THE BOWES MUSEUM

England & Wales · Charity number 1079639

Details

Status	Registered
Legal form	Charitable company
Company number	03879872
Registered	2000-03-01
Register	View on the Charity Commission register

Contact

Address	The Bowes Museum Newgate Barnard Castle DL12 8NP
Phone	01833 690606
Email	info@thebowesmuseum.org.uk
Website	www.thebowesmuseum.org.uk

Activities

Objects: TO ADVANCE THE PUBLIC'S EDUCATION AND UNDERSTANDING OF ART, CRAFT, DESIGN AND HISTORY, IN PARTICULAR BUT NOT EXCLUSIVELY BY ACQUIRING, OPERATING AND MAINTAINING THE BOWES MUSEUM, ITS COLLECTIONS AND ASSOCIATED GROUNDS AT BARNARD CASTLE, COUNTY DURHAM

Activities: The Bowes Museum has an attractive programme of permanent and temporary displays and exhibitions, interpretation and educational events, special events, family activities and outreach work.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

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Geography

- **Area of benefit:** BARNARD CASTLE, COUNTY DURHAM
- Durham

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,860,226	£3,546,199	£14,421,626	82
2024-03-31	£4,312,215	£3,306,053	£14,151,857	81
2023-03-31	£2,214,893	£2,498,950	£13,132,819	77
2022-03-31	£2,988,885	£2,653,493	£13,870,248	68
2021-03-31	£2,085,666	£1,911,096	£13,105,621	86

Trustees

Name	Role	Appointed
Alison Thain		2021-08-19
Christina Pascoe		2025-01-24
Cllr Karen Allison		2026-03-20
DEBBIE LEIGH		2026-03-20
Deborah Corbett		2021-08-19
Dr Ken Partington		2019-10-18
Dr Steve Howell		2020-03-27
Eliot Smith		2021-08-19
Gordon Morrison		2025-01-24
Jennie Collingwood		2021-08-19
Jennifer Frances		2025-01-24
Michelle Brown		2025-01-24
Peter Mothersill		
Rebecca Jane Blackwood		2021-08-19

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Linked charities

- THE BOWES MUSEUM (1079639-1)
- HERITAGE LOTTERY FUND/DEPARTMENT FOR CULTURE, MEDIA AND SPORT CATALYST: ENDOWMENTS FUND (THE BOWES MUSEUM CATALYST ENDOWMENT FUND) (1079639-2)

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THE BOWES MUSEUM

England & Wales - Charity number 1079639

Accounts

Registered number: 03879872
Charity number: 1079639

THE BOWES MUSEUM

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

THE BOWES MUSEUM

Document ID: [illegible]

THE BOWES MUSEUM
(A Company Limited by Guarantee)

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THE BOWES MUSEUM

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

Trustees	Mr Peter Mothersill, Chair Ms Rebecca Blackwood Ms Michelle Brown (appointed 24 January 2025) Ms Jennie Collingwood Ms Deborah Corbett Mr Christopher Davy (deceased 12 July 2024) Ms Jennifer Francis (appointed 24 January 2025) Mr Stephen Howell Mr Gordon Morrison (appointed 24 January 2025) Dr Kenneth Partington Ms Christina Pascoe (appointed 24 January 2025) Mr Michael Robinson Councillor Elizabeth Scott Mr Eliot Smith Ms Alison Thain OBE
Company registered number	03879872
Charity registered number	1079639
Registered office	The Bowes Museum Newgate Barnard Castle County Durham DL12 8NP
Principal operating office	The Bowes Museum Newgate Barnard Castle County Durham DL12 8NP
Company secretary	Mr Simon Lee
Independent auditors	Clive Owen LLP Chartered Accountants and Statutory Auditors 140 Coniscliffe Road Darlington County Durham DL3 7RT

Document ID: [redacted]

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Bankers	Natwest Plc 12 Market Place Durham County Durham DH1 3NG
Solicitors	Womble Bond Dickinson LLP Helix The Spark Draymans Way Newcastle Upon Tyne NE4 5DE
Investment Managers	CCLA Investment Management Limited One Angel Lane London EC4R 3AB

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THE BOWES MUSEUM

(A Company Limited by Guarantee)

CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

The Chair and Executive Director present their statement for the year.
2024-25 at a glance:

- 96,933 visitors, a 25% increase from previous year
- Summer 2024 successfully renewed our Museum Accredited Standard status.
- One hundred thirty-one volunteers, representing a 60% increase, contributed 4,979 volunteer hours.
- Total monetised social value of volunteering is £266,550 (£99,580 economic value and £166,970 well-being value using the Silver Measure Up method).
- 9,566 children and young people engaged in learning programmes, contributing to hours of creative and conversational activity.
- We engaged and worked with 94 Artists, Designers, and Makers.
- A total of 37,434 participants participated in activities, including Swan performances and Spotlight tours.
- Café Bowes won 'Museum Café of the Year' at the National Museum & Heritage Awards.
- Five exhibitions featuring Artists, including international and nationally recognised names, such as Joy Labinjo, Matt Smith, Pablo Picasso, Meret Oppenheim, Kinnari Saraiya and Ronald Moody. Across the period, we commissioned over six artists to create site-specific work.
- 94 artists commissioned, including ceramicist Megan Randall for the Young Curators programme, Jonah York for the HMP Deerbolt project, Drag King and sculpture artist, Lady Kitt, for a CPD event in conjunction with Pride in Teesdale, three local artists for phase one of The Reimagine Project, outside our dedicated freelance artist team that runs workshops.
- Artworks loaned to Hyogo Museum, Japan; Basel's Kunstmuseum, Germany; Leuven Museum in Belgium; The Wallace Collection and The Royal Collection in London; and, more locally, The Auckland Project, Durham (amongst others).
- Bowes Museum Enterprises significantly increased its turnover and donations to the Museum.
- £615,257 funding was secured for strategic projects and programmes.

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CHAIR'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

The past year has been one of significant progress and development, creating renewed confidence in the Museum's ability to thrive long into the future. This progress is reflected in the continued growth of our audiences, the strengthening of our programmes, and the establishment of a clear strategic pathway stretching ahead to 2092, the bicentenary of the Museum's opening.

In 2024–25, we welcomed over 97,000 visitors — a 25% increase on the previous year — and now have nearly 30,000 valued members. This growth highlights the appeal of our exhibitions, activities and collections. Standout moments included *Kith and Kinship: Norman Cornish and L.S. Lowry* and *From Joséphine Bowes: Trendsetters and Trailblazers*, alongside innovative displays, residencies and co-produced programmes which brought fresh voices and perspectives into the Museum.

We were delighted to renew our Museum Accreditation, affirming the care we take of our collections and our commitment to the highest professional standards.

Café Bowes was recognised nationally with the *Museum Café of the Year Award,* and we were shortlisted for the Curiosity Project in the 'Permanent Exhibition of the Year' category of the 2025 Museum and Heritage Awards.

Our learning, volunteering and community engagement programmes have also expanded considerably, with nearly 10,000 children and young people taking part and volunteers contributing over 4,900 hours. These achievements reflect the powerful role the Museum plays in enriching lives.

We secured more than £615,000 in funding to support strategic programmes, including the *Towards Bowes 2092* project. This long-term initiative is fundamental to ensuring sustainability as we look towards our bicentenary, addressing environmental responsibility, digital innovation, financial resilience, workforce development and investment in our site and facilities. Improvements already realised include the refurbishment of parking facilities, new accessibility improvements, EV chargers and upgraded wayfinding.

These successes have been delivered despite rising energy, insurance and wage costs, coupled with static public funding, which present significant challenges for the organisation and sector. Nonetheless, we remain resolute in continuing to build a stable and resilient platform that will secure a strong future for the Museum.

The contribution of the trading subsidiary, Bowes Museum Enterprises (BME), is vital to help with the day-to-day running costs of the charity. The increases in visitor numbers in the year were reflected in turnover as the cafe and shop turnover increased by more than 20%. This meant that the donation from BME to the museum charity was more than 50% higher than in 2024.

As Chair and Executive Director, we are deeply grateful to our dedicated staff, our growing community of volunteers, our funders and partners, and above all, to our visitors and supporters. Together they ensure that The Bowes Museum continues to be a place of inspiration, creativity and learning — rooted in its community, while extending its national and international presence.

In the year ahead, we will continue to build momentum, deliver ambitious programmes, and take the next steps in our transformation journey. With the commitment of all who share our vision, we are confident that The Bowes Museum will continue to thrive as a museum for the 21st century and beyond.

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CHAIR'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

P D A Mothersill

Signer ID: G594JDRIE8...

Peter Mothersill
Chair of Trustees
Date: October 2025

Signer ID: NOKOARNPSE...

Hannah Fox
Executive Director
Date: October 2025

Document ID: [illegible]

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2024 to 31 March 2025. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The Bowes Museum's charitable objectives are the provision of:

(a) a public Museum
(b) a public park

In these objectives:
‘Public Museum’ has the same meaning as it has in the Public Parks Schools and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes; and ‘Public Park’ has the same meaning as it has in the Public Parks Schools and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes.

The Museum’s objectives and aims have been achieved through an attractive programme of permanent and temporary displays and exhibitions, educational events, family activities and outreach work, as detailed in the report from the Museum’s Executive Director and Chairman.

Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the charity's charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

Volunteers

We continue to develop new volunteer opportunities as part of our commitment to expanding and diversifying volunteering across the museum. This year, we have grown this community and launched our Young Volunteers Programme, supported by funding from AIM Connected Communities. We were delighted to welcome thirteen young volunteers from Teesdale Academy who worked closely with our teams throughout the summer. We are immensely grateful for the continued involvement and support of all our volunteers.

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Strategic report

Achievements and performance

1. 2024-25 Performance

Area	Actuals £	Against Target%	Compared to 2023-24 £
Visitor Numbers	96,993	106.35%	77,746
Average daily visitors	268	106.35%	215
Total Museum income	2,854,079	100.08%	3,492,013
(Ticket/memberships)	584,128	108.55%	434,091
Total Enterprises income	1,205,533	115.14%	945,146
(Events)	121,089	71.25%	120,184
(Café)	687,722	121.25%	547,436
(Shop)	396,722	128.22%	277,526
Total Expenditure	3,546,199	170.14%	3,306,053
(Museum staff costs)	1,298,015	102.25%	1,271,194
(Enterprises staff costs)	486,775	112.45%	412,186
(Activity costs)	119,484	71.10%	95,075
(Premises costs)	384,136	117.41%	584,423
(Insurance costs)	127,474	168.88%	94,507
(Marketing costs)	67,510	119.59%	37,000

2. Review of Activities

Over the last three years, with a new Senior Leadership Team, the organisation has redefined its organisational purpose, vision, mission, aims, and objectives, as well as a new Arts Council England NPO 3-year programme. Therefore, we have refreshed our reporting approach to monitor and measure organisational performance against KPIs across all business areas, including our Action Plan and ACE Investment Principles, ensuring we efficiently and accurately monitor and communicate our data and evidence to stakeholders and partners.

The quarterly report we produce to Durham County Council now includes the following:
- Quarterly Strategic Activity Overview.
- Performance Dashboards are used internally by the Senior Leadership Team (SLT) to monitor performance and trends against critical KPIs.
- Progress on our Action Plan against our aims and objectives.
- Strategic Project updates.
- Partnership and Presence updates.
- Updates by operational areas – Commercial and Operations, Programmes and Collections, Development and Communications.
- Risk Register.

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Strategic report (continued)

Achievements and performance (continued)

3. Staffing Structure & Leadership

A restructure of the organisation's leadership and management (Tiers 1,2, and 3) was delivered in 2021-2023, and a restructure of the wider workforce was undertaken in late 2023-early 2024 as part of the 'Getting the Basics Right' period of our strategic plan.

In line with our Strategic Business Strategy, 2024-25 is the period titled 'Build momentum and get underway'. We have spent time talking to and aligning with funders to help us take the next significant steps in our transformation journey. A successful application to the Heritage Fund has supported a two-year project called "Towards Bowes 2092", which aims to reassess aspects of the organisation, including its business and funding model, environmental sustainability strategy, digital and technology strategy, and building and site investment plans. This exciting time requires further skills and experience to deliver this effectively. (See more about Bowes 2092 in the next section of this report.)

The Senior Leadership Team analysed the strengths and weaknesses in the entire organisational structure following the completion of the Tier 4 restructuring, the natural changes in the staff team, and in anticipation of the Bowes 2092 project. Further changes in roles and responsibilities were required to achieve the Strategic Business Plan's aims and objectives, as well as the Heritage Fund-supported Towards Bowes 2092 project. The changes ensure that the workforce has the right roles and capacities to accomplish these ambitions and that our staff are equipped and supported to do their jobs well and enjoy working at The Bowes Museum.

After decades of struggle and underinvestment, the Strategic Business Plan and Towards Bowes 2092 are designed to create a relevant, 21st-century Museum that is forward-thinking and financially sustainable. The Heritage Fund investment affords us a window of opportunity to take a significant stride forward in our plans, and we have momentum in our commercial work that needs to be built upon – particularly in a competitive market as other venues in the county deliver major investment projects.

Our Arts Council England (ACE) National Portfolio Organisation (NPO) status is essential to our work. We plan an exciting and ambitious programme to engage a broad range of audiences and communities. We need to ensure we maximise the reach and impact of our programmes and fully realise our commitments as an ACE NPO.

The restructuring process was undertaken and completed in January 2025. It resulted in one manager taking voluntary redundancy, and another was appointed Head of Commercial and Visitor Welcome. Two other staff responsibilities also changed. In March 2025, a Director of Partnerships and Engagement, a Head of Marketing and Audiences, and a Head of People were appointed. A Project Manager and an Admin Assistant were appointed on fixed-term contracts for the Towards Bowes 2092 Project.

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Strategic report (continued)

Achievements and performance (continued)

4. Strategic Business Plan and Bowes 2092

The organisation continues to measure performance against the 2023-28 Strategic Business Plan. The work from the previous two years, in 'Getting the basics right and building strong foundations,' demonstrated its value with consistently high performance in visitor numbers and income, along with improved galleries, displays, and staff spaces.

The Business Plan's five Strategic Aims and Objectives are as follows:

- Take care of what's important (people, place, unique assets).
- *We will support our people.*
- *We will run our organisation ethically and well.*
- *We will be responsible custodians - Environment, facilities, assets, resources.*
- Invest in the future.
- *We will affordably develop our spaces, informing and supporting our long-term plan.*
- *We will create a Bowes 2092 Roadmap.*
- *We will create a culture of entrepreneurship & fundraising that maximises income and funding, and maintains reserves targets through 2026.*
- Make a difference in our communities.
- *We will embed a culture of inclusivity and co-production.*
- *We will connect proactively to the culture sector landscape.*
- *We will keep in touch with our audiences and their needs, existing and new.*
- *We will support artists, designers, and makers of today and tomorrow.*
- *We will support and uplift our Children and Young People, and local communities.*
- Create outstanding experiences.
- *We will celebrate and inspire creativity.*
- *We will make sure there is always something great to do.*
- *We will be accessible to everyone.*
- Support our region's ambitions.
- *We will change the sector's lending landscape and bring outstanding art to the region.*
- *We will develop strong regional and global partnerships based on mutually beneficial relationships.*
- *We will communicate our purpose and impact.*

Specific achievements against our Strategic Aims and Objectives:

Aim 1 – Take care of what's important – people, place and unique assets

- Installation of new 3rd floor boilers to improve working conditions and eliminate the use of electric heaters.
- The third-floor staff space refurbishment is underway, and all fourth-floor staff have been relocated to the third floor.
- Staff communications included monthly video updates and quarterly staff briefings.
- Annual summer staff trip and winter workforce party took place.
- A values-based framework for annual performance reviews has been launched.
- The new Governance structure got underway, with three new committees – Governance, Enterprises, and Finance, Risk & Resources.
- Museum Accreditation was successfully renewed.
- Four redeveloped galleries and three accessible collection stores were created in cooperation with community members and volunteers, thanks to support from funders, including DCMS Wolfson.
- Carbon Literacy Training rollout began.
- The Green Team was re-established with an action plan in place and links to regional and national initiatives.

