs of goods and services and the impact to cost of living on our customers and teams.
- A reduced capacity team leading to more mental health risks as individuals take on more work to maintain a quality cultural service.
- A need to refurbish and refresh IT services, and integral capital items such as Air Handling Units, boilers, etc.
- The level of restricted funds liability in the accounts, dating back to 2019.

#### **Fundraising activities**

MK Gallery actively pursues funding from grant makers (trusts, foundations, and public funders), corporate sponsorships and individuals to fund charitable activities. MK Gallery works with others to increase the fundraising opportunities including academic partners, specialist sector organisations, charities that align with the purpose and community partners.

The Gallery offers the option to gift aid admission charges, and to make donations online or onsite at one of the donation stations.

MK Gallery does not employ the services of professional or commercial fundraisers. MK Gallery does not take street collections or telephone campaigns. Where MK Gallery collects personal information, this is managed in line with current legislation.

**TRUSTEES' REPORT (CONTINUED)**

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**Statement of Trustees' Responsibilities**

The Trustees (who are also the directors of MK Gallery for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of Disclosure of Information to Auditor**

In so far as the Trustees are aware:

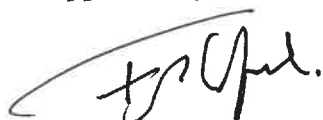
- (a) there is no relevant information of which the group's auditor is unaware, and
- (b) the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditor**

A resolution to reappoint HW Bedford Ltd as auditor to the Charity and to authorise the Trustees to fix their remuneration will be proposed at the next General Meeting.

This report has been prepared under the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

**Approved by the Board and signed on its behalf by**



**E Gifford  
Chairman**

Date: 9 December 2025

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MK GALLERY**

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**Opinion**

We have audited the financial statements of MK Gallery (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise of the Consolidated Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the Trustees Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MK GALLERY**

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 13, the Trustees (who are also the directors of the parent charity 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MK GALLERY**

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### **Auditor responsibilities for the audit of the financial statements (continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the nature of the sector in which the charitable company group operates, including the legal and regulatory framework applicable to the charitable company group. We consider that the most significant are the Charities Statement of Recommended Practice, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the parent charitable company's Memorandum and Articles of Association.
- We obtained an understanding of how the charitable company group complies with these requirements by discussions with those charged with governance and reviewing the minutes of Trustee meetings.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with those charged with governance.
- We inquired of those charged with governance about their own identification and assessment of the risk of irregularities, including any known actual, suspected or alleged instances of fraud.
- We discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to irregularities or fraud.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

## **MK GALLERY**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MK GALLERY**

#### **Use of the audit report**

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. Our audit work has been undertaken so that we might state to the company's members 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 group and the group's members as a body for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'HW Bedford', is positioned above the printed name of the auditor.

Alberto Di Lorenzo (Senior Statutory Auditor)

for and on behalf of HW Bedford Ltd

Accountants and Statutory Auditor  
Woburn Court  
2 Railton Court  
Kempston  
Bedford  
MK42 7PN

Date: 9 December 2025

HW Bedford Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# MK GALLERY

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds £	Restricted funds £	Total 2025 £	As restated Total 2024 £
	Notes				
<b>Income:</b>					
<i>Income from charitable activities:</i>					
Grants and donations	5	975,193	264,225	1,239,418	1,219,899
Other income		184,049	-	184,049	210,089
<i>Income from other trading activities:</i>					
Commercial trading operations		364,722	-	364,722	342,069
Investment income	6	3,555	-	3,555	667
<b>Total income</b>		<b>1,527,519</b>	<b>264,225</b>	<b>1,791,744</b>	<b>1,772,724</b>
<b>Expenditure:</b>					
Raising funds	7	156,383	-	156,383	137,052
<i>Expenditure on charitable activities:</i>					
Operation of art gallery	8	1,363,610	253,117	1,616,727	1,972,688
<b>Total expenditure</b>		<b>1,519,993</b>	<b>253,117</b>	<b>1,773,110</b>	<b>2,109,740</b>
Unrealised gain/(loss) on investments	6	41,898	-	41,898	(95,255)
<b>Net income/(expenditure)</b>		<b>49,424</b>	<b>11,108</b>	<b>60,532</b>	<b>(432,271)</b>
<b>Transfers between funds</b>		21,702	(21,702)	-	-
<b>Net movement in funds for the year</b>		<b>71,126</b>	<b>(10,594)</b>	<b>60,532</b>	<b>(432,271)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		11,449,386	287,687	11,737,073	12,169,344
<b>Total funds carried forward</b>	21, 22	<b>11,520,512</b>	<b>277,093</b>	<b>11,797,605</b>	<b>11,737,073</b>

The notes on pages 22 to 44 also form part of these financial statements.

