

**THE NGT FOUNDATION**  
**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

Registered company number: 03444689

Registered charity number: 1064635

## THE NGT FOUNDATION

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## Legal and administrative information

The NGT Foundation was incorporated in England and Wales as a company limited by guarantee on 30 September 1997 (company number 03444689). It is registered as a charity with the Charity Commission (number 1064635). The foundation is governed by the memorandum and articles of association dated 30 September 1997 (amended 7 October 2005 and 12 October 2021).

Registered Office: The NGT Foundation  
Trafalgar Square  
London  
WC2N 5DN

Trustees: The names of the Trustees who served during and since the year end are given below.

David Marks (Chair)  
Catherine Bedford  
Ben Broadbent  
Daniel Peltz  
Natasha Pope  
Stefan Ratibor

Secretary: Victoria Hayes

Bankers: Coutts & Co  
St Martin's Office  
440 Strand  
London  
WC2R 0QS

Auditor: Price Bailey – Statutory Auditor  
24 Old Bond Street  
London  
W1S 4AP

Solicitors: Hamlins LLP  
Roxburghe House  
273-287 Regent Street  
London  
W1B 2AD

Managing agent: Ashdown Phillips & Partners Ltd  
Pippingford Manor  
Nutley  
East Sussex  
TN22 3HW

## **Trustees' Annual Report (incorporating the Director's report) for the year ended 31 March 2025**

### **Structure, governance and management**

The Trustees submit their Trustees' Annual Report, which includes the Directors' Report for Companies Act purposes and the audited financial statements of the NGT Foundation for the year ended 31 March 2025. The Trustees' Annual Report has been prepared in accordance with the provisions applicable to small companies entitled to the small company's exemption, including the exemption not to include a Strategic Report.

The NGT Foundation ("the Foundation") is a public benefit entity which is governed by a Board of Trustees. Power to appoint new Trustees is exercisable by surviving or continuing Trustees. Trustees are normally appointed for a period of five years with the possibility of reappointment. They are fully briefed on the objectives of the Foundation and their role as Trustees as part of their induction. Further training is available as necessary.

The Board of Trustees consists of a Chairman and five Trustees, chosen for their skills and experience. The Board of Trustees is responsible for providing governance and leadership for the Foundation and for taking all important decisions. Under a service level agreement, administration of the Foundation is undertaken by staff of the National Gallery and by the managing agent. The Foundation does not directly employ any staff.

#### ***Risk management***

The Trustees have assessed the major risks to which the Foundation is exposed and consider that adequate systems are in place to mitigate exposure to those risks where possible. The Foundation seeks to maintain its property, St Vincent House, so as to enhance its value; and to sustain, and where possible increase, rental income from tenants. A key risk is that market conditions cause the value of the property to decrease or rents to fall, but the Foundation has a planned cycle of maintenance works to maintain the property in optimum condition and mitigate this risk. It also seeks the advice of experienced professionals when negotiating any new leases or lease extensions, to maximise rental values.

#### ***Going concern***

Having scrutinised forecasts in light of the revised rental settlements reached with tenants and subsequent reduction in income, Trustees are satisfied of the Foundation's ability to meet its obligations as they fall due in the period of twelve months following the date of approval of these financial statements. The financial statements have been prepared on the going concern basis.

### **Charitable objects for the benefit of the public**

The objectives of the Foundation are to support the charitable objects of the National Gallery and to assist the National Gallery in carrying out its charitable objects by such means as shall be thought fit. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

The Foundation was established with the support of a grant for the purpose of acquiring a property (St Vincent House), for the long-term benefit of the National Gallery. The net rental income from the property, after making adequate provision for property refurbishment and maintenance costs, is used to further the objectives of the charity.

The Foundation seeks to support the gallery yearly from the surpluses generated from the investment property.

## **Current year activities**

The Foundation's main aim at present is to keep up over time the level of support it is able to give to the National Gallery by means of grants to the National Gallery Trust. To that end the Foundation seeks to maintain its property, St Vincent House, so as to enhance its value; and to sustain, and where possible increase, rental income from tenants.