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Strategic report (continued)

Achievements and performance (continued)

Aim 2 - Invest in the future

- Young Volunteers and Young Curator groups formed and are working in co-production with staff across key areas, including collections, display, and marketing.
- LGBTQIA+ co-production programme ‘Be you at the Bowes’ developed a trail exploring new narratives.
- The Kith and Kinship project with learners at HMP Deerbolt resulted in a thought-provoking Zine and won a ‘Strengthening Partnerships’ award at the North East Prison Awards in March.
- The Durham Creative Community Fellows programme was launched in partnership with US-based NAS and Derby Museums, supporting 17 leaders in arts and culture across County Durham, and delivered as part of the ‘Into the Light’ ACE-supported Place Partnership initiatives.
- Funding was secured for the redevelopment of the three ‘Founders’ Galleries’ in 2025-26.
- The MEND-funded ‘Journey to Accessibility’ redevelopment of the car park and accessible facilities was completed.
- A high-level future Feasibility Study and Options Appraisal for the buildings and parkland was developed, supported by funding from Highways England.
- Funding was secured towards the upgrade and replacement of fire doors.
- A new education programme for schools and educators was launched and includes comprehensive support for SEND providers.

Aim 3 – Make a difference in our communities

- Increased and diversified volunteering roles across seven departments, ensuring more relevant and engaging volunteering opportunities.
- Young Volunteer programme launched in partnership with Teesdale Academy to diversify our volunteers and grow skills and experiences in a mutually beneficial way that moves people closer to the job market.
- Ongoing visitor experience training is being rolled out for staff, introducing new interventions in the Welcome Team to help ensure a ‘visitor first’ approach.
- Director-level engagement with the English Civic Museums network and UK-wide Creative Industries Growth initiatives.
- The membership events programme is underway, featuring increased and more relevant communications with our membership community.
- Artists, Designers, and Makers are being regularly offered residencies and commissions, with 58.3% of those engaged having protected characteristics, and/or are from the North.
- In December, 4650 people visited the Winter Market, with 119 individual traders (30% of whom were artists, designers, and makers).
- Three SEND schools co-created new SEND sensory resources, including a museum-based ‘sensory’ station to improve the experience of children and young people.

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Strategic report (continued)

Achievements and performance (continued)

Aim 4 - Create outstanding experiences

- The Kith & Kinship – Norman Cornish and L.S. Lowry exhibition showcased the work of two acclaimed Northern artists and contributed to an increase in visitor numbers compared to the previous year.
- Two collection-led exhibitions, 'Stories in Stitch' and 'Vivienne Westwood In Focus', were well received, allowing us to test ideas and develop new partnerships.
- Eight 'Conversation Wall' displays revealed unseen objects and covered themes, including Ageing Better, 19th-century Paris, World Rivers Day, Food Production, and LGBTQIA+ Awareness Month.
- We participated in national programmes through our Heritage Open Day and National Lottery Week initiatives, during which more people engaged than in previous years (a 19% increase for Heritage Open Day).
- Our daily Spotlight Tours, led by Curators, Welcome Team members, and Volunteer Guides, offered daily bite-sized opportunities to learn more about exhibitions, objects, and collections.
- We launched a series of adult-learning initiatives, including an LGBTQIA+ CPD workshop with 48 attendees, as well as talks and workshops for the Kith & Kinship and Vivienne Westwood exhibitions.
- A new VR tour of the building was created to support people in planning their visits and identifying accessibility support and needs.
- Hearing loops were installed in the café and shop, and portable loops purchased for talks and tours.

Aim 5 - Support our region's ambitions

- A partnership between TBM, The Russell-Cotes Art Gallery and Museum, and The Watts Gallery was established to deliver a collaborative touring exhibition.
- We collaborated with County Durham partners to establish the Into the Light project, under which TBM is delivering the Durham Creative Community Fellows programme for leaders who use arts and culture to effect change in the county.
- Eleven loans of objects from our collections were given to seven venues in the UK and internationally.
- We continue to work closely with county and regional partners through various initiatives, including membership on the Advisory Boards of Locomotion, the Culture Durham Partnership, and Visit County Durham.
- Our application for the National Gallery CPD programme to explore our Blackborne Lace Collection, in collaboration with Northumbria University, was successful.
- New Tone of Voice guidelines and audience profiles were created alongside a review and changes to digital content, and refreshed visitor research to better connect people more widely to the museum and its activities.
- We secured national and international media coverage of the Kith and Kinship exhibition.

While 2024-25 was a good year in many ways, the significant costs of repairs and renewals, energy, insurance, and wages, set against static core funding from Arts Council England and Durham County Council, represent real-term cuts once inflation is considered. The reality of caring for the buildings and parkland, including ensuring regulatory compliance, also requires significant investment, as does the need to keep up with changing technological advances. As reported in last year's report, the Executive Director, working with the Senior Leadership team and Trustee representation, concluded that a new approach is required to achieve a stable future for The Bowes Museum. Our peers across the sector are experiencing similar challenges. Without radical action, the organisation could face a continued decline in financial resilience, putting the future of The Bowes Museum at risk. This work informed 'The Bowes 2092 Plan', reflecting the need for longer-term planning to ensure the Bowes Museum's future is secured (2092 is The Bowes Museum's 200th anniversary). This plan serves as the foundation for the next phase of transformation.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Strategic report (continued)

Achievements and performance (continued)

The Bowes 2092 Plan was approved by the Board of Trustees and presented to the AGM in December 2023, and work began in 2024. Resources to start this work began to be secured with funding from National Highways to support Aim 2, 'Create a fully realised capital programme', which enabled a Feasibility Study and Options Appraisal for the site and buildings. Bowes 2092 took a step forward with the successful application to the Heritage Fund for £250,000 to support the two-year 'Towards Bowes 2092' project.

The Towards Bowes 2092 Project Manager and Project Administrator are now in post and have been working with the Executive Director to scope out the project activities and undertake associated research, including:
- Regional, national and international operational and social context
- Potential advisors for established project strands
- Potential list of supporters for future capital fundraising

Research for the Towards Bowes 2092 project has already included attending various events, such as the Creative UK Investment for Growth conference, and strategic conversations with leaders across the UK and the USA, laying the groundwork for follow-up discussions and networks. Where the original project proposal had a series of different strands, we are now clear that the interrelations between the strands will lead us to a more joined-up discussion with a breadth of advisors alongside focused commissions.

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Strategic report (continued)

Achievements and performance (continued)

5. Membership and Audience Development

Following the launch of our new membership scheme in June 2022, offering a more straightforward pricing, we have reached a membership database of 29,386.

The nurturing of our membership continues with quarterly Members Day. Alongside behind-the-scenes tours, we hold Q&A sessions where members ask many fantastic questions and get involved in behind-the-scenes sessions about the museum's operations.

We hosted a wonderful spring Family Day, which drew over 800 visitors. We also supported National Lottery Week with free entry for over 300 lottery ticket holders, and our new concert series got off to a great start with two sold-out performances by Nerina Pallot. One thousand five hundred visitors attended the annual Heritage Open Day in September.

Key areas of Marketing and Communications activity:

- A review of marketing and communications activity took place to ensure the financial and staff investment is delivering on our core business objectives, with a key focus on raising the museum’s profile and reach. This has included testing new platforms, such as Darlington County Council's large outdoor digital screen, and engaging regional partners in new or enhanced joint marketing activities, including Visit County Durham, Beamish, Spennymoor Town Council, and Redhills.
- Working closely with our PR agency engaged to deliver media coverage for the Kith & Kinship: LS Lowry & Norman Cornish exhibition, significantly high levels of media coverage have been achieved regionally, nationally, and internationally (including The Guardian, Radio 3, Washington Post, CNN, ITV, Northern Echo, arts publications, and many more).
- The relaunch of the Silver Swan, Vivienne Westwood, and Stories in Stitch exhibitions has achieved additional media coverage and digital engagement. The Silver Swan achieved exceptional reach and engagement across social media platforms.
- The first phase of visitor orientation has been refreshed and improved by introducing new internal and external signage and wayfinding. The signage, in conjunction with a review and replacement of the current Visitor Information leaflet (currently underway), aims to enhance visitors' on-site experience and help them maximise their visit, while also encouraging repeat visits.
- A new Accessible Tour has been created with the support of a regional initiative called Everybody Welcome. This is a game-changing piece of work that enables people to plan their visits thoroughly and breaks down the barriers some may feel about visiting the museum. https://thebowesmuseum.org.uk/visit/access-for-all/
- The website review will result in significant improvements to the user interface, more straightforward navigation, and a strengthening of the Museum's story, collection, programming, support, and commercial aspects, with a further phase planned. During the year, we’ve seen significant growth in website users; however, with more targeted content and more search engine-aligned terminology, we expect to see continued growth.

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Strategic report (continued)

Achievements and performance (continued)

6. Programmes and Activities

Throughout the year, and as part of our Arts Council England National Portfolio Organisation responsibilities, we have delivered outstanding programmes aimed at engaging and supporting our local communities.

Communities

- Co-production initiatives continued with various programmes and projects engaging underrepresented communities. These included:
- The launch of Be You at The Bowes' first LGBTQIA+ object trail in the permanent galleries. This was supported through partnerships with Curious Arts, TCR Hub and Northern Heartlands. The objects provided a starting point to guide us as we broadened our shared understanding of the long history of the LGBTQIA+ community, which dates to the earliest human civilisations. Across six sessions, 22 people, all with protected characteristics, met to discuss, shape, and share, working towards a trail exploring re-interpretations of Museum objects to be released in conjunction with LGBT History Month in February. The resulting trail encourages visitors to explore the collection, discover new narratives, and reexamine old ones.
- Our work with learners at HMP Deerbolt in a co-produced programme called 'Unheard Voices' linked to the Kith & Kinship exhibition. Theatre practitioner Jonah York collaborated with 20 learners to develop ideas centred on kinship, brotherhood, family, and community in response to the Kith & Kinship exhibition. Learner responses were gathered and added as an interpretive tool for the exhibition. Evaluation showed that young people built their cultural confidence, creative skills, and literacy levels, and these improvements contributed to their overall well-being. Thirty-two people took part, with a core group of 16 attending all 10 sessions. Every participant shared how much they enjoyed the programme and their first introduction to arts and culture. 100% said that because of this programme, they feel more motivated to try new things in the future. The Unheard Voices programme won a 'Strengthening our Partnerships' award at the North East Prison Group Awards in March 2025.
- Eighty children and their teachers from North Park Primary, Spennymoor, Clervaux Garden School, Croft, and Aycliffe School, Newton Aycliffe, took part in a co-produced project to develop a self-led resource for neurodiverse children and adults. A new self-led sensory station will launch in April 2025.
- Increased opportunities for people to visit the Bowes Museum for free, including Family Days and our annual Heritage Open Day in September, during which over 1400 people visited for free and had opportunities to explore behind the scenes and take part in unique artist and curator-led activities.

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Strategic report (continued)

Achievements and performance (continued)

Volunteers

Our focus on increasing and diversifying our volunteer community continues to have an impact. Over the last 12 months, our volunteer community have donated 4,979 hours of voluntary help, 50% more than the previous year. Additionally, the museum conducted its second annual volunteer survey. Of the 47 volunteers who completed the Annual All Volunteers Survey, key findings highlight:

- 68% of survey respondents reported learning new skills.
- 49% of survey respondents reported increases in confidence.
- 72% of survey respondents reported improved well-being.
- 98% of survey respondents reported an increased connection to TBM through volunteering.

Volunteer Activities:

- We co-produced the new Hive gallery with four volunteers in the spring of 2024, who have continued to volunteer at the Museum as Activator Volunteers. This team has also subsequently delivered a talk about what it was like to co-produce the HIVE to SLT and staff members.
- As part of the launch of the new Curiosity Galleries, nine Volunteer Activators began welcoming visitors, engaging in conversation, and supporting activities in these spaces.
- Working in partnership with Teesdale School and young people aged 12 – 17 years, we launched a pilot Young Volunteers programme supported by AIM Connected Communities. It was funded by the Department for Culture, Media and Sport (DCMS) Know Your Neighbourhood Fund through Arts Council England (ACE). Thirteen Young Volunteers have worked with museum staff across the organisation on several important projects, including collections care and visitor experience. Six of these volunteers have trained to become mentors for the 2025 cohort.
- The Museum expanded its inclusivity by partnering with Bridge Creative, enabling adults with learning disabilities to join the activator volunteer team. Additionally, collaboration with Durham Enable supported a neurodiverse young person in gaining workplace experience. A second cohort of Activator Volunteers began in July 2024.
- Volunteers played key roles during the Heritage Open Day in September, offering guided tours, handling objects, and providing support for staff-led activities. Volunteers also supported the Winter Market 2024 and helped deliver the concert programme.
- A corporate volunteer day was hosted with GlaxoSmithKline from Barnard Castle.
- Two volunteer celebration events were held, including one specifically for Young Volunteers and their families. An All Volunteers Briefing in March 2025 brought together 27 volunteers for updates from leadership.
- New volunteer teams were formed to support fundraising, marketing, and conservation cleaning. The Conservation Team, led by the Collections Coordinator, is now actively involved in caring for the museum's collections. A small team was also created to assist with the concert programme. A draft Volunteer Strategy is currently in development to guide future efforts.

Volunteer Training:
Training efforts included two days focused on engaging young people, attended by 16 staff members across various departments and three Lead Volunteers. The first Values training session for volunteers was also delivered.
Lucy – one of our Activator Volunteers, shared:
“Co-producing was a transformative experience that massively boosted my sense of confidence and community and gave me really valuable practical experience, which I have learnt so much from.”

Claire another Activator volunteer added:
“Volunteering at The Bowes Museum has been life changing for me. The confidence and support I have received in a year has enabled me to plan a career change. After 29 years as a primary teacher, I am soon going to be studying for an MA in Art, Design, Culture & Curation at The Northern School of Art alongside working freelance as an Artist Maker within the museum.”

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Strategic report (continued)

Achievements and performance (continued)

Hana Madeley – Lead Volunteer for the Activators gave the following feedback:
“My volunteering experience with the Bowes Museum began over a year ago. I was taking some time out before university and wanted to explore the arts and heritage sector and the different opportunities on offer. Through my experiences at TBM I have been able to see many aspects, from being in galleries welcoming visitors, helping at large scale events, to conservation and education. This has had a profound impact on me. My confidence has grown immensely, and it has also provided a job with Lumiere. This wouldn’t have happened had I not been supported, believed in and prioritised by the team at TBM, especially the Co-production Volunteer Manager. I could not be more grateful as opportunities here have helped me in so many ways.”