# MK GALLERY

## CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEETS (COMPANY NUMBER 02422890) AS AT 31 MARCH 2025

		Group		Charitable company	
	Notes	2025	As restated 2024	2025	As restated 2024
		£	£	£	£
<b>Fixed assets:</b>					
Tangible assets	16	10,305,753	10,456,416	10,305,753	10,456,416
Investments	17	1,032,727	1,075,829	1,032,827	1,076,029
<b>Total fixed assets</b>		<b>11,338,480</b>	<b>11,532,245</b>	<b>11,338,580</b>	<b>11,532,445</b>
<b>Current assets:</b>					
Stock		33,340	25,884	23,306	13,358
Debtors	18	304,806	268,517	415,336	385,493
Cash at bank and in hand		365,310	136,081	341,001	128,426
<b>Total current assets</b>		<b>703,456</b>	<b>430,482</b>	<b>779,643</b>	<b>527,277</b>
<b>Liabilities:</b>					
Creditors falling due within one year	19	(244,331)	(225,654)	(230,181)	(205,281)
<b>Net current assets / (liabilities)</b>		<b>459,125</b>	<b>204,828</b>	<b>549,462</b>	<b>321,996</b>
Total assets less current liabilities		11,797,605	11,737,073	11,888,042	11,854,441
<b>Net assets</b>		<b>11,797,605</b>	<b>11,737,073</b>	<b>11,888,042</b>	<b>11,854,441</b>
<b>The funds of the charity:</b>					
<b>Unrestricted funds</b>					
General income fund	21	311,006	100,145	401,443	217,513
General capital fund	21	10,612,251	10,751,986	10,612,251	10,751,986
Designated funds	21	597,255	597,255	597,255	597,255
<b>Total unrestricted funds</b>		<b>11,520,512</b>	<b>11,449,386</b>	<b>11,610,949</b>	<b>11,566,754</b>
<b>Restricted funds</b>					
Restricted income funds	21	277,093	287,687	277,093	287,687
<b>Total restricted funds</b>		<b>277,093</b>	<b>287,687</b>	<b>277,093</b>	<b>287,687</b>
<b>Total charity funds</b>	22	<b>11,797,605</b>	<b>11,737,073</b>	<b>11,888,042</b>	<b>11,854,441</b>

The notes on pages 22 to 44 also form part of these financial statements.

## **MK GALLERY**

### **CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEETS (COMPANY NUMBER 02422890) AS AT 31 MARCH 2025 (CONTINUED)**

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These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**Approved by the board, authorised for issue and signed on its behalf by**

A handwritten signature in black ink, appearing to read 'E Gifford', is written over a light grey rectangular background.

**E Gifford  
Chairman**

Date: 9 December 2025

# MK GALLERY

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Group		Charitable company	
	2025	As restated 2024	2025	As restated 2024
	£	£	£	£
<b>Cash flows from operating activities:</b>				
Net movement in funds	60,532	(432,271)	33,601	(415,939)
Less interest income shown in investing activities	(3,555)	(667)	(3,555)	(667)
Add depreciation	161,799	278,699	161,799	278,699
Less unrealised gain/add unrealised loss	(41,898)	95,255	(41,898)	95,255
(Increase)/Decrease in stock	(7,456)	2,032	(9,948)	(2,830)
Decrease in debtors	(36,289)	(55,966)	(29,843)	(52,238)
Increase/(Decrease) in creditors	18,677	(98,965)	24,900	(109,345)
Add investment management fees paid from fixed asset portfolio	-	3,841	-	3,841
<b>Net cash used in operating activities</b>	<b>151,810</b>	<b>(208,042)</b>	<b>135,056</b>	<b>(203,224)</b>
<b>Cash flows from investing activities:</b>				
Interest received	3,555	667	3,555	667
Net disposals of listed investments	85,000	270,000	85,000	270,000
Adjustment to previous fixed asset additions	-	12,891	-	12,891
Add loss on disposal of investments	-	-	100	-
Purchase of tangible fixed assets	(11,136)	(806)	(11,136)	(806)
<b>Net cash provided by/(used in) investing activities:</b>	<b>77,419</b>	<b>282,752</b>	<b>77,519</b>	<b>282,752</b>
<b>Change in cash and cash equivalents in the year</b>	<b>229,229</b>	<b>74,710</b>	<b>212,575</b>	<b>79,528</b>
Cash and cash equivalents at the beginning of the year	136,081	61,371	128,426	48,898
<b>Total cash and cash equivalents at the end of the year</b>	<b>365,310</b>	<b>136,081</b>	<b>341,001</b>	<b>128,426</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**1 Accounting policies**

**a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

MK Gallery constitutes a public benefit entity as defined by FRS 102.

**Going concern**

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The Trustees consider the going concern basis to be appropriate due to the current level of reserves.

**b) Group financial statements and basis of consolidation**

These financial statements consolidate the results of the charity and its wholly owned subsidiary, MK Gallery Enterprises Limited, on a line-by-line basis. A separate statement of financial activities and income and expenditure account for the charity itself has not been presented itself because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

**c) Volunteers and donated services and facilities**

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

**d) Short term employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the statement of financial activities in the period to which they relate.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**e) Income**

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Grants and donations for capital purposes are recognised on a receivable basis.

Income from commercial trading activities is recognised as earned as the related goods and services are provided.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when performance related grants are received in advance of the exhibitions or education programmes to which they relate.

**f) Expenditure**

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Expenditure on capital items is capitalised and included within fixed assets when it becomes payable.