## **Achievements and performance**

Rental and service charge income for the year was at £3.1 million (2024: £3.1 million). This was offset by a loss on the valuation of the investment property of £1.95m (2024: nil). The freehold interest in St Vincent House as at 31 March 2025 was estimated to be of the value of £36 million (2024: £38 million). A market valuation was performed by Montagu Evans LLP as at 31 March 2025. The Foundation agreed a grant from general funds of £3.58 million (2024: £1.5 million) to the National Gallery Trust. The Foundation employs no staff and uses agents to manage its investment properties.

## **Plans for future periods**

On 10 September 2025 an architectural competition was launched to explore the potential for redeveloping St Vincent House as a new wing to be used by the National Gallery.

Until the outcome of the competition is known and a decision on potential redevelopment routes is made, the Foundation will focus on maintaining the level of the annual grant to NGT, and ensuring the estate remains in good order and well maintained.

## **Policies**

### *Grant-making policy*

Grants are made only with the agreement of the Board of Trustees. Grants are made to the National Gallery Trust to the extent that resources allow, to be used by the Trust for the benefit of the National Gallery, in accordance with the charity's objectives.

### *Investment policy*

The Trustees have considered the most appropriate policy for investing funds and decided that placing funds in a short-term money market deposit meets their requirement to generate income without compromising liquidity. The investment property is largely represented by expendable endowment and valuation reserves. The Trustees review the open market value of the property annually, revalue the property to fair value and approve refurbishment works to enhance its value. The movement in fixed asset investments during the year is set out in note 5 to the financial statements.

### *Reserves policy*

The reserves policy is to ensure that the level of general reserves is adequate to meet the needs of the Foundation. The Trustees have reviewed the reserves of the Foundation. This review encompassed the nature of income and expenditure streams, the current market for rental property and the likelihood of future capital works being required. The review concluded that the current level of general reserves would be adequate to meet the needs of the Foundation, together with the £500,000 designated in previous years for property maintenance. There is no formal target set for the level of general reserves to be maintained outside this designation, but in recent years they have been maintained at around £5 million. Further information on reserves can be found in notes 8 and 9.

### *Fundraising policy*

The Foundation understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate but does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face to face campaigns and received no fundraising complaints during the year.

## **Approval of reduced disclosures**

The Foundation, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Foundation's trustees have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

## **Trustees' responsibility statement**

The Trustees (who are also directors of NGT Foundation 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- make judgments and accounting 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Disclosure of Information to Auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees on 7 October 2025.

and signed on its behalf by

A handwritten signature in blue ink, appearing to read 'David Marks', with a stylized, flowing script.

David Marks

## **Independent Auditor's Report to the Members of The NGT Foundation for the year ended 31 March 2025**

### **Opinion**

We have audited the financial statements of The NGT Foundation (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, Balance Sheet and Cashflow Statement 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 charitable company's affairs as at 31 March 2025, and of its incoming resources and application of resources, including its 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 charitable company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. 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.



In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### **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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charitable Company and the sector in which it operates and considered the risk of the Charitable Company not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charitable Company this included compliance with the Charities Act 2011 and SORP 2019.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of officers of the Charitable Company. We have also reviewed the procedures in place for the reporting of any incidents to the Board of Trustees including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override.