Document ID: [redacted]

Strategic report (continued)

Achievements and performance (continued)

Learning, Education, Families and Young People

A key facet of the Transformation Project is to ensure we are community-centred and relevant. This cross-cutting theme has resulted in a renewed commitment to providing facilities, programmes, and activities that support learning and engagement, particularly for families, children and young people. Throughout the year we have undertaken several initiatives towards these ambitions, including:

- The 'Curiosity Project' opened in April 2024, featuring four redeveloped gallery spaces (which brought two previously inaccessible spaces back into use) and three collection stores. We had identified an urgent need for improved learning and engagement spaces, facilities, and accessible storage.
- Programming across the building, parkland, and in our neighbourhoods and region, where 37,424 people have engaged with the Bowes through talks, tours, workshops, performances and longer-term programming initiatives. This significant uplift from last year is a response to the development, expansion, and inclusion of regular Spotlight Tours, delivered nine times a week, as well as daily Silver Swan and Alter Piece talks and performances.
- A new summer programme launched in July 2024 with daily activities, including artist-led workshops for children and adults, environmental workshops exploring the parkland, tours and regular gallery interventions. Over the six weeks, we saw a 38% increase in visitor engagement.
- A regular programme of Wednesday artist workshops proved popular, with an increase of 98% from the previous year's attendance figures. Stay-and-Play sessions for under 5s and their families saw a 100% increase, with six indoor and three outdoor sessions in the parkland. Adult workshops were well-attended, and all future adult creative programming was fully booked.
- This year's Heritage Open Day was the most successful to date. With free entry to the museum, the day included guest lectures, spotlight talks from staff and volunteers (including our Young Volunteers), Artist workshops, story sessions, live Conservation in Action and handling stations. 1439 people attended the day, an increase of 23% from 2023. 101 memberships were sold, a 216% increase from last year. Secondary spending was also positively impacted. The cafe saw a 28% increase in net takings and the shop a 25% increase.
- 840 people attended the museum's Family Day in February 2025 half-term for free. A full-building takeover of artist-led activities, including handling tables, talks, and close-up conservation activities, contributed to a well-attended and well-received building buzz.
- Eighty children and their teachers from North Park Primary, Spennymoor, Clervaux Garden School, Croft, and Aycliffe School, Newton Aycliffe, took part in a co-produced project to develop a self-led resource for neurodiverse children and adults. A new self-led sensory station was launched in April 2025.

"A lovely well-presented museum...3 generations enjoyed our day. Thank you!" - TBM Visitor

"This event was fantastic, there was [sic] talks, tours, artist workshops, young people workshops and handling tables. There were young volunteers who, must have been about 14 giving tours which was fantastic. There was always something to do and the current exhibition was amazing. We learnt so much and the staff were all so friendly and helpful. We will definitely go again." - TBM Visitor

"Bowes Museum is close to my heart as my late grandparents and father took me on regular visits as a child. I retired last year and moved to Barnard Castle as I feel rooted in this part of County Durham. As finances are tight, the prospect of a free visit made it too good to miss. My senses were flooded with memories and seeing the exhibitions brought back some very happy thoughts. I chose to visit alone so I could immerse myself in the experience which was absolutely the right decision. The weather on the day I visited was exceptional for early September and the grounds looked beautiful in the late afternoon. Unforgettable, thank you." - TBM Visitor

Document ID: [redacted]

Strategic report (continued)

Achievements and performance (continued)

Exhibitions and Display

In Spring 2024, the group show Murmuration closed. Exhibiting a collection of work with internationally significant contemporary loans, the show represented a positive step-change in public expectations of TBM's programming. Visitor comments included 'powerful', 'vital', 'timely', and 'an excellent reminder of our responsibilities'.

On 19 July 2024, Kith and Kinship: Norman Cornish and LS Lowry (K&K) opened with a fully booked preview event. Over 50 works, almost half of which had never, or rarely, been seen in public, explore the communities, experiences and environments that fascinated Cornish and Lowry. Cornish drew directly from his experience as a miner in Spennymoor. His pit, street and family scenes warmly reflect the community he was part of and the lives he and his neighbours shared. Lowry, by contrast, captured the toil, landscape and leisure in his work from the point of view of an 'outsider'. The exhibition was extremely well-received and welcomed 25,776 people, supporting a 22% increase in visitor footfall compared to the same period last year, and garnering positive comments and press coverage. Visitors noted:

"An excellent exhibition - the very best I've seen in decades. So much you've got right - excellent artwork descriptions with examples which add untold value to understanding and reflection."

"Absolutely wonderful exhibition - feeling very nostalgic - living in Spennymoor now to seeing what it was like. Lowry - brought back childhood memories which I am now sharing with my children. My uncle would sing matchstick men + matchstick cats and dogs when I was very young."

Driven by positive press coverage, the initial reach included a circulation of over 392 million across broadcast, print, and online platforms, with features in The Guardian, The Northern Echo, September's Art Quarterly, and the Waitrose Weekend, among others. Online pieces by The Art Newspaper, Painters Online, The QT, Yahoo!News, BBC NorthEast and the Chronicle prompted international interest and features by USA's The Washington Post, Smithsonian and All That's Interesting.

Stories in Stitch (SiS) 18 May - 24 October followed an initial presentation of Vivienne Westwood's designs from the collection of Peter Smithson. *SiS* presents work that Joséphine and John Bowes acquired as part of the Founding Collection, drawing out stories of makers, mainly girls and women, influences from art and social history, and the development of embroidery materials, techniques, and teaching from the seventeenth to the twentieth centuries. Exhibiting artists and makers include Mary Linwood, Mary Eleanor Bowes, Dorothy Ann French, and Ellen Rayson. Additionally, a new presentation of four quilts by Durham maker Leila Anderson had gone on display. Anderson took up quilting in retirement and was taught by another local maker, Elsie Walton, herself a former student of the well-known Weardale quilter, Amy Emms M.B.E. This North Country quilting heritage is reflected in Anderson's designs and the traditional way in which she makes her quilts, by hand-stitching the fabric layers on a quilting frame. Inspired by the seasons, the silk quilt tops are hand-painted, with stitches that depict plants, ploughed fields, waves, and the sky, among other motifs.

Framing Fashion: Art and Inspiration from a Private Collection of Vivienne Westwood from the collection of Peter Smithson opened with a Members' Private View event on 18 October 2024. It explored the wide-ranging and playful inspiration that Westwood drew from artists and their techniques throughout her career. From brush strokes to palette, gilded frames to inlaid furniture, even artists' names found their way into her work. Westwood also drew inspiration from alternative forms of creative expression, including sculpture, theatre, film, photography, and social movements. The displayed ensembles represent a timeline of inspiration from the Greco-Roman period to the Punk movement of the late 1970s – dressing nearly 3000 years of history in undisputable Westwood style. They were accompanied by objects from The Bowes Museum's collection, which explore Westwood's imaginative re-use of designs and techniques throughout the centuries.

From Joséphine Bowes: Trendsetters and Trailblazers opened on 8 February 2025. This exhibition honoured the pioneering spirit and the 200th anniversary of the co-founder of the Museum, Joséphine Bowes. It showcased three centuries of eclectic art and creativity, including a curated selection of works from The Bowes Museum's collection and significant loans from across the UK and Europe. A mix of paintings, sculptures, textiles and ceramics from world-renowned artists, including Pablo Picasso and Sir Grayson Perry CBE, rising contemporaries such as Joy Labinjo and Lucy Waters, and a special commission by Phoebe Cummings, completed an exhibition that offered a glimpse into how Joséphine's remarkable understanding of artistic trends and cross-genre approach to collecting might have shaped the collection today.

Document ID: [redacted]

Strategic report (continued)

Achievements and performance (continued)

343 million people have read, seen or heard about the exhibition across multiple platforms. This includes features in The Guardian, The Times and Art Quarterly. Feedback from visitors includes:

"Very interesting exhibition. Love the female artists representations change over time and Joséphine's legacy continues. Really enjoyed it - loved the questions to consider viewing the art."
"A superb exhibition. I loved the juxtaposition of old and new. The concerns with race, class, gender etc and the way everything references back to Joséphine."
"I loved this exhibition, the contrast in styles, the prominence of women artists, the breadth, an absolute treat - leaving me with much to think about and savour"
"The Joséphine Bowes exhibition is fantastic - really inspiring, beautifully and skilfully curated"
"I was doubtful about the premise on which the exhibition was going to be created, but you have won me over completely. A very interesting exhibition. Sorry I ever doubted you."

Throughout the year, we produced a variety of displays exploring a wide range of themes and provocations, which included over 25 store artworks that were displayed as part of the museum's *Conversation Wall* capsule collections with themes such as:

- World Book Day and the power of reading and literacy access and a celebration of siblings, whether chosen or genetic. Exhibited artists included Pier Francesco Cittadini (1616-1681), Anne Catherine Coffin-Chevalier (b.1813) and Sir Quentin Blake (b.1932), amongst others.
- Parisian scenes of the Seine celebrated the city's hosting of the Olympics and Paralympics, World Rivers Day, a commemoration of world waterways, and a call to action for careful stewardship. Exhibited artists included Adolphe Félix Cals (1810–1880), Frederic Legrip (1817-1871), Richard Wilson (c.1713- 1782) and T.W. Cowing (Twentieth century), amongst others.
- A presentation on rural agriculture questioning the future of food, farming, and our relationship with the natural world, and one work in celebration of LGBT+ History Month in February. This latter piece, attributed to Jan Mytens (1614-1670), depicts the story of Amaryllis and Myrtillo, celebrating a love that transcends outward appearances of gender. This conversation wall was co-created with Be You at the Bowes members as part of a larger project exploring new ways to interpret objects

A new display, titled "Collections on the Move" (CotM), opened in Room 31 during the October half-term. CotM aims to bring a mixed collection of objects out of the store and show them in packing and racking cases, exploring ideas of storage and access, and offering the opportunity to change the space regularly through flexible display methods. Initial in-focus collections include furniture, wood panelling, and dollhouses. A live weekly conservation opportunity facilitated by staff and volunteers explores how and why museums care for collections, and a film featuring curatorial colleagues will introduce their roles as facilitators to enable access to collections.

Document ID: [redacted]

Strategic report (continued)

Achievements and performance (continued)

Collections and Conservation

The Bowes Museum successfully renewed its accredited status and, as such, refreshed policies, procedures, collection rationales, storage, and disposal processes. Part of this process involves being a key part of the Regional Collections Network, collaborating with sector colleagues, including Beamish, Tyne and Wear Archives, and Northumberland Museums. TBM teams have used the opportunity to develop work plans and timelines for the development and rationalisation of the collection.

A new two-year Curator role (Co-production) was created thanks to funding from the John Ellerman Trust. It will help to deepen our co-production practice with communities through projects and activities.

Collection loans:

- Two long-term loans to regional friends continued, Francisco Pacheco's The Surrender of Seville to Ferdinand III and Claudio Coello's Mariana of Austria, to The Spanish Gallery in Bishop Auckland, and Pieter Aertsen's Fruit and Vegetables with Peasants in the Background was loaned to Mercer's Hall, London. Continuations of loans throughout the year were made to the Wallraf-Richartz Foundation in Cologne, the Bucerius Kunstmuseum in Hamburg, and the Kunstmuseum in Basel.
- Canaletto's Regatta on the Grand Canal, 1730, was on loan in partnership with the National Galleries of Scotland in Japan until Summer 2025. In October 2024, the work moved from its first destination in Shizuoka to its second in Tokyo as part of a 50-work exhibition of 'masters' loaned from UK institutions.
- We agreed to a two-year loan to the museum for Martin Smith's Kinetic Arboretum and finalised a long-term loan with a private donor for 12 works by Norman Cornish. The works include sketches, preparatory drawings, paintings, and mixed media pieces, with scenes mainly focusing on the local community's bustle.

Collections care, research, and conservation:

- Three third-floor stores were relocated to the fourth floor as part of our ongoing collection rationalisation and storage projects. This allows vital office space to be freed up on the third floor and provides an opportunity for an audit and assessment of ceramic, ivory, doll, clock, and stained-glass collections to be performed.
- During conservation work on paintings ahead of the Kith & Kinship show, a previously unknown portrait by Norman Cornish was discovered on the back of Durham County Council's Bar Scene painting. This gestural oil sketch, with the trace of a previous attempt underneath it, has been hidden for over 60 years. Painted in Cornish's younger years, it is now the artist's 29th known self-portrait.
- One of the museum's two Canaletto paintings underwent open conservation ahead of being loaned to a Japanese tour organised by the National Galleries of Scotland.
- As part of a fixed-term arrangement, Dr Judith Philips has re-joined the organisation to complete work on the archive and library collections. With 5% of the collections still uncatalogued, discoveries are still being made. The most recent include the re-attribution of 7 paintings previously documented as 'French School' to Joséphine Bowes. These small still life pieces also include what is described in archival documentation as 'a lion-like dog', a painting previously exhibited as part of our National Dog Day Conversation Wall in 2023.
- Two newly attributed paintings were displayed in February's "From Josephine Bowes; Trendsetters and Trailblazers" exhibition.
- We initiated the consultation and planning process necessary to transfer the collections management system from Adlib to Axiell, thereby reinstating public access to collection databases. With work on the internal system first and the lengthy process of data cleansing and collection, it is expected to be live in October 2025.
- The Museum has received an award from the Paul Mellon Foundation for its collaboration with researcher Dr Vicki Pugh from May 2025 to explore the watercolour and local print collections. Vicki will respond through an ecological lens, examining the environmental implications of radical ecology that can be explored through a collection.

Our next Collaborative Doctoral Partnership application, in partnership with The National Gallery, was successful at the assessment panel in January. A funding application to the Arts & Humanities Research Council was submitted in March, and an advert for the studentship went live in April 2025. The studentship will explore the museum's largely uncatalogued and under-researched Blackborne Lace collection, seeking relevance in the contemporary world today.

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Strategic report (continued)

Achievements and performance (continued)

7. Facilities

We have achieved several key successes in improving our facilities throughout the year. These include the "Journey to Accessibility" project, supported by MEND (Museum Estate and Development Fund), for resurfacing roads and parking bays, footpath improvements, accessible parking and entry to the Museum, the introduction of EV chargers, and the installation of low-level lighting in the car parks. Work went smoothly, and the car park was reopened for visitors in mid-July 2024. New signage has also been installed, and car park flower beds have been planted with nature-friendly plants to help support and increase biodiversity in the grounds.

The Curiosity Project transformed four gallery spaces and created three new collection stores, culminating in a family-friendly launch on April 2, 2024. The new spaces were made possible thanks to grants from The Foyle Foundation, DCMS Wolfson and The Friends of The Bowes Museum.

Throughout the year, essential work has been necessary due to compliance needs and maintenance issues, and it has been a costly factor in our budgets. This work has included:

- Tree works – annual condition surveys undertaken to ensure our parkland trees are safe, enabling public access. Substantive remedial works often fall outside the scope of the survey findings and are undertaken to ensure legal compliance.
- Boiler repairs – The Museum's boilers are old and require regular maintenance. The third-floor boilers, which provide heating to staff areas and collection stores, required replacement, for which additional funding was sought. They were switched from gas to electricity for practical installation and environmental benefits.
- Asbestos removal – Our annual survey revealed deterioration in some asbestos in the boiler house, necessitating isolation until safe removal was achieved
- Our Radon survey identified radon in two spaces on the lower level. These areas were closed for access until remedial works were undertaken, which is now complete.
- Extensive work has been underway with teams to meet Fire Inspection standards/recommendations, including progressing compartmentation surveys, office relocations, bringing staff from 4th-floor offices to the 3rd floor, and improving fire egress. At the same time, it improved staff and volunteer welfare facilities on the third floor.