Charitable activities include expenditure related to the overall administration and development of the art gallery complex in Milton Keynes. It includes both the direct costs and support costs relating to these activities.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**1 Accounting policies (continued)**

**f) Expenditure (continued)**

Expenditure is classified under activity headings relating to the exhibition programme, the education programme and the events programme of the charity. Expenditure that is not directly attributable to each activity is apportioned between the activities of the charity according to criteria appropriate to the nature of the expenditure. Expenditure is allocated to support costs using the bases stated in note 9.

**g) Irrecoverable VAT**

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT on revenue expenditure is included within support costs and irrecoverable VAT on capital costs is capitalised as part of the cost of the fixed asset.

**h) Fixed assets and depreciation**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful economic lives as follows:

Property Improvements under the course of construction	Not depreciated
Capital constructions	1.25% on cost per annum
Furniture, fittings and equipment	20% on cost per annum
Computer equipment	33% on cost per annum

**i) Fixed asset investments**

Investment income is accounted for when due.

Realised gains and losses are accounted for by reference to the sale proceeds and either the last balance sheet valuation, or the cost of the purchase if later. Unrealised gains and losses are calculated by comparing the previous balance sheet valuation, or cost of purchase if later, to the valuation at the year end.

**j) Financial instruments**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities in support costs.

Cash at bank and in hand consists of cash and amounts held in bank accounts.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**1 Accounting policies (continued)**

**k) Funds**

The company has the following funds:

*Unrestricted funds:* These represent funds which can be expended as the Trustees see fit, in accordance with the charitable objects of the company.

*Designated funds:* These are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

*Restricted income funds:* These represent income received, which can only be expended for the purpose specified by the donor.

*Unrestricted capital funds:* The charity's restricted capital funds are those raised for the capital project. Annual depreciation is charged against the fund. The closing balance represents funds held in the restricted capital project fixed asset and equates to the net book value of the associated restricted fixed asset.

**2 Key areas of judgement and estimate**

In applying the accounting policies, the Trustees have made critical accounting judgments, estimates and assumptions. These estimates and assumptions are based on historical experience and are reviewed on a continual basis. Actual results may differ from the estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The total cost of the capital project has been broken down using component accounting to include the shorter life assets within the category of furniture, fittings and equipment rather than capital constructions. The assets have been categorised according to their useful lives which have been chosen to reflect the expected life of the asset and are then depreciated accordingly. There are no indications of impairment of the capital constructions.

**3 Limited liability**

The company is limited by guarantee and therefore has no share capital. The liability of the members is limited by guarantee to £1 each.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**4 Comparative Statement of Financial Activities**

The Consolidated Statement of Financial Activities for the year ended 31 March 2024 is presented for illustrative purposes.

	Notes	Unrestricted funds £	Restricted funds £	As Restated Total £
Income:				
<i>Income from charitable activities:</i>				
Grants and donations		865,690	354,209	1,219,899
Other income		210,089	-	210,089
<i>Income from other trading activities:</i>				
Commercial trading operations		342,069	-	342,069
Investment income		667	-	667
Total income		1,418,515	354,209	1,772,724
Expenditure:				
Raising funds		137,052	-	137,052
<i>Expenditure on charitable activities:</i>				
Operation of art gallery		1,623,173	349,515	1,972,688
Total expenditure		1,760,225	349,515	2,109,740
Unrealised (loss)/gain on investments		(95,255)	-	(95,255)
Net income/(expenditure)		(436,965)	4,694	(432,271)
Transfers between funds		-	-	-
Net movement in funds for the year		(436,965)	4,694	(432,271)
Reconciliation of funds:				
Total funds brought forward		11,886,351	282,993	12,169,344
Total funds carried forward		11,449,386	287,687	11,737,073

The unrestricted funds balance of £11,449,386 is made up of £10,852,131 income and capital funds and £597,255 designated funds.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**
**5 Voluntary income**
**2025 (Group)**

	Unrestricted	Restricted	Restricted	Total
Grants receivable:	2025	2025	Capital	2025
	£	£	2025	£
Milton Keynes City Council:				
Deed of Variation	242,227	-	-	242,227
Gallery subsidy	75,000	-	-	75,000
Other grants	-	20,000	-	20,000
Trusts and foundations	-	181,074	-	181,074
Public grants	-	25,351	-	25,351
Arts Council England	390,360	-	-	390,360
<b>Total grants receivable</b>	<b>707,587</b>	<b>226,425</b>	<b>-</b>	<b>934,012</b>
Donations	267,606	37,800	-	305,406
	<u>975,193</u>	<u>264,225</u>	<u>-</u>	<u>1,239,418</u>

**2024 (Group)**

	Unrestricted	Restricted	Restricted	Total
Grants receivable:	2024	2024	Capital	2024
	£	£	2024	£
Milton Keynes City Council:				
Deed of Variation	229,675	-	-	229,675
Gallery subsidy	75,000	-	-	75,000
Other grants	-	-	-	-
Trusts and foundations	1,000	160,844	-	161,844
Public grants	-	56,293	-	56,293
Arts Council England	390,360	-	-	390,360
<b>Total grants receivable</b>	<b>696,035</b>	<b>217,137</b>	<b>-</b>	<b>913,172</b>
Donations	169,655	137,072	-	306,727
	<u>865,690</u>	<u>354,209</u>	<u>-</u>	<u>1,219,899</u>

Under a historic agreement with Milton Keynes City Council, the Council undertook to provide the company with an annual subsidy of £100,000 towards the gallery's operational costs. As at 31 March 2025, a total of £2,599,998 (2024: £2,524,998) has been received since 1998. Of this, £75,000 (2024: £75,000) is included in this year's financial statements which is lower than previous years due to a reduction in funding. A further agreement with Milton Keynes City Council commenced in November 2011 to provide an index-linked grant of £150,000 per annum under a Deed of Variation. £242,227 has been included as income in the year ended 31 March 2025 (2024: £229,675).