We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

### **The use of our 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Cooper-Davis ACCA FCA  
Senior statutory auditor  
For and on behalf of Price Bailey LLP (Statutory auditors)  
24 Old Bond Street  
London  
W1S 4AP

Date:

# THE NGT FOUNDATION

## Statement of Financial Activities (incorporating the income and expenditure account) For the year ended 31 March 2025

	Note	Unrestricted Funds 2025 £	Expendable Endowment 2025 £	Total Funds 2025 £	Total Funds 2024 £
<b>Income</b>					
Investment income	2	3,238,392	-	3,238,392	3,165,742
<b>Total income</b>		<b>3,238,392</b>	<b>-</b>	<b>3,238,392</b>	<b>3,165,742</b>
<b>Expenditure on</b>					
Costs of raising funds					
Investment property management costs	3	(786,487)	-	(786,487)	(792,267)
Charitable activities	3	(3,618,403)	-	(3,618,403)	(1,528,783)
<b>Total expenditure</b>		<b>(4,404,890)</b>	<b>-</b>	<b>(4,404,890)</b>	<b>(2,321,050)</b>
Loss on investment asset	5	(249,303)	(1,700,697)	(1,950,000)	-
<b>Net income/(expenditure)</b>		<b>(1,415,800)</b>	<b>(1,700,697)</b>	<b>(3,116,497)</b>	<b>844,692</b>
<b>Net movement in funds</b>		<b>(1,415,800)</b>	<b>(1,700,697)</b>	<b>(3,116,497)</b>	<b>844,692</b>
Total funds at 1 April		6,776,400	33,781,355	40,557,755	39,713,063
<b>Total funds at 31 March</b>	<b>8,9</b>	<b>5,360,600</b>	<b>32,080,658</b>	<b>37,441,258</b>	<b>40,557,755</b>

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All of the above results are derived from continuing activities.

The company has no recognised gains or losses other than those stated above.

For full details of the prior year comparatives please see note 12.

The notes on pages 13 to 19 form part of these financial statements.

**THE NGT FOUNDATION**

Registered company number: 03444689

**Balance Sheet  
As at 31 March 2025**

		2025		2024	
	Note	£	£	£	£
<b>Fixed assets</b>					
Investments	5		36,000,000		37,950,000
<b>Current assets</b>					
Debtors due within one year	6	823,281		1,401,366	
Debtors due after one year	6	739,457		739,457	
Investments	5	1,618,522		1,561,971	
Cash at bank and in hand		1,841,149		1,450,309	
		<u>5,022,409</u>		<u>5,153,103</u>	
<b>Creditors</b>					
Amounts falling due within one year	7	<u>(3,581,151)</u>		<u>(2,545,348)</u>	
<b>Net current assets</b>			1,441,258		2,607,755
<b>Net assets</b>			<u><b>37,441,258</b></u>		<u><b>40,557,755</b></u>
<b>Represented by:</b>					
Unrestricted funds:					
Designated funds	8	500,000		500,000	
General funds	8	3,799,736		4,966,233	
Revaluation reserve	8	1,060,864		1,310,167	
			5,360,600		6,776,400
Expendable endowment:					
Expendable endowment	8	19,500,000		19,500,000	
Revaluation reserve	8	12,580,658		14,281,355	
			32,080,658		33,781,355
<b>Total funds</b>			<u><b>37,441,258</b></u>		<u><b>40,557,755</b></u>

The notes on pages 13 to 19 form part of these financial statements.

The financial statements are prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Approved and authorised for issue by the Board of Trustees on 7 October 2025

and signed on its behalf by:



David Marks

# THE NGT FOUNDATION

## Statement of cash flows

For the year ended 31 March 2025

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash (used by)/provided by operating activities	(i)	<u>347,965</u>	<u>445,342</u>
<b>Cash flows from investing activities</b>			
Interest received		99,426	70,492
Purchase of fixed assets		<u>-</u>	<u>-</u>
Net cash provided by investing activities		<u>99,426</u>	<u>70,492</u>
<b>Change in cash and cash equivalents in the reporting period</b>		447,391	515,834
Cash and cash equivalents at the beginning of the reporting period		3,012,280	2,496,446
<b>Cash and cash equivalents at the end of the reporting period</b>	(ii)	<u><b>3,459,671</b></u>	<u><b>3,012,280</b></u>