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Strategic report (continued)

Achievements and performance (continued)

8. Fundraising and donations

Total grant income secured 24/25 = £918,334, and next financial year, which includes:

- National Heritage Lottery Fund - Resilient Heritage (£249,760) - Towards Bowes 2092
- Wolfson Foundation (£154,500) - Creating the Conditions Project
- Swire Charitable Trust (£50,000) - Creating the Conditions Project
- Art Fund - Re-imagine Fund (£49,990) - Towards co-production of the J&J Galleries
- Paul Mellon Centre (£30,000) - Curatorial Research Grant
- Pilgrim Trust (£25,000) - Creating the Conditions Project
- Art Fund Commission (£21,600) - Pippa Hale: Pet Project
- Durham Business Growth Fund (£9,920) – Towards Marketing Consultancy support
- John Horseman Trust (£7,000) - 'Unheard Voices' project at HMP Deerbolt
- AIM Connected Communities (£5,938) - Young Volunteers Legacy Programme
- Tavolozza Foundation (£5,000) - From Josephine exhibition support
- Catherine Cookson Charitable Trust (£3,000) – Towards the purchase of hearing loops
- Christine Dipple (£2,250) – Support of Stay & Play
- Beamish NPO (£800)
- Tennants Auctioneers (£500) – Preview event sponsor, *Kith & Kinship: Cornish and Lowry*

A four-year Development Strategy was written to cover income generation strategies for 'business as usual' fundraising, which started in April 2024. The Development Manager recruited two Fundraising volunteers to provide the department with additional support in monitoring and researching grant opportunities. Early in 2025, a Director for Partnerships and Engagement was appointed to the new role, overseeing, developing, and managing strategic partnerships, communications, and engagement, as well as leading our Development and Fundraising strategy.

Key fundraising activities include:
- A 'test and learn' approach is being taken to maximise revenue via donation platforms on-site. This was seen with the location of card machine donation boxes as well as specific donation messaging and resulted in the highest donation count since the inception of the 'tap to donate' card machine on site. Collecting cans have also been positioned throughout the building.
- A donation game took place at the Summer Market to better understand where people's interests lie in terms of areas they would like to support. Education and Learning, Exhibitions, and Parkland upkeep were the most popular areas.

A Spektrix Working Group (Spektrix is the CRM currently used by TBM) has been established, bringing together users from various departments to streamline systems and review current usage. This group will become 'super-users' and ensure good data hygiene and standardised database usage.

Document ID: [redacted]

Strategic report (continued)

Achievements and performance (continued)

9. Environmental

In Summer 2024, the museum's gas contracts were renegotiated, and together with electricity, we moved all our energy to green 100% renewable sources.

The rear lawn enters its second year as a wildflower meadow, aiming to increase and support biodiversity in the grounds while encouraging longer visitor dwell times in the parkland. The meadow will be allowed to grow and seed itself, then will be cut mid-summer. Plants identified this year included Meadow Buttercup, Common Daisy, Creeping Buttercup, Wood Avon, Self Heal, Cuckoo Flower, Mouse Ear, and Boletus fungi. A highlight was the discovery of Meadow Saxifrage, a declining species but also, interestingly, an indicator of ancient meadows. Wildlife sightings have included a great-spotted woodpecker raising chicks in the nest, a Treecreeper, dragonflies, a Song Thrush, and a Swallowtail Moth

The first cohort of staff and volunteers, the museum's Green Team, undertook Carbon Literacy training in March 2025. They will now roll out this programme across the Museum workforce throughout the year.

All staff have been issued with an Environmental Principles document to guide daily work decisions, including procurement, waste, energy consumption, and lift sharing.

All staff facilities now have designated recycling bins, along with additional food waste bins. The museum's food waste helps generate green energy, and our used cooking oil gets turned into biofuels.

10. Governance

A governance review held over the previous year included a reduction in the number of Trustees, the creation of a pool of trusted advisors, and an emphasis on clear roles and responsibilities between the Board and the Executive team. Work continued in 2024 and included:

- A successful recruitment drive for new Trustees targeting specialists in the Heritage/Museum sector and Accountancy. Four new Trustees were inducted and joined the Museum in January 2025.
- A Scheme of Delegation between the Board of Trustees and the Executive.
- Terms of Reference for all Committees.
- Two Vice Chairs have been agreed upon to stand in for the Chair if needed in an acting capacity.

11. Partnerships

The importance and strength of our regional, national and international partnerships have been a key focus over the past two years as we endeavour to ensure The Bowes Museum plays its part in the visitor economy and education, heritage, museums, and creative industry sectors in the UK. Our partnerships range from hyperlocal programmes with schools and prison services, regional initiatives with county and North East partners, national projects and advocacy programmes with our museum peers, and internationally-delivered projects with collaborators in the USA. These include the following:

Local and Regional
AIM Connecting Communities
Successful funding from AIM Connected Communities has enabled a new partnership between Teesdale School, Barnard Castle and The Bowes Museum to deliver a youth volunteering scheme, co-designed with young people, aimed at increasing confidence, improving mental health through community commitment and civic volunteering, and providing work-ready professional experiences to raise aspirations.

Document ID: [redacted]

Strategic report (continued)

Achievements and performance (continued)

Durham County's ACE Place Partnership
We were delighted to hear of the success of Durham County Council's application to Arts Council England's Place Partnership Fund. The Bowes Museum are leading on one strand entitled 'Durham Creative Community Fellows' in partnership with National Arts Strategies (NAS), based in the USA, and Derby Museums. This programme links to the UK and USA programmes, focusing on supporting the growth and development of cultural leaders in County Durham

Culture Durham Partnership
We are working with cultural partners on the formation of the new Culture Durham Partnership as part of an Advisory Board tasked with developing the new organisation.

Advisory Boards
The Executive Director serves on the Advisory Boards for the new developments at Locomotion in Shildon and Visit County Durham.

National
National Gallery
The Museum's partnership with the National Gallery as a Collaborative Doctoral Partner has been reaffirmed following its successful inclusion in the national scheme. The partners welcome PhD candidates and research exploring shared collection thematics. Following six successful studentships, one researcher is midway through their research. Two further studies are being prepared, exploring co-production using the Museum as a case study and an in-depth focus on the collection's Blackborne Lace.

Russell-Cotes Art Gallery and Museum (Bournemouth) and The Watts Gallery (Guildford)
As part of a UK-wide programme established by the Art Fund and Creative Scotland called Going Places, we will be a key player within a network of small to mid-sized museums producing two touring exhibitions over five years (2025-2030). Focusing on our founding couples' (Josephine and John Bowes, Merton and Annie Russell-Cotes and George and Mary Watts) passion for art, culture and collecting, the network aims to explore how we make these three collections founded by creative and philanthropic couples, and rooted in their period, relevant to our communities today.

Strategic Networks and Memberships
- Association of Cultural Enterprises
- Association of Independent Museums
- Creative UK
- English Civic Museums Network
- Museums Association

Conferences
Throughout the year, we attended the Annual National Conference of Visitor Attractions in October 2024, Museums Association Conference in November 2024, Creative Industries Growth Summit on January 25, and the Creative UK Investment for Growth conference on March 25. We attended the Association of Independent Museums conference in June 2024, where the Executive Director was invited to speak on a panel on Advocacy, discussing the role of politics and central government in museum support, what sector bodies are currently doing to advocate for museums, and how museums can utilise this time to advocate for themselves.

Document ID: [redacted]

Strategic report (continued)

Achievements and performance (continued)

International
UK Creative Community Fellows
A partnership with Derby Museums and the US-based NAS, the UK Creative Community Fellows is a nationwide programme supporting people who use arts and culture to create positive change in their communities. The Bowes Museum has joined this established programme, funded by Arts Council England, due to the Executive Director's role in co-leading it with US partners since its inception. The Bowes Museum is well placed to support, as the NE has been identified as a cold spot for engagement in such programmes and the aforementioned Durham Creative Community Fellows is an addition to the international portfolio of Creative Community Fellows programmes.

Conferences
The Executive Director was invited to present at a 'talk' panel at the Nobel Centre talks in Stockholm in October 2024, to share her experience of bringing/testing/developing methods from other sectors into the arts and culture sectors.

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Strategic report (continued)

Achievements and performance (continued)

12. 2024-25 Key achievements

- Cafe Bowes won the Cafe of the Year Award at the Museum and Heritage Awards in April 2024. Nominated and shortlisted in 2025 for The Curiosity Project in the 'Permanent Exhibition of the Year' 2025 Museum and Heritage Awards category.
- In the 2025 Visit England Inspection, the Museum achieved an overall score of 95%, with 100% for the Cafe and 95% for Retail. Two nominations are underway for the National Visit England Gold Awards, specifically for the Welcome Award and the Quality Food and Drink Award.
- Total grant income secured 24/25 = £1,292,906.
- A new Accessible Tour has been launched with the support of a regional initiative called Everybody Welcome.
- This Unheard Voices programme, delivered with HMP Deerbolt in collaboration with Novus, won a 'Strengthening our Partnerships' award at the North East Prison Group Awards in March 2025.
- We have grown our volunteer community by over 50% to approximately 90 volunteers who regularly engage and support our activities at the Museum. Over the last 12 months, they have donated 4,979 hours of volunteer work, 50% more than in the previous year.
- This year's Heritage Open Day was the most successful to date 1439 people attended the day, an increase of 23% from 2024.
- Co-production programmes continued with the launch of Be You at The Bowes' first LGBTQIA+ trail of objects in the permanent galleries, engaging 22 local people, all with protected characteristics.
- Successfully launched the new Curiosity spaces – four galleries and three collection stores.
- Retention of membership (the percentage of members who accept the auto-renewal of their membership for a further year) was maintained at around 60%.
- Surpassed previous visitor numbers for the Heritage Open Days, Family Days and National Lottery Open Days.
- Over 25 store artworks have been exhibited as part of the museum's Conversation Wall capsule collections.
- The Kith and Kinship Norman Cornish and Lowry exhibition welcomed 25,776 people, supporting a 22% increase in visitor footfall compared to the same period last year, and garnered positive comments and press coverage.
- From Joséphine Bowes: The Trendsetters and Trailblazers exhibition garnered online engagement with 343 million people who have read, seen, or heard about the exhibition across multiple platforms.
- The Bowes Museum successfully renewed its accredited status.
- Bowes' next Collaborative Doctoral Partnership application, in partnership with The National Gallery, was successful at the assessment panel.
- The MEND Project included resurfacing roads and parking bays, footpath improvements, accessible parking and entry to the Museum, the introduction of EV chargers, and the installation of low-level lighting in the car parks.
- The museum's gas contracts were renegotiated, and together with electricity, we transitioned all our energy to 100% renewable, green sources.
- A successful recruitment drive for new Trustees was undertaken, targeting specialisms in the Heritage/Museum sector and Accountancy. Four new Trustees were inducted and joined the Museum in January 2025.

Document ID: [redacted]

Strategic report (continued)

Achievements and performance (continued)

13. Supporters

We are grateful to all financial supporters of the Museum, which in the twelve months include, in alphabetical order:

AIM
AIM Legacy
Art Fund
Art Fund - Reimagine Grant
Arts Council England
Catherine Cookson Foundation
Christine Dipple Stay & Play
DCCF Museum's Grant
Durham Business Growth
Durham County Council
Esme Fairburn
FOTBM
John Ellerman Trust
John Horseman Trust
MEND
National Heritage Fund
National Highways Fund
Paul Mellon Grant
Pilgrim Trust
Tavlozza Foundation
Wolfson

Document ID: [redacted]

Strategic report (continued)

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Investment powers and restrictions

The Trustees may invest funds as they see fit, subject to any laws in place at the time.

Reserves policy

The Trustees have set a reserves policy which requires that:

- Reserves will be maintained at a level which ensures that the Bowes Museum's core activity could continue during a period of unforeseen difficulty and the Museum is able to take advantage of strategic development opportunities;
- A proportion of reserves be maintained in a readily realisable form.

In setting the overall minimum level of reserves to be held of £770,000, the Trustees have established three levels of reserves to reflect the different risks it must respond to:

- The Museum will keep two months worth of total expenditure to cover any short term setbacks in funding or cash flow difficulties. This equates to £240,000;
- The Museum will set aside £100,000 to enable the charity to take advantage of strategic opportunities;
- The Museum will keep 50% of the annual income it assesses to be of high risk and 10% of the annual income it assesses to be of medium risk to cover the risk of significant changes in the environment in which it operates. This equates to £450,000.

The current level of free reserves is £286,604 (2024: £573,479). The Trustees intend that the Museum generates a surplus income each year of £100,000 so that the level of reserves set in its reserves policy builds further over time.

The reserves policy will be reviewed by Trustees annually when annual budgets are set to ensure the level of reserves in the policy are reasonable and that any budget surplus or deficit is set with regard to actual reserves and the reserves policy.

The Bowes Museum has a specific endowment fund, the John and Josephine Bowes Fund, of £1,637,468 (2024: £1,689,470). The trust has a requirement to retain the capital sum in the specific endowment fund and only spend the income to assist in covering the current expenditure (£36,452 income in the year to 31 March 2025 (2024: £45,220)).

In the long term the trust intends to add to the specific endowment fund. The fundraising committee is considering how best to achieve this alongside other fundraising priorities.

The Bowes Museum also has a Catalyst Endowment Fund of £2,008,151 (2024: £1,973,824). Donations to the Museum were matched funded by a grant from the Heritage Lottery Fund with the intention to provide future income for the Museum.

The two endowment funds made a combined unrealised loss of £24,258 during the year (2024: gain £32,876).

Document ID: [redacted]

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

Governing document

The Charity is regulated by (1) a scheme made by the Charity Commission on 12 September 2014 and (2) a company limited by guarantee, The Bowes Museum Limited (Company Registration 03879872) established for charitable purposes only.

The Bowes Museum Limited is a charitable company limited by guarantee incorporated 18 November 1999. The Charity is governed by the memorandum and articles of association, last amended October 2014.

Recruitment and appointment of new Trustees

Each year, at the Annual General Meeting, one third of the Trustees retire and may seek re-election. New Trustees are appointed when vacancies become available. A Trustee's skills matrix is maintained and the appointment process takes account of skills gaps.

Induction and training of new Trustees

New Trustees receive an induction to the Museum which consists of a file of governing documents, recent reports and minutes of meetings, and a familiarisation with the work of the Museum. External training for new Trustees in matters of governance is available.

Pay policy for senior staff

The Trustees consider the Senior Management Team to form the key management personnel of the Museum, in charge of directing and controlling, running and operating the Museum on a day to day basis. The pay of the senior staff is reviewed annually. In view of the nature of the Museum, the Trustees benchmark against pay levels in other similar Charities.

Organisational structure

The Trustees meet quarterly. Decisions at Trustees meetings are made by majority vote with the Chairman having the casting vote on split decisions.

The Board is supported by four sub-committees, Finance & Estates, Strategy & Development, Culture and Audience Development. The chairs of these together with the Chairman, constitute the Governance Committee, which meets regularly with the Director. Each sub-committee has its own Terms of Reference and their reports are a standing item for the full Board meetings. The Board also receives a report from the Director of the Museum.

The Trustees have delegated day to day management of the charity to the Director of the Museum who reports on performance against the Museum's strategic and operational plans. Financial reports are received quarterly by the Board.

Staff are involved in major decision making and policy formulation wherever possible. Staff briefings led by Directorate take place monthly, along with various internal working groups, staff team meetings and diary meetings.

Document ID: [redacted]

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)

Related party relationships

Durham County Council provides core funding for the Museum.

The Friends of The Bowes Museum exists to assist The Bowes Museum in meeting its objectives. The Friends were the largest overall contributor to the success of the Catalyst Endowment Fund reaching its target, and they have contributed annually to the Museum over a number of years.

During the year both the Barnard Castle Tennis Club and the Barnard Castle Bowling Club have continued to enjoy use of the facilities within the grounds of The Bowes Museum. Both clubs are well supported, and the use of the green and courts by members, visiting players, and the general public is extensive.