Under its NPO scheme Arts Council England ("ACE") provided the company with a grant of £390,360 towards gallery operational costs for the year ended 31 March 2025 (2024: £390,360). There were several public grants received during the year toward the costs of charitable activities.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**6 Investment income from current assets**

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	3,555	667
	<u>3,555</u>	<u>667</u>

**Investment income from fixed asset investments**

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Unrealised gains/(losses) on listed investments portfolio	41,898	(95,255)
	<u>41,898</u>	<u>(95,255)</u>

**7 Costs of generating funds**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Group</b>	<b>Group</b>
	<b>2025</b>	<b>2025</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Commercial trading operations	156,383	-	156,383	137,052
Total expenditure on costs of generating funds	<u>156,383</u>	<u>-</u>	<u>156,383</u>	<u>137,052</u>

All figures for 2024 relate to unrestricted funds.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**8 Analysis of expenditure on charitable activities**

<b>2025</b>	<b>Exhibitions and running the Gallery £</b>	<b>Public programme £</b>	<b>Total 2025 £</b>
Exhibition costs	192,086	-	192,086
Public programming costs	-	103,966	103,966
Premises costs	105,002	78,752	183,754
Marketing and development costs	42,611	31,958	74,569
Travel costs	660	495	1,155
Depreciation	80,899	64,720	145,619
Staff costs	354,097	88,088	442,185
Support costs (see note 9)	272,620	181,746	454,366
Governance costs (see note 9)	11,416	7,611	19,027
	<u>1,059,391</u>	<u>557,336</u>	<u>1,616,727</u>
Total expenditure on charitable activities			
	<u>1,059,391</u>	<u>557,336</u>	<u>1,616,727</u>
<b>2024</b>	<b>Exhibitions and running the Gallery £</b>	<b>Public programme £</b>	<b>Total 2024 £</b>
Exhibition costs	317,919	-	317,919
Public programming costs	-	119,128	119,128
Premises costs	111,128	83,346	194,474
Marketing and development costs	50,433	37,825	88,258
Travel costs	139	104	243
Depreciation	139,349	111,480	250,829
Staff costs	382,567	137,162	519,729
Support costs (see note 9)	277,837	185,225	463,062
Governance costs (see note 9)	11,428	7,618	19,046
	<u>1,290,800</u>	<u>681,888</u>	<u>1,972,688</u>
Total expenditure on charitable activities			
	<u>1,290,800</u>	<u>681,888</u>	<u>1,972,688</u>

Expenditure on charitable activities was £1,616,727 (2024: £1,972,688) of which £57,878 (2024: £173,843) was restricted in respect of exhibition costs, £178,116 was restricted in respect of public programming costs (2024: £165,824), £10,627 was restricted in respect of development costs (2024: £9,065), and £6,496 was restricted in respect of support costs (2024: £783). The remaining amount of £1,363,610 (2024: £1,623,173) was unrestricted. 100% of support costs are allocated to expenditure on charitable activities.

## MK GALLERY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

#### 9 Analysis of support and governance costs

2025	Support costs £	Governance costs £	Total 2025 £	Basis of apportionment
Salary costs	204,833	5,000	209,833	Time spent
Other staff costs	3,206	-	3,206	Invoiced cost
Travel costs	496	-	496	Invoiced cost
Marketing and development costs	31,959	-	31,959	Invoiced cost
Premises costs	78,752	-	78,752	Office space
Accountancy – accounts preparation services	-	3,500	3,500	Governance
Accountancy – general support services	3,271	-	3,271	Invoiced cost
Audit fees	-	9,750	9,750	Governance
Professional fees	7,990	-	7,990	Invoiced cost
Memberships/subscriptions	2,525	-	2,525	Invoiced cost
Trustee insurance	-	777	777	Governance
Bank charges	12,864	-	12,864	Total cost
Depreciation	16,180	-	16,180	Office space
Irrecoverable VAT	2,483	-	2,483	Total cost
Sundry costs	7,234	-	7,234	Invoiced cost
IT and telephone costs	80,005	-	80,005	Invoiced cost
Printing and postage costs	2,568	-	2,568	Invoiced cost
<b>Total</b>	<b>454,366</b>	<b>19,027</b>	<b>473,393</b>	



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**9 Analysis of support and governance costs (continued)**