## Notes to the Statement of cash flows

### (i) Reconciliation of net income to net cash flow from operating activities

	2025 £	2024 £
Net (expenditure) for the reporting period (as per SoFA)	(3,116,497)	844,692
Loss on investment	1,950,000	-
Interest income	(99,426)	(70,492)
(Increase)/decrease in debtors	578,085	(178,672)
Increase in creditors and provisions	1,035,803	(150,186)
<b>Net cash (used by) provided by operating activities</b>	<u><b>347,965</b></u>	<u><b>445,342</b></u>

### (ii) Analysis of cash and cash equivalents

	2025 £	2024 £
Cash held with commercial banks	1,841,149	1,450,309
Deposit accounts (90 days notice)	1,618,522	1,561,971
<b>Cash held with commercial banks</b>	<u><b>3,459,671</b></u>	<u><b>3,012,280</b></u>

### (iii) Net debt reconciliation

	As at 1 April 2024 £	Cash Flows £	As at March 2025 £
Cash and Cash Equivalents	3,012,280	447,391	3,459,671
Cash			

## THE NGT FOUNDATION

### Notes to the Financial Statements for the year ended 31 March 2025

#### 1. Accounting Policies

##### a) Accounting convention

The financial statements are prepared under the historic cost convention as modified by the valuation of certain investments and in accordance with the recommendations set out in the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' published in 2019, the Financial Reporting Standard 102, other applicable accounting standards and the Charities Act 2011. The NGT Foundation is a public benefit entity. The Company's functional and presentational currency is Pounds Sterling.

##### b) Going concern

In 2024/25 tenants have occupied all floors and revised rental settlements have come into effect. Trustees have carefully evaluated financial forecasts in conjunction with the rental schedule. Based on contractual income, expected costs, and the existing levels of reserves, Trustees are satisfied with the Foundation's ability to meet its obligations as they fall due in the period of twelve months following the date of approval of these financial statements. The financial statements have therefore been prepared on the going concern basis.

##### c) Company status

The Foundation is a company limited by guarantee. The guarantors are the Trustees named on page 1. The liability in respect of the guarantee, as set out in the memorandum, is limited to an amount not exceeding £1 per member of the company. The Foundation has availed itself of Paragraph 3 (3) Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the company's activities.

The registered office of the Foundation is: National Gallery, Trafalgar Square, London WC2N

##### d) Rental income

Future minimum lease payments receivable under non-cancellable operating leases are disclosed in note 10.

Where income is received in advance, and the NGT Foundation does not have entitlement to these resources until the services have been provided. The income is deferred in the accounts.

##### e) Service charge income and related property costs

Service charge income from tenants to reimburse the Foundation for property costs and the expenditure to which it relates are recognised in full in the Statement of Financial Activities.

##### f) Donations

Cash donations, gifts and legacies are included in full in the Statement of Financial Activities when the NGT Foundation is legally entitled to the income, when receipt is probable and when the amount can be quantified with reasonable accuracy.

##### g) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Governance costs are allocated based on the direct expenditure of the activity. These costs include the costs of statutory audit, costs associated with constitutional and statutory requirements, and reimbursed Trustee expenses. Grants payable are recognised when the grant is approved by the board of Trustees and communicated to the recipient.

No support costs are allocated to the endowment.

## THE NGT FOUNDATION

### Notes to the Financial Statements for the year ended 31 March 2025 (continued)

#### 1. Accounting Policies (continued)

##### h) Investments

Investments comprise a freehold investment property and short-term deposits. In accordance with FRS 102 Section 16, investment properties are measured at fair value at each reporting period and all changes in fair value of the investment property are included in net income. This year a market valuation was performed as at 31 March 2025 by Montagu Evans LLP, Chartered Surveyors. Any surplus or deficit is included in net income/expenditure. The unrealised gains or losses are apportioned between unrestricted funds and the expendable endowment, in line with how the original cost of the property was funded.

##### i) Current Asset Investments

Current asset investments comprise deposits held for investment purposes with a notice period of thirty days or more.