The trading subsidiary, Bowes Museum (Enterprises) Limited, operates the café, shop and function facilities of The Bowes Museum. The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Risk management

Trustees regularly analyse risks to the charity. Risks are mitigated by a well-advanced development planning programme, by close scrutiny of key performance indicators, and by early negotiation of funding with core funders.

Governance risks are offset by the fact that Trustees are recruited with the appropriate skill-sets. New Trustees receive induction which includes all relevant documentation, meetings with key staff, understanding of the collections and knowledge of the Museum's programme of exhibitions, events and activities. In addition, the full Board meet quarterly and there is a system of rotation.

Audit, remuneration and nominations sub-committees are in place to ensure organisational risks are managed appropriately.

Uniting direction

A uniting direction has been made under s96(5) of the Charities Act 1993 with respect to The Bowes Museum (charity no. 1079639-1). The financial statements for The Bowes Museum (charity no. 1079639) therefore also include the assets held by this charity.

A uniting direction has also been made with respect to the Heritage Lottery Fund & Department for Culture, Media and Sport Bowes Museum Catalyst Endowment Fund (charity no. 1079639-2) and the financial statements for The Bowes Museum (charity no. 1079639) include the assets held by this fund.

Document ID: [illegible]

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

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

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 group'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 relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Clive Owen LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 22-10-2025 UTC ..... and signed on their behalf by:

P D A Mothersill

Signer ID: G594JDRIE8...

Mr Peter Mothersill
(Chair of Trustees)

Document ID: [illegible]

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM

Opinion

We have audited the financial statements of The Bowes Museum (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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's or the 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.

Document ID: [redacted]

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have 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 including the Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Document ID: [illegible]

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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.

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 undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Group. We communicated identified laws and regulations throughout the audit team and remained alert to any indications on non-compliance throughout the audit. We determined the most significant of these to be around employment law, charity law, company law, health and safety law, food and hygiene and licencing regulations, taxation law and GDPR.
- Enquiry of directors and management as to policies and procedures to ensure compliance and any known instances of non-compliance.
- Review of Board minutes and correspondence with regulators.
- Enquiry of directors and management as to areas of the financial statements susceptible to fraud and how those risks are managed.
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the financial statements. The further removed non-compliance with law and regulations is from the events and transactions reflected in the financial statement, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentation, or override of inter controls.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. This description forms part of our Auditors' Report.

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Document ID: [illegible]

C P Beaumont
Signer ID: IU2IYLBGPX...

Christopher Beaumont BA (Hons) BFP FCA DChA (Senior Statutory Auditor)

for and on behalf of
Clive Owen LLP

Chartered Accountants and Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

Date: 22-10-2025 UTC

Document ID: [illegible]

THE BOWES MUSEUM

(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income and endowments from:						
Donations and legacies	3	**348,645**	**-**	**1,330**	**349,975**	*397,378*
Charitable activities	4	**381,547**	**918,334**	**-**	**1,299,881**	*1,628,494*
Other trading activities	6	**2,029,759**	**-**	**-**	**2,029,759**	*2,104,314*
Investments	7	**35,094**	**-**	**145,517**	**180,611**	*182,029*
Total income and endowments		**2,795,045**	**918,334**	**146,847**	**3,860,226**	*4,312,215*
Expenditure on:						
Raising funds	8	**1,206,237**	**-**	**-**	**1,206,237**	*1,144,350*
Charitable activities		**1,909,073**	**430,889**	**-**	**2,339,962**	*2,161,703*
Total expenditure		**3,115,310**	**430,889**	**-**	**3,546,199**	*3,306,053*
Net (expenditure)/income before net (losses)/gains on investments		**(320,265)**	**487,445**	**146,847**	**314,027**	*1,006,162*
Net (losses)/gains on investments		**-**	**-**	**(24,258)**	**(24,258)**	*32,876*
Net (expenditure)/income		**(320,265)**	**487,445**	**122,589**	**289,769**	*1,039,038*
Transfers between funds	19	**140,264**	**-**	**(140,264)**	**-**	*-*
Net movement in funds before other recognised gains/(losses)		**(180,001)**	**487,445**	**(17,675)**	**289,769**	*1,039,038*
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	**(20,000)**	**-**	**-**	**(20,000)**	*(20,000)*
Net movement in funds		**(200,001)**	**487,445**	**(17,675)**	**269,769**	*1,019,038*

Document ID: [redacted]

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

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Reconciliation of funds:						
Total funds brought forward		**7,112,609**	**3,375,954**	**3,663,294**	**14,151,857**	*13,132,819*
Net movement in funds		**(200,001)**	**487,445**	**(17,675)**	**269,769**	*1,019,038*
Total funds carried forward		**6,912,608**	**3,863,399**	**3,645,619**	**14,421,626**	*14,151,857*

Document ID: [redacted]

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note		2025 £		*2024* *£*
Fixed assets					
Tangible assets	13		**1,517,140**		*483,953*
Heritage assets	14		**8,805,504**		*8,805,504*
Investments	15		**3,197,702**		*3,663,304*
			13,520,346		*12,952,761*
Current assets					
Stocks	16	**63,905**		*66,191*	
Debtors	17	**769,980**		*904,603*	
Cash at bank and in hand		**439,998**		*628,146*	
		1,273,883		*1,598,940*	
Current liabilities					
Creditors: amounts falling due within one year	18	**(372,603)**		*(399,844)*	
Net current assets			**901,280**		*1,199,096*
Total assets less current liabilities			**14,421,626**		*14,151,857*
Net assets excluding pension asset			**14,421,626**		*14,151,857*
Total net assets			**14,421,626**		*14,151,857*

Document ID: [illegible]

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

	Note	2025 £	*2024 £*
Charity funds			
Endowment funds	19	**3,645,619**	*3,663,294*
Restricted funds	19	**3,863,399**	*3,375,954*
Unrestricted funds	19	**6,912,608**	*7,112,609*
Total funds		**14,421,626**	*14,151,857*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 22-10-2025 UTC and signed on their behalf by:

P D A Mothersill
Signer ID: G594JDRIE8...
Mr Peter Mothersill
Chair

The notes on pages 43 to 72 form part of these financial statements.

Document ID: [illegible]

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CHARITY BALANCE SHEET
AS AT 31 MARCH 2025

	Note		2025 £		*2024* *£*
Fixed assets					
Tangible assets	13		**1,517,140**		*483,953*
Heritage assets	14		**8,805,504**		*8,805,504*
Investments	15		**3,197,712**		*3,663,314*
			13,520,356		*12,952,771*
Current assets					
Debtors	17	**820,030**		*1,301,116*	
Cash at bank and in hand		**415,711**		*249,047*	
		1,235,741		*1,550,163*	
Current liabilities					
Creditors: amounts falling due within one year	18	**(334,471)**		*(351,077)*	
Net current assets			**901,270**		*1,199,086*
Total assets less current liabilities			**14,421,626**		*14,151,857*
Net assets excluding pension asset			**14,421,626**		*14,151,857*
Total net assets			**14,421,626**		*14,151,857*
Charity funds					
Endowment funds	19		**3,645,619**		*3,663,294*
Restricted funds	19		**3,863,399**		*3,375,954*
Unrestricted funds					
Unrestricted funds excluding pension asset	19	**6,912,608**		*7,112,609*	
Total unrestricted funds	19		**6,912,608**		*7,112,609*
Total funds			**14,421,626**		*14,151,857*

Document ID: [illegible]

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The Charity's net movement in funds for the year was £269,769 *(2024 - £1,019,038)*.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 22-10-2025 UTC ..... and signed on their behalf by:

P D A Mothersill
Signer ID: G594JDRIE8...
Mr Peter Mothersill
(Chair of Trustees)

The notes on pages 43 to 72 form part of these financial statements.

Document ID: [illegible]

THE BOWES MUSEUM

(A Company Limited by Guarantee)

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

	2025 £	*2024 £*
Cash flows from operating activities		
Net cash used in operating activities	**777,902**	*264,315*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(1,112,897)**	*(423,313)*
Net cash used in investing activities	**(1,112,897)**	**(423,313)**
Cash flows from financing activities		
Endowment income	**146,847**	*152,007*
Endowment expenditure	**-**	*(11)*
Net cash provided by financing activities	**146,847**	**151,996**
Change in cash and cash equivalents in the year	**(188,148)**	**(7,002)**
Cash and cash equivalents at the beginning of the year	**628,146**	*635,148*
Cash and cash equivalents at the end of the year	**439,998**	*628,146*

The notes on pages 43 to 72 form part of these financial statements

Document ID:

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

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Bowes Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Museum to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date the financial statements are approved.

On the basis of the above the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. Whilst in the current environment there can never be any certainty over the level of profitability and continuing financial support, having made appropriate enquiries, the Trustees do not believe there to be any material uncertainty and they therefore believe it is appropriate to have prepared the financial statements on a going concern basis. No adjustments have been made to reflect any writedown or writeup of assets to net realisable value, to provide for any further liabilities which may arise or to reclassify fixed assets and long term liabilities as current assets and liabilities, as might be necessary were continuing financial support not be available or the sale of assets on a timely basis and the going concern basis found not to be valid.

Document ID: [illegible]

1. Accounting policies (continued)

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Legacy income is recognised when receipt is probable and entitlement is established. Where a legacy is notified to the charity prior to the year end, it is recognised as income if it is received before the accounts are approved. Income from donations is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services and facilities:
Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers. Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Redundancy costs are charged to the Consolidated Statement of Financial Activities in the year in which an irrevocable commitment is made to incur the costs and the main features of the restructuring plan have been announced to affected employees.

1.6 Government grants

Government grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

Document ID: [illegible]

1. Accounting policies (continued)

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 5% - 25% on cost
Office equipment	- 25% on cost
Computer equipment	- 25% on cost
Other fixed assets	- 25% on cost

1.10 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

1.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at market value at the Balance Sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.12 Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell after making due allowance for obsolete and slow-moving stocks.

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1. Accounting policies (continued)

1.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 Cash at bank and in hand

Cash at bank and 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.

1.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.16 Financial instruments

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

Document ID: [redacted]

1. Accounting policies (continued)

1.17 Pensions

Retirement benefits to employees of the Group are provided by the Local Government Pension Scheme ("LGPS"). This is a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2022.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The actuary has undertaken a valuation of the LGPS as at 31 March 2025 which shows an asset of £860,000. In accordance with 28.22 of FRS102 as the charity will not benefit from either reduced contribution rates in the future nor a refund from the scheme the asset is not recognised within these financial statements.

1.18 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent the permanent funds of the charity. All income generated by the funds are unrestricted and used for the purpose of the charity.

Investment income, gains and losses are allocated to the appropriate fund.

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

2. Critical accounting estimates and areas of judgement

In the application of the charity's and the group's accounting policies the Trustees are required to make judgments, estimates and assumptions about the carrying amounts of certain assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These include the valuation of donated heritage assets which are based on advice from the Arts Council in the case of assets received via the organisation for example if received by HM Treasury in lieu of tax or on the estimate of the Museum's own curatorial staff in the case of smaller donations. Estimates also include the depreciation rate applied to the various categories of the various tangible fixed assets.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

3. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Friends of the Bowes Museum	28,180	-	-	**28,180**	*40,372*
Donations	16,365	-	1,330	**17,695**	*31,516*
Core funding from DCC	304,100	-	-	**304,100**	*325,490*
	348,645	-	1,330	**349,975**	*397,378*
Total 2024	*357,378*	*40,000*	*-*	*397,378*	

4. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Grants	374,572	918,334	**1,292,906**	*1,604,400*
Crowdfunding	-	-	**-**	*24,767*
Education income	6,975	-	**6,975**	*(673)*
Total 2025	381,547	918,334	**1,299,881**	*1,628,494*
Total 2024	*399,906*	*1,228,588*	*1,628,494*	

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

5. Analysis of grants

	2025 £	2024 £
Arts Council England	374,572	374,572
Other	-	1,240
Restricted grants	918,334	1,228,588
	1,292,906	1,604,400

	2025 £	2024 £
Restricted grants:		
AIM – Young Volunteers Programme	16,750	-
Arts Council England – MEND	292,402	584,804
Arts Council England – Re-imagine	44,990	-
Connected Communities	-	43,242
DCC - Boiler	20,000	-
DCC – Into the Light Partnership	150,000	-
Derby Museums	100,000	-
Esmee Fairburn	-	46,836
Foyle Foundation	-	65,000
Garfield Weston	-	40,000
John Ellerman Foundation	40,392	27,051
National Heritage	124,880	146,342
National Highways	100,000	-
The Wolfson Foundation	-	254,900
Other < £10,000	28,920	20,413
	918,334	1,228,588

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

6. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Entrance Income	579,744	**579,744**	*434,091*
Gift aid rebate	105,908	**105,908**	*68,463*
Sundry income	26,610	**26,610**	*18,199*
Exhibitions tax relief	111,538	**111,538**	*638,415*
Trading company income	1,205,959	**1,205,959**	*945,146*
Total 2025	2,029,759	**2,029,759**	*2,104,314*
Total 2024	*2,104,314*	*2,104,314*	

7. Investment income

	Unrestricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Deposit account interest	5,094	-	**5,094**	*-*
Dividends receivable on endowment funds	-	145,517	**145,517**	*152,029*
Pension income	30,000	-	**30,000**	*30,000*
	35,094	145,517	**180,611**	*182,029*
Total 2024	*30,022*	*152,007*	*182,029*	

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8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Admissions	200,090	**200,090**	*324,148*
Total 2024	*324,148*	*324,148*	

Trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Trading company	519,371	**519,371**	*408,016*
Fundraising trading expenses - wages and salaries	442,846	**442,846**	*384,904*
Fundraising trading expenses - NI	26,049	**26,049**	*18,130*
Fundraising trading expenses - pension costs	17,881	**17,881**	*9,152*
	1,006,147	**1,006,147**	*820,202*
Total 2024	*820,202*	*820,202*	

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

9. Analysis of expenditure by charitable activities

	Direct costs 2025 £	Support costs 2025 £	Total funds 2025 £	*Total funds 2024 £*
Exhibitions	199,597	757,900	**957,497**	*1,273,884*
Education	95,892	364,116	**460,008**	*408,698*
Collections	190,208	732,249	**922,457**	*479,121*
Total 2025	485,697	1,854,265	**2,339,962**	*2,161,703*
Total 2024	*653,818*	*1,507,885*	*2,161,703*	

Support costs directly attributable to an activity have been allocated to that activity. Where support costs cannot be directly attributed to any activity they have been allocated in proportion to direct expenditure.

Trading costs relate to total expenditure incurred attributed to admissions within the Museum.

In 2025, of the total expenditure, £3,115,310 (2024: £3,070,355) was to unrestricted funds, £Nil (2024: £11) was to endowment funds and £430,889 (2024: £235,687) was to restricted funds.

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9. Analysis of expenditure by charitable activities (continued)

Analysis of direct costs

	Total funds 2025 £	*Total funds 2024 £*
Staff costs	**268,508**	*320,103*
Rates and water	**28,404**	*14,483*
Postage and stationery	**10,482**	*13,102*
Sundries	**2,929**	*3,471*
Staff services	**53,286**	*43,763*
Public programme	**102,072**	*252,731*
Conservation	**20,016**	*6,165*
Total 2025	**485,697**	*653,818*

Analysis of support costs

	Total funds 2025 £	*Total funds 2024 £*
Staff costs	**829,417**	*626,943*
Depreciation	**79,710**	*19,641*
Postage and stationery	**34,808**	*20,286*
Sundries	**34,296**	*25,670*
Insurance	**127,475**	*94,507*
Light and heat	**174,486**	*192,025*
Telephone	**11,403**	*8,133*
Advertising	**72,506**	*37,000*
Repairs and renewals	**383,277**	*369,782*
Bank charges	**12,844**	*2,769*
Auditors remuneration	**20,000**	*17,500*
Legal and professional fees	**74,043**	*96,950*
Bad debts written off	**-**	*(3,321)*
Total 2025	**1,854,265**	*1,507,885*

Governance costs included above amount to £94,043 (2024: £114,450).