<b>2024</b>	<b>Support costs £</b>	<b>Governance costs £</b>	<b>Total 2024 £</b>	<b>Basis of apportionment</b>
Salary costs	204,531	5,000	209,531	Time spent
Other staff costs	2,402	-	2,402	Invoiced cost
Travel costs	104	-	104	Invoiced cost
Marketing and development costs	37,824	-	37,824	Invoiced cost
Premises costs	83,346	-	83,346	Office space
Accountancy – accounts preparation services	-	3,500	3,500	Governance
Accountancy – general support services	4,773	-	4,773	Invoiced cost
Audit fees	-	9,500	9,500	Governance
Professional fees	12,551	-	12,551	Invoiced cost
Memberships/subscriptions	1,860	-	1,860	Invoiced cost
Trustee insurance	-	1,046	1,046	Governance
Bank charges	9,585	-	9,585	Total cost
Depreciation	27,870	-	27,870	Office space
Irrecoverable VAT	6,938	-	6,938	Total cost
Sundry costs	(16,549)	-	(16,549)	Invoiced cost
IT and telephone costs	84,882	-	84,882	Invoiced cost
Printing and postage costs	2,945	-	2,945	Invoiced cost
<b>Total</b>	<b>463,062</b>	<b>19,046</b>	<b>482,108</b>	

**10 Net income/(expenditure) for the year**

This is stated after charging:

	<b>Group 2025 £</b>	<b>2024 £</b>
Auditors' remuneration for audit services	9,750	9,500
Depreciation	161,799	278,699

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**11 Staff costs**

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	685,336	722,661
Social security costs	51,071	58,022
Other pension costs	48,171	60,482
	<u>784,578</u>	<u>841,165</u>

One employee received remuneration in the band £85,000 to £90,000 during the year (2024: one in the band £85,000 to £90,000). Pension costs in the year for the provision of a defined contribution scheme in respect of this employee amounted to £7,576 (2024: £7,501).

The charity trustees were not paid any remuneration in the year (2024: £nil), neither were they reimbursed expenses during the year (2024: £nil).

The key management personnel of the parent charity and the group comprise the Trustees, the Gallery Director, the Deputy Director, and the Head of Development and Communications. The total employee benefits of the key management personnel of the charity were £133,372 (2024: £132,051).

The average number of persons employed by the group during the year was 34 (2024: 34).

**12 Pension costs**

The company and its subsidiary make contributions into a group of personal pensions on behalf of their employees. The assets of the scheme are held separately from those of the company. The pension cost charge for the period represented contributions payable by the company and its subsidiary and amounted to £48,171 (2024: £60,482). At the year end there were contributions outstanding of £5,052 which are included in other creditors (2024: £6,302). Pension costs are allocated to restricted funds when such costs are covered by restricted funding.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**13 Taxation**

As a registered charity, the company is not in normal circumstances subject to corporation tax. As a result, the Trustees are of the opinion that no material corporation tax liability will arise on the activities undertaken during this year.

The following relates to the trading subsidiary's corporation tax charge:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Domestic current year tax		
UK corporation tax	-	-
	<hr/>	<hr/>
Current tax charge	-	-
	<hr/>	<hr/>
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	26,931	-
	<hr/>	<hr/>
Profit on ordinary activities before taxation multiplied by the standard rate of U.K. corporation tax of 19.00% (2024: 19.00%)	5,117	-
Effects of:		
Gift Aid donations	-	-
Losses brought forward	(5,117)	-
Capital allowances in excess of depreciation	-	-
Depreciation in excess of capital allowances	-	-
	<hr/>	<hr/>
Current tax charge	-	-
	<hr/>	<hr/>

The subsidiary MK Gallery Enterprises Limited's result for the year gives rise to a current tax charge of £nil for the year ended 31 March 2025 (2024: £nil).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**14 Financial activities of the charity**

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, MK Gallery Enterprises Limited.

A summary of the financial activities by the charity is set out below:

	<b>2025</b>	<b>As restated 2024</b>
	<b>£</b>	<b>£</b>
<b>Gross income</b>	1,468,920	1,438,898
Total expenditure	(1,435,319)	(1,854,837)
<b>Net income</b>	33,601	(415,939)
Total funds brought forward	11,854,441	12,270,380
<b>Total funds carried forward</b>	11,888,042	11,854,441
<b>Represented by:</b>		
Restricted income funds	277,093	287,687
Designated funds	597,255	597,255
Unrestricted income funds	401,443	217,513
Unrestricted capital funds	10,612,251	10,751,986
	11,888,042	11,854,441

**15 Financial activities of the trading company**

The wholly owned trading subsidiary, MK Gallery Enterprises Limited (MKGE), which is incorporated in the United Kingdom, usually pays all taxable profits to the charity by gift aid. No Gift Aid payment was made in the year so that funds were retained in the subsidiary for use in the following year. The trading subsidiary operates the art gallery and all commercial trading operations carried on at the art gallery premises. The charity owns the entire share capital of 100 ordinary shares of £1 each in the subsidiary company. A summary of the trading results is shown below.