##### j) Unrestricted Funds

The funds include income arising from the NGT Foundation's investments where no restriction exists as to the use of the funds. Income is recognised as it arises and is allocated as explained in the Statement of Financial Activities. Designated funds are amounts set aside out of unrestricted funds by the Trustees for specific purposes.

##### k) Expendable endowment

The expendable endowment fund represents a capital grant to the charity, given to enable the charity to purchase an investment property. The investment property provides the charity with an income stream for its charitable purposes. The Trustees are able to convert capital to income.

##### l) Taxation

The NGT Foundation is a registered charity and is therefore potentially exempt from taxation of its income and gains to the extent that they fall within Chapter 3 of Part 11 to the Corporation Tax Act 2010, Part 10 of the Income Tax Act 2007 and section 256 of the Taxation of Chargeable Gains Act 1992. No direct tax charge has arisen this year.

Other taxes detailed in note 7 relate to a VAT liability.

##### m) Financial instruments

The Foundation's financial instruments, as defined in FRS 102 section 11, consist of investments, cash, debtors and creditors. Investments are discussed in note 1(h). The measurement of debtors is based on the anticipated recoverable value of cash or services owed to the Foundation at the end of the year. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Information on the NGT Foundation's overall approach to financial risk management may be found in the investments, reserves and risk sections of the Annual Report.

##### n) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charities accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there to be any sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above. The Trustees consider the valuation of the investment property to be a critical judgement. Further details of the valuation are given in note 5.

m) The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of:

- Investment property which is measured at fair value.

#### 2. Investment income

	2025 £	2024 £
Rental income	2,406,131	2,459,181
Service charge income	677,681	586,068
Other costs recharged to tenants (insurance and electricity)	55,154	50,001
Interest on UK cash deposits and overdue rent	99,426	70,492
	<u>3,238,392</u>	<u>3,165,742</u>



# THE NGT FOUNDATION

## Notes to the Financial Statements for the year ended 31 March 2025 (continued)

### Investment income (continued)

Interest on UK cash deposits and overdue rent	2025 £	2024 £
Interest on 90-day notice account	56,550	31,630
Interest on special reserve account	37,690	34,634
Interest on overdue rent	5,185	4,228
Total interest on UK cash deposits and overdue rent	99,425	70,492

### 3. Expenditure

	Direct Costs £	Support Costs £	Total 2025 £	Total 2024 £
Investment management activities	778,140	8,347	786,487	792,267
Charitable activities	3,580,000	38,403	3,618,403	1,528,783
	4,358,140	46,750	4,404,890	2,321,050

### Direct Costs

	2025 £	2024 £
<b>Investment management activities</b>		
Service charge expenditure	713,109	736,256
Other costs recharged to tenants (insurance, electricity and other costs)	1,886	10,692
Property management costs	57,277	27,591
Administrative costs	5,868	2,810
	778,140	777,350

### Charitable activities

	2025 £	2024 £
Grants to the National Gallery Trust	3,580,000	1,500,000

## THE NGT FOUNDATION

### Notes to the Financial Statements for the year ended 31 March 2025 (continued)

#### Expenditure (continued)

	2025 £	2024 £
<b>Support costs and Governance</b>		
Auditor's remuneration		
Fees payable to the charitable company's auditor for the audit of the annual Financial Statements	10,850	9,500
Cost of professional valuation of investment property	5,500	5,000
National Gallery accounting and administration fee	30,400	29,200
	<u>46,750</u>	<u>43,700</u>

#### 4. Staff costs and Trustees' remuneration

NGT Foundation does not employ staff directly. During the year ended 31 March 2024 services were provided by the National Gallery at a charge of £30,400 (2024: £29,200).

The Trustees neither received nor waived any remuneration for their services during the year (2024: £nil). No Trustee travel expenses were reimbursed during the year (2024: £nil).