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

10. Net income/expenditure

	2025 £	*2024 £*
Depreciation of tangible fixed assets:		
- owned by the Charity	**79,710**	*19,641*
Auditors' remuneration - audit	**23,295**	*17,500*

11. Staff costs

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Wages and salaries	**1,583,170**	*1,505,264*	**1,140,324**	*1,120,360*
Social security costs	**126,262**	*108,660*	**100,213**	*90,530*
Pension costs	**65,359**	*59,456*	**47,478**	*50,304*
Other pension costs (note 26)	**10,000**	*10,000*	**10,000**	*10,000*
	1,784,791	*1,683,380*	**1,298,015**	*1,271,194*

Other pension costs relate to the current and past service costs as detailed in note 26.

The average number of persons employed by the Charity during the year was as follows:

	Group 2025 No.	*Group 2024 No.*
Charity	**49**	*52*
Subsidiary	**33**	*29*
	82	*81*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	*Group 2024 No.*
In the band £80,001 - £90,000	**-**	*1*
In the band £90,001 - £100,000	**1**	*-*

Remuneration of key management personnel (including employer national insurance and employer pension contributions) was £291,445 (2024: £272,302).

Included within staff costs are redundancy payments totalling £Nil (2024: £30,582).

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

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 March 2025, travel and subsistence expenses totalling £295 were reimbursed or paid directly to 1 Trustee *(2024 - £1,000 to 1 Trustee)*.

13. Tangible fixed assets

Group and Charity

	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 April 2024	**1,732,423**	**19,159**	**131,371**	**206,476**	**2,089,429**
Additions	**1,055,424**	**4,193**	**37,848**	**15,432**	**1,112,897**
Disposals	**(99,414)**	**(5,113)**	**(90,387)**	**(51,377)**	**(246,291)**
At 31 March 2025	**2,688,433**	**18,239**	**78,832**	**170,531**	**2,956,035**
Depreciation					
At 1 April 2024	**1,273,962**	**19,159**	**125,048**	**187,307**	**1,605,476**
Charge for the year	**63,649**	**369**	**6,850**	**8,842**	**79,710**
On disposals	**(99,414)**	**(5,113)**	**(90,387)**	**(51,377)**	**(246,291)**
At 31 March 2025	**1,238,197**	**14,415**	**41,511**	**144,772**	**1,438,895**
Net book value					
At 31 March 2025	**1,450,236**	**3,824**	**37,321**	**25,759**	**1,517,140**
At 31 March 2024	*458,461*	*-*	*6,323*	*19,169*	*483,953*

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

14. Heritage assets

Group and Charity

Assets recognised at cost

	Heritage assets 2025 £
Carrying value at 1 April 2024	8,805,504
Carrying value at 31 March 2025	8,805,504

The charity's heritage assets comprise the building and grounds together with the collection. The Museum building is a Grade I listed building and is located in a landscaped park listed as Grade II on the Register of Parks and Gardens of special historic interest in England. The grounds also contain a bowling green and tennis courts and entrance lodges. Nursery grounds and buildings are located to the north side of the park. The collection is made up of a diverse range of pictures, textiles, ceramics, metalwork, sculpture and items of historical interest based around the original collection of the founders John and Josephine Bowes.

Under the current Statement of Recommended Practice (SORP) and FRS 102 items purchased for the collection are capitalised and included at cost in the balance sheet. Items acquired prior to the 2005 SORP are not included in the financial statements.

The Museum maintains its collection for its historical and artistic value. Any valuation is completed within the confines of the requirements of the management and preservation of the collection and for no other purpose. In accordance with the provisions of both the SORP and the FRS, no value has been attributed to items acquired prior to the implementation of the SORP 2005 due to the lack of reliable information regarding cost or valuation.

Access to the collection is promoted through educational workshops, tours as well as through general admissions to the Museum. More information about the Museum's activities and collection can be found at the Museum's website.

Heritage assets report in the balance sheet during the last five years were as follows:

Analysis of heritage asset transactions

Group

	2025 £	2024 £	2023 £	2022 £	2021 £
Purchases					
Heritage assets	-	-	2,275	18,000	18,596
Total additions	-	-	2,275	18,000	18,596

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

15. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2024	**3,663,304**
Disposals	**(447,917)**
Revaluations	**(17,685)**
At 31 March 2025	**3,197,702**
Net book value	
At 31 March 2025	**3,197,702**
At 31 March 2024	*3,663,304*

The listed investments relate to the following:

82,685 shares in the COIF Charities Investment Fund. These investments are held by the Bowes Museum (charity no 1071630).

The historical cost of these investments at 31 March 2025 was £953,941 (2024: £953,941).

1,906,902 shares in the COIF Charities Property Fund. These investments are held by the Catalyst Endowment Fund (charity no 1079639-2).

The historical cost of these investments as 31 March 2025 was £2,312,183 (2024: £2,312,183).

Charity	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2024	**10**	**3,663,304**	**3,663,314**
Disposals	**-**	**(447,917)**	**(447,917)**
Revaluations	**-**	**(17,685)**	**(17,685)**
At 31 March 2025	**10**	**3,197,702**	**3,197,712**
Net book value			
At 31 March 2025	**10**	**3,197,702**	**3,197,712**
At 31 March 2024	*10*	*3,663,304*	*3,663,314*

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15. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Aggregate of share capital and reserves £	Profit/(loss) £	Holding
The Bowes Museum (Enterprises) Limited	06864117	10	0	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
The Bowes Museum (Enterprises) Limited	**1,205,959**	**(1,205,959)**	**10**

16. Stocks

	Group 2025 £	*Group 2024 £*
Raw materials and consumables	**63,905**	*66,191*

17. Debtors

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Due within one year				
Trade debtors	**71,507**	*29,727*	**67,970**	*26,130*
Amounts owed by group undertakings	**-**	*-*	**66,497**	*402,175*
Other debtors	**39,193**	*7,143*	**39,193**	*7,143*
Prepayments and accrued income	**659,280**	*867,733*	**646,370**	*865,668*
	769,980	*904,603*	**820,030**	*1,301,116*

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

18. Creditors: Amounts falling due within one year

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Trade creditors	**181,475**	*94,527*	**153,312**	*64,276*
Other taxation and social security	**30,652**	*51,908*	**30,652**	*51,908*
Other creditors	**6,463**	*4,788*	**6,463**	*4,788*
Accruals and deferred income	**154,013**	*248,621*	**144,044**	*230,105*
	372,603	*399,844*	**334,471**	*351,077*

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Deferred Income				
Deferred income at 1 April 2024	**27,434**	*40,545*	**20,739**	*40,545*
Resources deferred during the year	**52,874**	*27,434*	**46,200**	*20,739*
Amounts released from previous periods	**(27,434)**	*(40,545)*	**(20,739)**	*(40,545)*
Deferred income at 31 March 2025	**52,874**	*27,434*	**46,200**	*20,739*

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

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated funds						
Legacies	**20,000**	**-**	**-**	**-**	**-**	**20,000**
General funds						
General	**7,092,609**	**2,765,045**	**(3,105,310)**	**140,264**	**-**	**6,892,608**
Pension reserve	**-**	**30,000**	**(10,000)**	**-**	**(20,000)**	**-**
	7,092,609	**2,795,045**	**(3,115,310)**	**140,264**	**(20,000)**	**6,892,608**
Total Unrestricted funds	**7,112,609**	**2,795,045**	**(3,115,310)**	**140,264**	**(20,000)**	**6,912,608**
Endowment funds						
John & Josephine Bowes	**1,689,470**	**36,452**	**-**	**(36,452)**	**(52,002)**	**1,637,468**
Catalyst Endowment	**1,973,824**	**110,395**	**-**	**(103,812)**	**27,744**	**2,008,151**
	3,663,294	**146,847**	**-**	**(140,264)**	**(24,258)**	**3,645,619**
Restricted funds						
Acquisitions & Conservation	**2,328,706**	**-**	**-**	**-**	**-**	**2,328,706**
Pilgrim Trust	**-**	**-**	**(5,925)**	**-**	**-**	**(5,925)**
Capital Improvement	**359,346**	**20,000**	**(48,170)**	**-**	**-**	**331,176**
Association of Independent Museums	**38,219**	**10,811**	**(49,030)**	**-**	**-**	**-**
John Ellerman Foundation	**22,093**	**40,392**	**(38,537)**	**-**	**-**	**23,948**

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

19. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Esmée Fairburn Collections	30,656	-	(30,656)	-	-	-
John Horseman Trust	-	7,000	(8,850)	-	-	(1,850)
Christine Dipple Stay & Play	-	2,000	(2,000)	-	-	-
DCCF ACE Programme	-	250,000	(86,120)	-	-	163,880
Catherine Cookson Trust	-	3,000	(586)	-	-	2,414
National Highways Fund	-	100,000	(100,000)	-	-	-
National Heritage Lottery Fund	-	124,880	(2,042)	-	-	122,838
Durham Business Growth	-	9,920	(9,920)	-	-	-
Art Fund Going Places	-	2,000	(2,000)	-	-	-
Association of Independent Museums	-	5,939	(5,939)	-	-	-
Art Fund Reimagine Grant	-	44,990	(6,389)	-	-	38,601
Tavolozza Foundation	-	5,000	(5,000)	-	-	-
Wolfson Foundation	-	-	(25,000)	-	-	(25,000)
Arts Council England MEND Journey to Accessibility	596,934	292,402	(4,725)	-	-	884,611
	3,375,954	918,334	(430,889)	-	-	3,863,399
Total of funds	14,151,857	3,860,226	(3,546,199)	-	(44,258)	14,421,626

Document ID: [redacted]

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

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2024* £
Unrestricted funds						
Designated funds						
Legacies	*20,000*	*-*	*-*	*-*	*-*	*20,000*
General funds						
General	*7,061,126*	*2,861,620*	*(3,060,355)*	*230,218*	*-*	*7,092,609*
Pension reserve	*-*	*30,000*	*(10,000)*	*-*	*(20,000)*	*-*
	7,061,126	*2,891,620*	*(3,070,355)*	*230,218*	*(20,000)*	*7,092,609*
Total Unrestricted funds	*7,081,126*	*2,891,620*	*(3,070,355)*	*230,218*	*(20,000)*	*7,112,609*
Endowment funds						
John & Josephine Bowes	*1,523,574*	*45,220*	*-*	*(19,558)*	*140,234*	*1,689,470*
Catalyst Endowment	*2,129,522*	*106,787*	*(11)*	*(155,116)*	*(107,358)*	*1,973,824*
	3,653,096	*152,007*	*(11)*	*(174,674)*	*32,876*	*3,663,294*

Document ID: [redacted]

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

19. Statement of funds (continued)

Restricted funds						
Acquisitions & Conservation	*2,237,352*	*152,842*	*(152,842)*	*91,354*	*-*	*2,328,706*
Education	*143,595*	*8,913*	*(8,913)*	*(143,595)*	*-*	*-*
Capital Improvement	*2,806*	*989,704*	*(47,770)*	*11,540*	*-*	*956,280*
Skills for the Future	*14,844*	*117,129*	*(26,162)*	*(14,843)*	*-*	*90,968*
	2,398,597	*1,268,588*	*(235,687)*	*(55,544)*	*-*	*3,375,954*
Total of funds	*13,132,819*	*4,312,215*	*(3,306,053)*	*-*	*12,876*	*14,151,857*

Document ID: [redacted]

19. Statement of funds (continued)

Unrestricted funds represent resources available for the general work of the charity.

The Pension Fund is a designated fund within unrestricted funds and represents the liability of the Museum under its defined benefit pension scheme, the details of which are set out in note 26.

Restricted funds relate to grants and donations for specific purposes:

Capital Improvements Fund - funding to enable the redevelopment of the reception, cafe and shop areas on the ground floor, new textile galleries and silver and metal galleries on the first floor and the installation of new service and passenger lifts. This funding compromises grants from the Heritage Lottery Fund itself with additional funding from other sources towards the same project.

The Pilgrim Trust is a grant to support the 'Creating the Conditions' project to redevelop visitor accessibility and experience, and care for the collections.

Acquisitions and Conservation fund - funding towards objects purchased and major conservation work to be undertaken.

The Association of Independent Museums (AIM) Connected Communities Grant is to fund working with young volunteers at the Museum.

The John Ellerman Foundation funds the development of co-production into curation at the Museum.

The Esmée Fairburn Collections Fund supports co-production with volunteers and groups.

The John Horseman Trust grant fundsed the 'Unheard Voices' project at HMP Deerbolt.

Christine Dipple's donation supports the weekly Stay & Play sessions aimed at children up to 5 years old.

Durham Creative Community Fellows ACE Programme funds a collaborative programme between the Bowes Museum, National Arts Strategies in the USA, and Derby Museums featuring regional and international faculty, mentors and coaches to enable leadership development and community building.

The Catherine Cookson Charitable Trust grant was funding to purchase hearing loops for the Museum.

National Highways Fund grant funded the initial stages of the Towards Bowes 2092 Project.

The National Heritage Lottery Fund grant supports the next stage of the Towards Bowes 2092 Project.

Business Durham (Durham Business Growth) grant funded support from a marketing consultancy.

The Art Fund Going Places grant funded the development phase of a network partnership.

The Association of Independent Museums (AIM) second grant funded the legacy of the Young Volunteers programme.

The Art Fund Reimagine Grant is to support the co-production of the Josephine and John galleries.

The Tavolozza Foundation grant supported the From Josephine exhibition.

The Wolfson Foundation grant is to support the redevelopment of three founder galleries within the Museum.

The Arts Council England MEND Journey to Accessibility project funded the installation of the car park, lighting, roads, paving and footpaths in the Museum.

Document ID: [redacted]

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

19. Statement of funds (continued)

The Catalyst Endowment Fund is an endowment fund whereby donations were matched by a grant from the Heritage Lottery Fund. The intention of the fund is to provide future income for the Museum.

The John and Josephine Bowes Endowment fund represents the original endowment left by the founders of the Museum.

Transfers between funds:
£140,264 has been transferred between Endowment Fund and general funds relating to unrestricted investment income.

20. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Designated funds	**20,000**	**-**	**-**	**-**	**-**	**20,000**
General funds	**7,092,609**	**2,795,045**	**(3,115,310)**	**140,264**	**(20,000)**	**6,892,608**
Endowment funds	**3,663,294**	**146,847**	**-**	**(140,264)**	**(24,258)**	**3,645,619**
Restricted funds	**3,375,954**	**918,334**	**(430,889)**	**-**	**-**	**3,863,399**
	14,151,857	**3,860,226**	**(3,546,199)**	**-**	**(44,258)**	**14,421,626**

Summary of funds - prior year

	Balance at 1 April 2023 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 March 2024 £*
Designated funds	*20,000*	*-*	*-*	*-*	*-*	*20,000*
General funds	*7,061,126*	*2,891,620*	*(3,070,355)*	*230,218*	*(20,000)*	*7,092,609*
Endowment funds	*3,653,096*	*152,007*	*(11)*	*(174,674)*	*32,876*	*3,663,294*
Restricted funds	*2,398,597*	*1,268,588*	*(235,687)*	*(55,544)*	*-*	*3,375,954*
	13,132,819	*4,312,215*	*(3,306,053)*	*-*	*12,876*	*14,151,857*

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

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £
Tangible fixed assets	149,207	1,367,933	-	**1,517,140**
Fixed asset investments	-	-	3,197,702	**3,197,702**
Heritage assets	6,476,797	2,328,707	-	**8,805,504**
Current assets	659,207	166,759	447,917	**1,273,883**
Creditors due within one year	(372,603)	-	-	**(372,603)**
Total	6,912,608	3,863,399	3,645,619	**14,421,626**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Endowment funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	*26,766*	*457,187*	-	*483,953*
Fixed asset investments	-	-	*3,663,304*	*3,663,304*
Heritage assets	*6,512,364*	*2,293,140*	-	*8,805,504*
Current assets	*973,313*	*625,627*	-	*1,598,940*
Creditors due within one year	*(399,834)*	-	*(10)*	*(399,844)*
Total	*7,112,609*	*3,375,954*	*3,663,294*	*14,151,857*

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

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	*Group 2024 £*
Net income for the year (as per Statement of Financial Activities)	**289,769**	*1,039,038*
Adjustments for:		
Depreciation charges	**79,710**	*19,641*
(Gains)/losses on investments	**17,685**	*(32,876)*
Endowment income	**(146,847)**	*(152,007)*
Decrease/(increase) in stocks	**2,286**	*(17,883)*
Decrease/(increase) in debtors	**134,623**	*(666,964)*
Increase in creditors	**420,676**	*95,355*
Other finance income	**(20,000)**	*(20,000)*
Costs attributable to Endowment	**-**	*11*
Net cash provided by operating activities	**777,902**	*264,315*

23. Analysis of cash and cash equivalents

	Group 2025 £	*Group 2024 £*
Cash in hand	**439,998**	*628,146*
Total cash and cash equivalents	**439,998**	*628,146*

24. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	**628,146**	**(188,148)**	**439,998**
	628,146	**(188,148)**	**439,998**

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25. Capital commitments

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	**-**	*836,955*	**-**	*836,955*

26. Pension commitments

The Group operates a defined contribution pension scheme and a defined benefit pension scheme. Contributions are made to the defined benefit contribution scheme on behalf of its employees, the cost of these contributions being charged to the Statement of Financial Activities.

The latest actuarial valuation of the LGPS related to the period ended 31 March 2022.

The actuary has undertaken a valuation of the LGPS as at 31 March 2025 which shows an asset of £860,000 (2024: £680,000). In accordance with 28.22 of FRS102 as the charity will not benefit from either reduced contribution rates in the future nor a refund from the scheme the asset is not recognised within these financial statements.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2025 %	*At 31 March 2024 %*
Discount rate	**5.8**	*4.8*
Future salary increases	**3.5**	*3.6*
Future pension increases	**2.5**	*2.6*
CPI inflation	**2.5**	*2.6*
Pension accounts revaluation rate	**2.5**	*2.6*

Sensitivity analysis

	At 31 March 2025 £	*At 31 March 2024 £*
Discount rate +0.1%	**(10,000)**	*(10,000)*
Discount rate -0.1%	**10,000**	*10,000*
Mortality assumption - 1 year increase	**(10,000)**	*(10,000)*
Mortality assumption - 1 year decrease	**10,000**	*10,000*
CPI rate +0.1%	**10,000**	*10,000*
CPI rate -0.1%	**(10,000)**	*(10,000)*

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26. Pension commitments (continued)

The Group's share of the assets in the scheme was:

	At 31 March 2025 £	*At 31 March 2024 £*
Equities	**1,630,000**	*1,660,000*
Government bonds	**320,000**	*310,000*
Corporate bonds	**260,000**	*290,000*
Property	**190,000**	*200,000*
Cash	**60,000**	*50,000*
Other	**30,000**	*70,000*
Multi Asset Credit	**460,000**	*460,000*
Total fair value of assets	**2,950,000**	*3,040,000*

The actual return on scheme assets was £860,000 *(2024 - £680,000)*.

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2025 £	*2024 £*
Current service cost	**10,000**	*10,000*
Interest income	**(140,000)**	*(140,000)*
Interest cost	**110,000**	*110,000*
Total amount recognised in the Consolidated Statement of Financial Activities	**(20,000)**	*(20,000)*

Movements in the present value of the defined benefit obligation were as follows:

	2025 £
Opening defined benefit obligation	**2,880,000**
Current service cost	**10,000**
Interest cost	**110,000**
Actuarial gains	**(60,000)**
Benefits paid	**(150,000)**
Asset ceiling restriction	**-**
Closing defined benefit obligation	**2,790,000**

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26. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2025 £
Opening fair value of scheme assets	**2,880,000**
Expected return on assets	**140,000**
Actuarial losses	**(80,000)**
Benefits paid	**(150,000)**
Closing fair value of scheme assets	**2,790,000**

27. Operating lease commitments

At 31 March 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 **£**	*Group 2024* *£*	**Charity 2025** **£**	*Charity 2024* *£*
Not later than 1 year	**1,200**	*1,200*	**1,200**	*1,200*
Later than 1 year and not later than 5 years	**900**	*2,100*	**900**	*2,100*
	2,100	*3,300*	**2,100**	*3,300*

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

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29. Related party transactions

The Friends of Bowes Museum is a connected charity as it exists to assist The Bowes Museum in its objectives. During the year The Friends of Bowes Museum made donations to The Bowes Museum as shown in note 2. At the year end £724 (2024: £394) was due to the Museum from The Friends of Bowes Museum.

Durham County Council provides core funding for the museum as shown in note 3.

P D A Mothersill is a Trustee of Barnard Castle School. During the year sales of £55 (2024: £180) were made for a Museum visit. At the year end £Nil (2024: £180) was due to the Museum for Barnard Castle School.

Councillor E Scott is a Director of Visit County Durham. During the year purchases of £4,440 (2024: £Nil) were made. At the year end £288 (2024: £Nil) was due from the Museum.

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

30. Charges

Heritage Memorial Fund. This charge is dated 24 March 2009 and is a condition of the National Lottery grant funding of the Museum's capital works programme.

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THE BOWES MUSEUM

England & Wales - Charity number 1079639

Accounts

Registered number: 03879872
Charity number: 1079639

THE BOWES MUSEUM

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

THE BOWES
MUSEUM

THE BOWES MUSEUM

(A Company Limited by Guarantee)

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THE BOWES MUSEUM

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees	Mr Peter Mothersill, Chair Dr Keith Bartlett (resigned 10 July 2023) Mr Mark Blackett-Ord (resigned 15 March 2024) Ms Rebecca Blackwood Ms Robyn Brown (resigned 15 March 2024) Ms Jennie Collingwood Ms Deborah Corbett Professor Stefano Cracolici (resigned 15 March 2024) Mr Christopher Davy (deceased 12 July 2024) Dr Stephen Howell Mr Christopher Oughtred (resigned 15 March 2024) Dr Kenneth Partington Mr Jonathan Beauchamp Peacock (resigned 10 July 2023) Mrs Caroline Peacock (resigned 10 July 2023) Mr Michael Robinson Councillor Elizabeth Elton Scott Mr Eliot Smith Mr George Stastny (resigned 13 November 2023) Ms Alison Thain OBE
Company registered number	03879872
Charity registered number	1079639
Registered office	The Bowes Museum Newgate Barnard Castle County Durham DL12 8NP
Principal operating office	The Bowes Museum Newgate Barnard Castle County Durham DL12 8NP
Company secretary	Mr Simon Lee
Independent auditors	Clive Owen LLP Chartered Accountants and Statutory Auditors 140 Coniscliffe Road Darlington County Durham DL3 7RT

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Bankers	Natwest Plc 29 Newgate Street Bishop Auckland County Durham DL14 7ET
Solicitors	Womble Bond Dickinson LLP Helix The Spark Draymans Way Newcastle Upon Tyne NE4 5DE
Investment Managers	CCLA Investment Management Limited One Angel Lane London EC4R 3AB

THE BOWES MUSEUM

(A Company Limited by Guarantee)

STATEMENT FROM THE CHAIR AND DIRECTOR FOR THE YEAR ENDED 31 MARCH 2024

The chairman presents his statement for the year.

2023-24 at a glance:

- 77,746 visitors;
- 90 regular volunteers (an increase of 83.67% from 2022-23) contributing 2,808 volunteer hours;
- 12,072 children and young people engaged in learning programmes, contributing to 1,113 hours of creative and conservational activity;
- 2,150 people worked with Artists, Designers and Makers;
- 1,508 participants engaged in Spotlight Tours about the museum, exhibitions and collection;
- Five exhibitions featuring Artists including international and nationally recognised names like Larry Achiampong, Ryan Gander, Rebecca Moss, Yinka Shonibare, David Shrigley and Hanna Tuulikki and regionally significant artists including Henna Asikainen, Bethan Maddocks and Sally Madge;
- In partnership with the Northern School of Art, 33 emerging artists exhibited as part of 2023's Modern Makers;
- Three commissions, including artists Louise Bradley, Victoria Franka and Helen Pailing;
- Four gallery spaces were refitted, and three accessible stores created;
- 4% increase in objects on display;
- Artworks loaned to Hyogo Museum, Japan; Basel's Kunstmuseum, Germany; Leuven Museum in Belgium; The Wallace Collection and The Royal Collection in London; and, more locally, The Auckland Project, Durham (amongst others);
- £666,586 funding secured for strategic projects and programmes.

The Museum has made significant progress this year, both from a practical perspective and strategically. We've resolved several longstanding issues and furthered the development of our 'Bowes 2092' plan to understand how and what needs to be done to ensure the Museum's sustainability long into the future. The successes of the year, whether in developing our offering to make the Museum more attractive and accessible to visitors of all ages, concentrating our focus on the local and regional community, or general fund-raising, have all been achieved despite working in an environment which continues to be adversely affected by the impact of the Covid pandemic, subsequent inflationary pressure, reduced funding, and severe national and global economic and political instability.

Notwithstanding these difficulties beyond our control, the Museum is now in a much-improved position regarding strategic direction, organisational capabilities, and visitor experience - building off the solid platform created last year. This speaks volumes about the expertise, commitment and passion of our Senior Leadership Team and all our workforce. This steady improvement results from many different initiatives, notably the completion of our staff reorganisation to deliver our new strategic model, together with a new governance structure within the Trustee body, significant success in fundraising for the development of new galleries, the conservation of the Silver Swan, long overdue repairs and improvements to the building and parkland and the development of our volunteering programme.

Our volunteer programme is growing, resulting in a significant increase in volunteers of all ages and backgrounds. This increase has greatly strengthened our connection to the local community, whether it be through learning programmes, guided tours of the Museum and parkland, or playing a part in the curation and care of the collection. This connection has also been greatly enhanced by the Museum's retail and cafe offers, which have developed a fully justified reputation for the quality of their offering and service, including winning a national award in the Museum and Heritage Cafe of the Year category.

STATEMENT FROM THE CHAIR AND DIRECTOR (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

While our primary focus unashamedly rests on our local region, we have also achieved a marked increase in our presence nationwide with audiences and the wider sector. This has resulted from increased targeted marketing and many new partnerships and initiatives, ensuring that The Bowes Museum is firmly reestablishing itself as a purpose-led organisation that is making a difference. This, in turn, gives us confidence that in the future, we can further our role as a leader, exemplified by the Bowes 2092 plan, which proposes an investment strategy to address the Museum's long-term sustainability, which could apply to many museums and galleries across the country.

We are deeply grateful to our funders and stakeholders, Durham County Council and Arts Council England, for their continued investment in the Museum. We also extend our heartfelt thanks to the Friends of the Bowes Museum for their unwavering support, be it financial, supporting our programmes, or promoting the museum.

We face the future with enthusiasm and confidence and look forward to continuing to provide many wonderful experiences for the people we serve, including artists, designers, makers, local communities, and visitors from near and far.

PDAMell

Peter Mothersill
Chair of Trustees
Date: 25 October 2024

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the audited financial statements of the The Bowes Museum for the 1 April 2023 to 31 March 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The Bowes Museum's charitable objectives are the provision of:

(a) a public Museum
(b) a public park

In these objectives:
'Public Museum' has the same meaning as it has in the Public Parks, Schools, and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes; and 'Public Park' has the same meaning as it has in the Public Parks, Schools, and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes.

The Museum's objectives and aims have been achieved through an attractive programme of permanent and temporary displays and exhibitions, educational events, family activities and outreach work, as detailed in the report from the Museum's Director and Chairman.

Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the charity's charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

Volunteers

In 2023 the museum created a new role within our structure, Co Production Volunteer Manager. This role is a commitment to our ambition to develop and diversify volunteering opportunities across the museum going forward. Volunteers contribute hugely, supporting our teams and engaging with our visitors. The museum has approximately ninety volunteers, over 50% more than the previous year, and conveys its gratitude for their continued support.

Strategic report

Achievements and performance

1. 2023-24 Performance

Area	Actuals	Against target	Compared to 2022-23
Visitor Numbers	77,746	95.3%	77,127
Average daily visitors	215	95.3%	213
Total Museum income	3,367,069	118.0%	1,426,834
(Ticket/memberships)	434,091	93.2%	349,188
Total Enterprises income	945,146	107.3%	788,059
(Events)	120,184	74.2%	126,295
(Café)	547,436	113.2%	435,153
(Shop)	277,526	118.0%	226,611
Total Expenditure	3,305,035	90.0%	2,498,950
(Museum staff costs)	1,271,194	98.5%	1,004,776
(Enterprises staff costs)	412,186	120.1%	385,118
(Activity costs)	95,075	84.2%	111,174
(Premises costs)	584,423	213.6%	344,984
(Insurance costs)	94,507	96.6%	83,019
(Marketing costs)	37,000	52.8%	62,884

Strategic report (continued)

Achievements and performance (continued)

2. Review of activities

2.1. Transformation Project

2.1.1. Vision & Mission

We began the new financial year in 2023 with a new Senior Leadership Team, a redefined organisational purpose, vision, mission, aims and objectives (see Appendices 1 & 2), and a new Arts Council England NPO 3-year programme. Therefore, we have refreshed our reporting approach to monitor and measure the organisational performance against KPIs across all business areas, including our Action Plan and ACE Investment Principles, to ensure we monitor and communicate our data and evidence efficiently and accurately to our stakeholders and partners.

The quarterly report we produce for Durham County Council now includes the following:

- Quarterly Strategic Activity Overview.
- Performance Dashboards that are used internally by the senior leadership team (SLT) to monitor performance and trends against critical KPIs.
- Action Plan progress against our aims and objectives.
- Strategic Project updates.
- Partnership and Presence updates.
- Updates by operational areas – Commercial and Operations, Programmes and Collections, Development and Communications.
- Risk Register. (App 3)

2.1.2. Staffing Structure & Improved Leadership

Simon Lee (Director of Commercial and Operations), Kelly Smith (Director of Development and Communications) and Vicky Sturrs (Director of Programmes and Collections) took up their posts as Senior Leadership Team (SLT) in January 2023. Kelly Smith left her SLT role at the end of February 2024 to take up a new role at Newcastle Theatre Royal. Jane Whitehead subsequently joined us as Acting Director for Marketing/Communications. Tier 3 completed its restructure and included a new Development Manager and Co-Production Volunteer Manager.

The Tier 4 restructuring was launched the week beginning 20 November 2023. It focused on establishing the right roles and capacities within our workforce to accomplish our ambitions, enabling a more relevant 21st-century museum that is forward-thinking and financially sustainable, refocusing skills and talent, and addressing historic contract anomalies resulting from inconsistent employment practices.