	<b>MKGE 2025</b>	<b>MKGE 2024</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	364,722	342,069
Cost of sales & administration costs	(337,791)	(350,157)
<b>Net loss</b>	26,931	(8,088)
Amount gift aided to the charity	-	-
<b>Taken to reserves in subsidiary</b>	26,931	(8,088)
<b>The assets and liabilities of the subsidiary were:</b>		
Current assets	40,963	29,814
Current liabilities	(131,300)	(147,082)
Total net (liabilities)/assets	(90,337)	(117,268)
<b>Aggregate share capital and reserves</b>	(90,337)	(117,268)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**16 Tangible fixed assets**

	<b>Group</b>	<b>Group</b>	<b>Group</b>	<b>Group</b>
	<b>Capital construc- tions £</b>	<b>Furniture, fittings and equipment £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>				
As at 1 April 2024 – as restated	11,037,362	811,280	42,816	11,891,458
Additions	-	7,922	3,214	11,136
At 31 March 2025	11,037,362	819,202	46,030	11,902,594
<b>Depreciation</b>				
At 1 April 2024 – as restated	690,920	704,898	39,224	1,435,042
Charge for the year	137,967	19,998	3,834	161,799
At 31 March 2025	828,887	724,896	43,058	1,596,841
<b>Net book value</b>				
At 31 March 2025	10,208,475	94,306	2,972	10,305,753
At 31 March 2024 – as restated	10,346,442	106,382	3,592	10,456,416
	<b>Company</b>	<b>Company</b>	<b>Company</b>	<b>Company</b>
	<b>Capital construc- tions £</b>	<b>Furniture, fittings and equipment £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>				
As at 1 April 2024 – as restated	11,037,362	811,280	42,816	11,891,458
Additions	-	7,922	3,214	11,136
At 31 March 2025	11,037,362	819,202	46,030	11,902,594
<b>Depreciation</b>				
At 1 April 2024 – as restated	690,920	704,898	39,224	1,435,042
Charge for the year	137,967	19,998	3,834	161,799
At 31 March 2025	828,887	724,896	43,058	1,596,841
<b>Net book value</b>				
At 31 March 2025	10,208,475	94,306	2,972	10,305,753
At 31 March 2024 – as restated	10,346,442	106,382	3,592	10,456,416

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**16 Tangible fixed assets (continued)**

All assets are held for direct charitable purposes.

**17 Investments**

Listed investments are held at market value and were valued by Ruffer LLP on the basis of their open market value as at 31 March 2025. The historical cost of the investments as at 31 March 2025 is £201,000 (2024: £286,000). All investments are held for charitable activities.

<b>Group</b>	<b>Shares in subsidiary £</b>	<b>Listed investments £</b>	<b>Total £</b>
At 1 April 2024	-	1,075,829	1,075,829
Change in market value	-	41,898	41,898
Sold in the year	-	(85,000)	(85,000)
At 31 March 2025	-	1,032,727	1,032,727

<b>Company</b>	<b>Shares in subsidiary (cost) £</b>	<b>Listed investments (market value) £</b>	<b>Total £</b>
At 1 April 2024	200	1,075,829	1,076,029
Change in market value	-	41,898	41,898
Sold in the year	(100)	(85,000)	(85,100)
At 31 March 2025	100	1,032,727	1,032,827

MK Gallery owns all the shares of MK Gallery Enterprises Limited, a company registered in England under company number 11597873. Unaudited accounts have been signed and have been filed with the Registrar of Companies. A summary of trading results is shown in note 15.

MK Gallery disposed of its shares in MK Gallery Trading Limited, a company registered in England under company number 04469234 which was wound up on 22 October 2024 after ceasing to trade on 31 March 2021.

The change in market value represents the net gains and losses arising within the portfolio managed by Ruffer LLP.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**
**18 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	8,320	11,457	4,191	2,913
Prepayments	51,429	44,073	50,339	42,983
Accrued income	101,078	99,573	99,678	99,573
Amounts owed by group undertakings	-	-	117,249	126,711
Other debtors	143,979	113,414	143,879	113,313
	<u>304,806</u>	<u>268,517</u>	<u>415,336</u>	<u>385,493</u>

**19 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>As restated 2024</b>	<b>2025</b>	<b>As restated 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	71,504	59,361	60,827	50,885
Deferred income (note 20)	11,710	8,712	10,902	385
Taxation and social security	20,517	16,546	20,506	16,546
Accruals	135,548	134,733	132,894	131,063
Amounts owed to group undertakings	-	-	-	100
Other creditors	5,052	6,302	5,052	6,302
	<u>244,331</u>	<u>225,654</u>	<u>230,181</u>	<u>205,281</u>

Amounts owed by and to group undertakings are unsecured, interest free and repayable on demand.

**20 Deferred income**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 April 2024	8,712	75,237	385	67,138
Amount received in the year	11,710	8,712	10,902	385
Amount released in the year	(8,712)	(75,237)	(385)	(67,138)
Balance at 31 March 2025	<u>11,710</u>	<u>8,712</u>	<u>10,902</u>	<u>385</u>

Income is deferred where it relates to a future accounting period.