#### 5. Investments

##### Fixed Assets

	2025 £	2024 £
Value brought forwards	37,950,000	37,950,000
Additions	-	-
Disposals	-	-
Revaluations	(1,950,000)	-
Value carried forwards	<u>36,000,000</u>	<u>37,950,000</u>
Cost	22,358,479	22,358,479

A desktop market valuation of the investment property was undertaken by Montagu Evans LLP, Chartered Surveyors, as at 31 March 2025 which shows the overall value decreased by £1.95m from the prior year valuation (2024: nil).

This fall in value is in part due to some greater uncertainty on some of the tenant covenants and resulting security of their income, though rental income has largely remained the same in 2024/25. In addition, there are shorter unexpired lease terms of tenants who will be leaving at expiry.

Furthermore, from March 2024 headline market rents have on some floors decreased, given the uncertainty on lease length and lack of appetite for Grade B office spaces. Generally, across the market, office assets are seeing less occupier demand for secondary office accommodation.

##### Current Assets

	2025 £	2024 £
UK current asset investments	<u>1,618,522</u>	<u>1,561,971</u>

Current asset investments comprise deposits held for investment purposes with a notice period of thirty days or more.

#### 6. Debtors

	2025 £	2024 £
Trade debtors	1,027,093	1,365,750
Prepayments and accrued income	535,645	775,073
	<u>1,562,738</u>	<u>2,140,823</u>
<b>Analysis of debtors by due date</b>	<b>2025 £</b>	<b>2024 £</b>
Amounts falling due within one year	823,281	1,401,366
Amounts falling due in more than one year	739,457	739,457
	<u>1,562,738</u>	<u>2,140,823</u>

## THE NGT FOUNDATION

### Notes to the Financial Statements for the year ended 31 March 2025 (continued)

#### 7. Creditors

	2025 £	2024 £
Amounts falling due within one year:		
Other creditors	2,735,087	1,683,872
Accruals and deferred income	738,411	754,545
Other taxes	107,653	106,931
	<u>3,581,151</u>	<u>2,545,348</u>

Other creditors includes an amount of £2.58m (2024: £1.5m), being the grant payable to the National Gallery Trust. There are no creditor balances that are due in more than one year; all balances are payable within one year.

	2025	2024
The movement on the deferred income balance in the year was as follows:		
As at 1 April	745,045	715,583
Amounts released from previous years	(745,045)	(715,583)
Income deferred in the current year	727,561	745,045
As at 31 March	<u>727,561</u>	<u>745,045</u>

Deferred income relates to rental and service charge income that is invoiced to tenants quarterly, in advance. The income relating to the first quarter of the next financial year, which is billed in March, therefore needs to be deferred, so that it is recorded in the financial period to which the rent and service charges relate.

#### 8. Funds

	Balance at 1 April 2024	Income	Expenditure	Loss on revaluation of investment property	Balance at 31 March 2025
	£	£	£	£	£
<b>Unrestricted funds:</b>					
Designated funds - property maintenance reserve	500,000	-	-	-	500,000
General funds	4,966,233	3,238,392	(4,404,889)	-	3,799,736
Revaluation reserve	1,310,167	-	-	(249,303)	1,060,864
Total unrestricted funds	<u>6,776,400</u>	<u>3,238,392</u>	<u>(4,404,889)</u>	<u>(249,303)</u>	<u>5,360,600</u>
<b>Expendable endowment:</b>					
Expendable endowment - general	19,500,000	-	-	-	19,500,000
Expendable endowment - revaluation reserve	14,281,355	-	-	(1,700,697)	12,580,658
Total expendable endowment	<u>33,781,355</u>	<u>-</u>	<u>-</u>	<u>(1,700,697)</u>	<u>32,080,658</u>
<b>Total funds</b>	<u><b>40,557,755</b></u>	<u><b>3,238,392</b></u>	<u><b>(4,404,889)</b></u>	<u><b>(1,950,000)</b></u>	<u><b>37,441,258</b></u>

The expendable endowment fund represents a capital grant to the NGT Foundation which enabled it to purchase Saint Vincent House and is attributed upon revaluation.