## MK GALLERY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

#### 21 Analysis of charitable funds

	As restated At 1 April 2024 £	Income £	Expenditure £	Transfers £	At 31 March 2025 £
<b>Group</b>					
Unrestricted fund movements:					
Designated funds:					
Capital construction fund	(2,745)	-	-	-	(2,745)
Capital renewal fund	600,000	-	-	-	600,000
Programme fund	-	-	-	-	-
General income fund	217,513	1,204,695	(1,042,467)	21,702	401,443
General capital fund	10,751,986	-	(139,735)	-	10,612,251
Trading Subsidiaries:					
MKGE	(117,368)	364,722	(337,791)	-	(90,437)
Total unrestricted funds	11,449,386	1,569,417	(1,519,993)	21,702	11,520,512
Restricted funds (see below)	287,687	264,225	(253,117)	(21,702)	277,093
Total funds	11,737,073	1,833,642	(1,773,110)	-	11,797,605
<b>Company</b>					
Designated funds:					
Capital construction fund	(2,745)	-	-	-	(2,745)
Capital renewal fund	600,000	-	-	-	600,000
Programme fund	-	-	-	-	-
General income fund	217,513	1,204,695	(1,042,467)	21,702	401,443
General capital fund	10,751,986	-	(139,735)	-	10,612,251
Total unrestricted funds	11,566,754	1,204,695	(1,182,202)	21,702	11,610,949
Restricted funds (see below)	287,687	264,225	(253,117)	(21,702)	277,093
Total funds	11,854,441	1,468,920	(1,435,319)	-	11,888,042



# MK GALLERY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 21 Analysis of charitable funds (continued)

	As restated At 1 April 2024 £	Income £	Expenditure £	Transfers £	At 31 March 2025 £
<b>Restricted funds</b>					
<b>Group and Company</b>					
Paul Hamlyn Foundation	104,421	106,240	(147,989)	-	62,672
Paul Mellon	194	-	(67)	(127)	-
Garfield Weston	15,140	20,000	(9,021)	-	26,119
Kirkland Foundation	125,000	-	-	-	125,000
MK Calling	-	5,000	(4,964)	(36)	-
Austin Hope Pilkington	743	-	-	(743)	-
MKCF Seeing Differently	7,604	40	(7,653)	9	-
Children in Need	9,803	-	(7,887)	(1,916)	-
MK Gallery 25 <sup>th</sup> Anniversary Gala	30	-	-	(30)	-
MK Council Apprenticeship	(397)	5,351	(9,483)	-	(4,529)
MK Council Street Art	11,272	-	-	(9,109)	2,163
Capital Construction	1	-	-	-	1
Boyd & Evans Catalogue	4,800	-	-	(4,800)	-
MK Council Shutter Project	5,602	-	-	-	5,602
Beyond the Page Conference	3,323	-	-	-	3,323
PAW Supported Studio	(578)	2,516	(1,950)	12	-
Bagri Foundation Grant	(1,002)	5,000	-	(3,998)	-
South Asian Miniatures	(4,934)	-	-	4,934	-
Trickster Figures	(3,335)	-	-	3,335	-
Jerwood	-	20,000	(20,700)	700	-
Vanessa Bell exhibition	-	17,950	(18,073)	73	(50)
Vanessa Bell conference	-	5,000	(4,562)	-	438
Stony Stratford Arts Group	-	255	(249)	(6)	-
MKCC	-	20,000	(4,961)	-	15,039
Artist Room IPA	-	7,357	(1,214)	-	6,143
Anson Charitable Trust	-	10,000	(10,000)	-	-
Artist Room Exhibitions	-	3,500	(3,500)	-	-
Art Fund - Reimagine	-	36,016	(844)	-	35,172
Henry Moore Foundation	10,000	-	-	(10,000)	-
<b>Total Restricted funds</b>	<b>287,687</b>	<b>264,225</b>	<b>(253,117)</b>	<b>(21,702)</b>	<b>277,093</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**21 Analysis of charitable funds (continued)**

Milton Keynes Council has confirmed that for the purposes of managing and reporting on their annual grants, that the Council do not consider or treat those as restricted. The Company must report regularly on the grant released as a result of new management arrangements, and comply with annual Council reporting needs.

<b>Name of fund</b>	<b>Description, nature and purpose of fund</b>
<b>Restricted Funds</b>	
Paul Hamlyn Foundation	To fund a 3 year programme of inclusive arts practice for children with complex needs and their families
Paul Mellon	To support the Beyond the Page exhibition
Garfield Weston	To support sustainable programming for children and young people
Kirkland Foundation	To support the cost of exhibition programmes
MK Calling	Individual donations to support the realisation of MK Calling
Austin Hope Pilkington	To support the costs of exhibition programmes
MKCF Seeing Differently	To support programming for people with visual impairments to facilitate access to exhibitions
Children in Need	To fund a 3 year facilitated artists programme of activity for young people with low level mental health relates issues
MK Gallery 25 <sup>th</sup> Anniversary Gala	To support the costs of the 25 <sup>th</sup> Anniversary Gala
MK City Council Apprenticeship	To support the costs of the apprentice
MK City Council Street Art	To support the costs of the street art project
Boyd & Evans Catalogue	To support the costs of the catalogue production
MK Council Shutter Project	To support the costs of the shutter project
Bagri Foundation	To support the cost of exhibition programmes
South Asian Miniatures	To support the cost of exhibition programmes
Vanessa Bell exhibition	To support the exhibition costs
Vanessa Bell conference	To support the conference costs
Beyond the Page Conference	To support the costs of the Beyond the Page conference