#### Prior year Funds note

	Balance at 1 April 2023	Income	Expenditure	Loss on revaluation of investment property	Balance at 31 March 2024
	£	£	£	£	£
<b>Unrestricted funds:</b>					
Designated funds - property maintenance reserve	500,000	-	-	-	500,000
General funds	4,121,541	3,165,742	(2,321,050)	-	4,966,233
Revaluation reserve	1,310,167	-	-	-	1,310,167
Total unrestricted funds	<u>5,931,708</u>	<u>3,165,742</u>	<u>(2,321,050)</u>	<u>-</u>	<u>6,776,400</u>
<b>Expendable endowment:</b>					
Expendable endowment - general	19,500,000	-	-	-	19,500,000
Expendable endowment - revaluation reserve	14,281,355	-	-	-	14,281,355
Total expendable endowment	<u>33,781,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,781,355</u>
<b>Total funds</b>	<u><b>39,713,063</b></u>	<u><b>3,165,742</b></u>	<u><b>(2,321,050)</b></u>	<u><b>-</b></u>	<u><b>40,557,755</b></u>

**THE NGT FOUNDATION**

**Notes to the Financial Statements for the year ended 31 March 2025 (continued)**

**9. Analysis of net assets between funds**

	<b>Fixed assets £</b>	<b>Net current assets £</b>	<b>Net current liabilities £</b>	<b>Total 2025 £</b>
Unrestricted funds	3,919,342	5,022,409	(3,581,151)	5,360,600
Expendable endowment	32,080,658	-	-	32,080,658
<b>Total funds</b>	<b>36,000,000</b>	<b>5,022,409</b>	<b>(3,581,151)</b>	<b>37,441,258</b>

  

	<b>Fixed assets £</b>	<b>Net current assets £</b>	<b>Net current liabilities £</b>	<b>Total 2024 £</b>
Unrestricted funds	4,168,645	5,153,103	(2,545,348)	6,776,400
Expendable endowment	33,781,355	-	-	33,781,355
<b>Total funds</b>	<b>37,950,000</b>	<b>5,153,103</b>	<b>(2,545,348)</b>	<b>40,557,755</b>

**10. Related party transactions**

During the year ended 31 March 2025, the NGT Foundation did not enter into any transactions with related parties (2024: nil). Therefore, no related party transactions are disclosed in these financial statements.

**11. Future lease payments receivable**

	<b>2025 £</b>	<b>2024 £</b>
Future minimum lease payments receivable under non-cancellable operating leases:		
no later than one year	2,534,563	2,534,563
later than one year and not later than five years	8,035,721	8,035,721
later than five years	706,127	706,127
<b>Total future minimum lease payments receivable under non-cancellable operating leases</b>	<b>11,276,411</b>	<b>11,276,411</b>

# THE NGT FOUNDATION

## Notes to the Financial Statements for the year ended 31 March 2025 (continued)

### 12. Prior Year Statement of Financial Activities For the year ended 31 March 2023

	Unrestricted Funds 2024 £	Expendable Endowment 2024 £	Total Funds 2024 £
<b>Income</b>			
Investment income	3,165,742	-	3,165,742
<b>Total income</b>	<b>3,165,742</b>	<b>-</b>	<b>3,165,742</b>
<b>Expenditure on</b>			
Costs of generating funds			
Investment management costs	(792,267)	-	(792,267)
Charitable activities	(1,528,783)	-	(1,528,783)
<b>Total expenditure</b>	<b>(2,321,050)</b>	<b>-</b>	<b>(2,321,050)</b>
Loss on investment asset	-	-	-
<b>Net expenditure for the year</b>	<b>844,692</b>	<b>-</b>	<b>844,692</b>
<b>Net movement in funds</b>	<b>844,692</b>	<b>-</b>	<b>844,692</b>
Total funds at 1 April	5,931,708	33,781,355	39,713,063
<b>Total funds at 31 March</b>	<b>6,776,400</b>	<b>33,781,355</b>	<b>40,557,755</b>