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**21 Analysis of charitable funds (continued)**

<b>Name of fund</b>	<b>Description, nature and purpose of fund</b>
<b>Restricted Funds</b>	
PAW Supported Studio	To support the costs of the supported studio
Trickster Figures	To support the costs of exhibition and catalogues
Jerwood	To support the costs of creating the Vanessa Bell catalogue
Stony Stratford Arts Group	To support IPA costs
MKCC UK Shared Prosperity Fund	To support the development of corporate memberships
Artist Room IPA	Funded workshops linked to the Andy Warhol show
Anson Charitable Trust	To support the costs of realising the exhibition programme
Artist Room Exhibitions	To support the cost of the Andy Warhol exhibition
Art Fund – Reimagine	To support the development of the access programme
Henry Moore Foundation	To support the costs of exhibition programmes

**Designated Funds**

The Trustees have assigned £600,000 to a designated capital renewal fund.

**Unrestricted Funds**

The general income fund represents those funds that are unrestricted and not designated for other purposes.

The general capital fund represents those funds that are unrestricted but represented by capital assets and are therefore not available reserves.

**Transfers between funds**

Transfers of £9,063 were made from unrestricted funds to restricted funds to cover the deficit on the restricted funds. Transfers of £30,765 were made from restricted funds to unrestricted funds to reimburse the general fund for costs that were allocated to unrestricted funds instead of the restricted fund.

**Funds in deficit**

The deficits on the MK Council Apprenticeship fund and the Vanessa Bell exhibition fund will be covered by funding received in the following financial year.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**22 Analysis of net assets between funds**

**Group:**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2025 Total</b>	<b>As restated 2024 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	10,305,753	-	10,305,753	10,456,416
Investments	1,032,727	-	1,032,727	1,075,829
Current assets	426,363	277,093	703,456	430,482
Current liabilities	(244,331)	-	(244,331)	(225,654)
	<u>11,520,512</u>	<u>277,093</u>	<u>11,797,605</u>	<u>11,737,073</u>

**Company:**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2025 Total</b>	<b>As restated 2024 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	10,305,753	-	10,305,753	10,456,416
Investments	1,032,827	-	1,032,827	1,076,029
Current assets	502,550	277,093	779,643	527,277
Current liabilities	(230,181)	-	(230,181)	(205,281)
	<u>11,610,949</u>	<u>277,093</u>	<u>11,888,042</u>	<u>11,854,441</u>

**23 Commitments**

There is a 99 year lease on the Theatre, Art Gallery and Theatre Square. A nominal rent of £1 each per annum is payable. This lease expires in more than 5 years.

Changes to the lease arrangements between Milton Keynes City Council, Ambassador Theatre Group and MK Gallery mean the three parties are all now signatory to management arrangements that are enshrined in a long lease of 99 years from 18 December 2001.

*Capital commitments*

The charity has undertaken a capital development project which is complete apart from the final balance due to the contractor. At the year end the final balance due for the project was £75,325 but the charity is holding sufficient reserves to cover the balance due.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**24 Related party transactions**

During the year donations of £300 were received from Trustees (2024: £200). There are no other related party transactions during the period that require disclosure. The charitable company has taken advantage of the exemption available in accordance with Section 33 of FRS 102 'Related Party Disclosures' not to disclose transactions entered into between two or more members of the group that are wholly owned.

**25 Prior year adjustment**

An adjustment was made to the figures for the year ended 31 March 2020 in relation to the following accounting issues in the years ended 31 March 2018, 31 March 2019 and 31 March 2020:

- VAT return errors arose which resulted in £134,205 being payable to HMRC. This meant creditors were understated by this amount in the figures originally reported.
- Fixed asset cost was overstated by £68,700 as a result of irrecoverable VAT being capitalised in error (relating to the VAT return errors).
- Accruals and fixed asset costs were both overstated by £197,560 in relation to an accrual for fixed asset additions that was not necessary.

The relevant values in the comparative figures have now been adjusted. The effect of this adjustment is:

	<b>Group £</b>	<b>Company £</b>
Opening reserves at 1 April 2020 (as previously stated)	12,806,667	12,858,710
Prior year adjustment	(190,843)	(190,843)
	<hr/>	<hr/>
Opening reserves at 1 April 2020 (as restated)	12,615,824	12,667,867
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**26 Notes to the Statement of Cash Flows**

**Cash and cash equivalents**

**Year ended 31 March 2025**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash and cash equivalents	365,310	136,081	341,001	128,426

**Year ended 31 March 2024**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash and cash equivalents	136,081	61,371	128,426	48,898

**Analysis of changes in net funds - Group**

	<b>2024</b>	<b>Cash flow</b>	<b>2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	136,081	229,229	365,310
	136,081	229,229	365,310
	136,081	229,229	365,610

**Analysis of changes in net funds - Company**

	<b>2024</b>	<b>Cash flow</b>	<b>2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	128,426	212,575	341,001
	128,426	212,575	341,001
	128,426	212,575	341,001