Guided by principles of ensuring the process was open, equitable and kind, we undertook several group and individual meetings with those impacted by the proposed changes. During our sessions, we discussed the rationale for the proposal and potential consultation timelines. We also shared proposed job profiles, salary, working hours and annual leave information where relevant for those at risk and those with changes to terms and conditions. Throughout the process, staff were given opportunities to make proposals, make suggestions, and ask questions. Voluntary redundancy options were offered for all staff to consider.

By the end of January 2024, we completed the voluntary redundancy process and redeployed to new and vacant roles, eliminating the risk of compulsory redundancies. The week commencing 11 March 2024 saw the implementation of Tier 4 changes, including the commencement of redeployed roles and the introduction of new terms and conditions. A 4–6-week transition period with two 'Firebreak' training and reset sessions is planned for all staff towards the end of April 2024.

Additionally, as part of the Tier 4 restructure, addressing long-standing pay differentials and several pension contribution commitments was essential to ensure equity across all staff. These were implemented at the end of the financial year, effective April 2024.

Strategic report (continued)

Achievements and performance (continued)

2.1.3. Strategic Business Plan and Bowes 2092

A new 2023-28 Strategic Business Plan was completed and approved by the Board of Trustees. The Executive Director, working with the Senior Leadership team, concluded that significant work remains to create a stable future for The Bowes Museum. Core funding from Arts Council England and Durham County Council has remained static for years and represents real-term cuts once inflation is considered. The reality of caring for the buildings and parkland, including ensuring regulatory compliance, means significant investment is required, evidenced by the costs to repair boilers, conduct essential tree works, and remove asbestos in this year alone. Increased costs include wages as the minimum wage increased and energy and insurance, which have almost doubled. Our peers across the sector echo this position, and without radical action, this constitutes a continuing decline in financial resilience and risks the future of The Bowes Museum.

To this end, a Task and Finish Group comprised of trustee representatives and the senior leadership team undertook mapping work to explore and map our understanding of the challenges and opportunities, including the current and potential impact of national and global trends. This work informed the 'The Bowes 2092 Plan', reflecting the need for longer-term planning to ensure the Bowes Museum's future is secured (2092 is The Bowes Museum's 200th anniversary). This plan forms the basis for the next phase of transformation. It outlines the challenges, which are summarised in these conclusions:

As a priority area for Arts Council England and potentially the new NLHF Investment strategy, we are in a prime position to secure significant capital investment. To ensure this investment, we must develop a compelling concept that fully realises the site, building, and collections' potential as an ambitious heritage asset that supports our organisation's and region's ambitions and pays the site forward sustainably.

The last 20 years have seen a rapid decline in funding for arts and culture, and this does not look set to change. We must take our future into our own hands and rethink the model.

As an asset-rich but cash-poor charitable trust, we need to look differently at unlocking our assets to maximise our financial potential and create a sustainable organisation that pays its workforce fairly.

The climate emergency is affecting us and our communities now. There is no time to waste in addressing our sustainability and supporting our communities to do so too.

The cost of living has increased pressure on the poorest people in our communities. By making the museum free to enter and by creating environments and programmes that support people, we can make a difference to people's life experiences. By paying our staff above the median average we can support them and their families.

We must invest in digital technologies and skills to keep up with a changing world.

Strategic report (continued)

Achievements and performance (continued)

As a result, the Bowes 2092 Plan outlines 5 key aims:

1. **Develop a new financial model** that enables the organisation to be sustainable and navigate uncertain economic times. Through this, we will reduce our heavy reliance on external income and ensure that additional funding and the work of our teams can be fully invested in delivering our vision.

2. **Create a fully realised capital programme** that ensures the buildings, parkland, and collections are well-maintained and accessible and supports the organisation's purpose and aims.

3. **Embed sustainable technologies and practices** into capital assets and organisational procedures to enable The Bowes Museum to start a journey to a NET Zero ambition and support our communities to make individual and collective changes relevant to their circumstances.

4. **Invest in our workforce** through fair pay, **comprehensive** training opportunities and access to technologies that improve sector-specific and transferable skills and digital confidence/competence. By investing in people through compensation, development, and training, we will contribute to a happier workforce, invest in our region, and improve conditions for the families of our staff for generations to come.

5. **Invest in digital infrastructure and skills** to ensure we are utilising these to maximise the organisation's operations, create exciting and relevant experiences, engage with our communities, reduce our environmental footprint, and remain relevant in a changing world.

The Bowes 2092 Plan was approved by the Board of Trustees and presented to the AGM in December, and work will begin in 2024. Resources to start this work have begun to be secured with funding from National Highways to support Aim 2, 'Create a fully realised capital programme', which will enable a Feasibility Study and Options Appraisal for the site and buildings. We aim to apply to Heritage Fund for funding support that will build the capacity needed to build on this work and begin the Bowes 2092 Plan in earnest.

2.1.4. Pricing and Memberships

Following the launch of our new membership scheme in June 2022, offering a more straightforward pricing structure in which local memberships provide the best value for money, we have reached a membership database of 13,000. On the first anniversary of the launch, we started tracking the retention of memberships (the percentage of members who accept the auto-renewal of their membership for a further year). This has maintained at around 70%, and we keep in touch with members via newsletters and in-person events. In March, we invited members to join us for the preview of Murmuration, and we were overwhelmed by the positive uptake of tickets for this event.

2.2. Programmes and Activities

Throughout the year, we have delivered programmes supporting our communities, collaborated with our volunteers, engaged children and young people, explored our collections, created new displays and exhibitions, worked with artists, designers, and makers, and developed exciting new projects and partnerships.

Strategic report (continued)

Achievements and performance (continued)

2.2.1. Communities

Significant work has taken place to redesign our approach to community work based on the transformation project's aim of becoming a more community-centred organisation.

Co-production, while a key tenet of the Senior Leadership Team's experience, was very new for the Bowes Museum team. To ensure that TBM's co-production is authentic to the organisation and our communities, we used the Curiosity Project as the basis for development and learning.

Community individuals and groups were targeted through invitations as stakeholders and non-visitors and drop-in, open-access workshops. 15 staff colleagues co-led these sessions, developing and facilitating activities to shape discussion and collaborative ideas generation. Together, responses were gathered from 111 people through co-production workshops. Participants included families with children under 12, young people, older adults, regular and non-visitors, and those who joined through communities of interest or geography.

Response data was collected using a 'feel, do, think' methodology to respond to the future development of gallery and store spaces at The Bowes Museum, focusing on collection objects and themes as well as activities and experiences.

Findings Overview
People told us they most want 'interactive' experiences that offer the opportunity to feel 'calm', 'relaxed', 'happy' and 'well'. When thinking about how they want to feel in our spaces, responses were categorised into five groupings;

- Action-based,
- Experiential
- Reflective
- Learning-led
- Being well

People most want to be involved in moments and experiences that link to the collection, 'bring it to life', 'tell stories' and offer the opportunity to 'imagine'. They want to participate in experiences that encourage 'being an artist' and are keen to discuss and question.

Participants often referenced the importance of 'relevance'. Topical concerns like the climate crisis, poverty, wealth, social class and mental health were discussed. Across the groups, constituents all believe that The Bowes Museum has a role in responding to societal ideas as both an antidote and a call to action.

Through this work, significant progress has been made on interpreting and applying our co-production session findings. We have used part of this information to develop Collection Themes and a new Interpretation Framework that outlines the cross-cutting strands, themes, and stories that we'll open within our new Curiosity Galleries, including four new galleries: Curiosity Gallery, Create Gallery, Conversation Gallery, and The Hive.

The Curiosity Gallery displays a cross-section of the museum's collection, curated around themes of home and landscape. It includes a soundscape by Durham-based artist David de la Haye, made of sounds from Teesdale. These themes link the gallery to the outside landscape, which can now be enjoyed throughout the new galleries thanks to specialist UV filters applied to the reopened windows to avoid damage to the artefacts. The displays will change regularly to keep the space relevant and fresh and introduce artists, designers, and makers, as well as ideas about neighbourliness and hospitality and the Teesdale landscape, all through items from the collection.

The Create Gallery is a space visitors can investigate the making processes of collection objects; experimenting with materials through prompts and ideas set by the Museum's Artist team. An immersive and active space, this is where much of our learning programme will be focused, with accessible facilities and collection inspiration.

Strategic report (continued)

Achievements and performance (continued)

The Conversation Gallery is where people can sit and relax, chat and debate, exploring artworks that link to broader ideas and challenges facing the world. Through exploration of current topics, the Museum can explore local solutions to global problems with visitors and school groups propped on colourful beanbags inspired by our collections, designed by Louise Bradley and made by Kate Pounder.

On the first floor of the Museum, The Hive reminds visitors that everyone can collect and that everyone curates. Visitors can see objects, artefacts, documents, and collections curated by staff, volunteers, and community members, inspired by the Museum's founders' thoughtful collecting in the nineteenth century.

Additionally, three newly accessible collection vaults house furniture, textiles, and ceramic objects. From April 2024, visitors can see these during specialist guided tours. The objects are displayed in new ways to be more easily viewed and cared for.

Applying these co-produced stories and sub-themes has resulted in the selection of 228 objects spanning the vast array of the Museum's collection genres. 88% of the objects selected are from stores, and 80% have not been seen for at least ten years. Of the 12% of objects currently on show elsewhere in the gallery, nearly all are explicitly referenced by constituents as pieces they find personal and collective resonance with.

"Great to be part of this and to influence what's happening next at the Museum. I'm excited that the objects my children selected are on show!" - Curiosity Project Co-producer

"I've lived in Upper Teesdale my whole life. When we took part in the workshop, we talked about the landscape that we see everyday. Now those scenes, they're on the wall. That's really quite special!"

2.2.2. Volunteers

As part of the co-production work, a new Co-production Volunteer Manager started in the summer, with a remit to expand and develop our volunteer community and experience. This has had a significant impact, growing our volunteer community by over 50% to around 90 volunteers who regularly engage and support our activities in the Museum. Over the last 12 months, they have donated 2,808 hours of voluntary help, 20% more than the previous year. This was developed through the following activities:

Strategic report (continued)

Achievements and performance (continued)

- Baseline Survey—We conducted a baseline survey that went out to all volunteers to do a temperature check. The results of the survey were shared through three workshops with Volunteers. As a result of the findings from the survey, our new Co-production Volunteer Manager has set up a quarterly Lead Volunteer meeting and a pre-season briefing for all volunteers and is introducing more talks, walkthroughs, and training opportunities for all Volunteers.
- Swan Explainers – Recruited ten volunteers to be our Swan Explainers from Sep-Dec 2023. Six were brand new to the Museum. They supported visitors by engaging them in conversations, capturing their stories about the Swan, providing updates about the Conservation of the Silver Swan, and helping us reach our fundraising campaign target.
- Celebration Event – Christmas Volunteers get together. Hosted a celebration in December for all Volunteers to attend. Special thanks were given to the volunteers, including a long service to a volunteer Guide who had been with the Museum for 33 years.
- HIVE Co-production Volunteers – we engaged these six new Swan volunteers after the Swan project ended by inviting them to become Co-producers of the HIVE space as part of the wider Curiosity Project. These volunteers have been meeting weekly since January, learning about the collections, selecting objects for the HIVE, and learning how to write labels, prepare objects and co-curate a space. They have had behind-the-scenes access to the stores and have been supported by the wider teams, including Collections, Exhibitions, and our Archivist, Judith Phillips.
- AIM—Partnership Project with Teesdale School—In January, we launched a partnership project with Teesdale School, which is a pilot for us in co-creating a new Young Volunteers Programme. On 14th and 15th February, we delivered two taster days for 24 students aged 12 – 17. The young people had a wonderful time, and the next stage of the process looks at onboarding these young people to become Volunteers at the Museum with an individual bespoke volunteer programme for each young person centred on their interests.
- Curiosity Activator Volunteer Role—This is a live opportunity. Their role will be to welcome visitors into the new spaces, engage them in conversation, spark their curiosity, and activate the spaces.
- Behind the scenes: We have purchased Better Impact software, a database management system to transition volunteers onto. This will help us report more accurately on volunteer hours and opportunities and manage volunteers.
- In development – We are developing a volunteer handbook and a suite of volunteer policies.

"Being involved in the Hive Project at The Bowes Museum was such a fantastic opportunity. I was able to learn new skills and work alongside Museum professionals to co-produce an exhibition. I was able to select a theme I was really interested in and then encouraged and guided by museum colleagues to select artefacts and build a narrative to share with the public. We wrote labels, prepared and cleaned items for display and helped install the exhibition - seeing the final display and the accumulation of all our work was really special and something I am very proud of. The project was fast paced and involved a lot of work but was so rewarding and such a valuable experience."
Amy, Co-production Volunteer

"I've gained a tremendous amount from the initial meeting where we learned about the Project to the kitting out of the space with the objects or archival material.
Working closely as a team with my fellow volunteers has been perhaps the most pleasing and of course the knowledge gained from the expertise from the Museum staff has been exciting.
I have never Co-Produced anything before and the skills identified and knowledge gained have been invaluable…I am thoroughly enjoying my role as a Curiosity Activator Volunteer within the HIVE. Finally, I would like to personally thank Jess for the industry and commitment that she has demonstrated throughout to all the volunteers. She has been inspirational and supportive throughout."
Peter, Co-production Volunteer

Strategic report (continued)

Achievements and performance (continued)

2.2.3. Learning; Education, Families and Young People

As part of our Transformation Project, we identified an urgent need for improved learning and engagement spaces, facilities, and accessible storage. We were delighted in 2023 to secure £250K from DCMS/Wolfson and £40K from the Friends of the Bowes Museum towards the 'Curiosity Project', which has redeveloped four gallery spaces (bringing two currently inaccessible spaces back into use) and three collections stores. These spaces offer new opportunities for learning at The Bowes Museum and opened on 2 April 2024.

12,072 people in 2023-24 engaged with the learning programme, both on and offsite. Across the year, this represents an uplift of 79% against a baseline of 6,733 from 23/24. This is due to a regular programme of accessible conversation and creativity-led activities, free past the point of entry and initiated this year.

This year, our family programme engaged 5,079 people through drop-in activities, Artist workshops and tours. 620 people engaged in Family Days in June and October 2023, working with Artists, exploring behind the scenes, participating in performances and playing in the parkland.

62 people worked with Foundation Press, led by artists Adam Phillips and Deborah Bower, to develop the Pocket Parkland Playbook, a handy memorandum of suggestions for imaginative outdoor adventures, alternative ways to be outdoors, tricks to give yourself licence to relax and have fun, and tools for seeing things differently. The Playbook has been available since Summer 2023 and is free to take home and pass along.

Following restructuring, members of the Education Team took voluntary redundancy. Our Education Manager has also left the organisation. We have recruited a new Learning Manager who started on 2 April 2024 and created two new Learning Producer roles focusing on families, education communities, young people, and adult audiences.

Strategic report (continued)

Achievements and performance (continued)

2.3. Exhibitions and Display

Throughout the year, we produced a variety of exhibitions and displays exploring a wide range of themes and provocations, which included:

- Our Conversation Wall continued to change monthly. Differing themes have focused on World Children's Day, snow-filled winter stories, International Worker's Day, World Book Day, and World Environment Day. This space continued to be a popular point of discussion with our audiences, connecting to wider societal thematics and showcasing lesser-known works from the collection. As the first thing our visitors see when they enter the Museum, we have showcased over 40 works from storage over the year
- In our drive to display more rarely seen objects from our stores, we have redisplayed over 50 ceramic items from our twentieth-century collections and repurposed previously-stored furniture as display cases for glassware.
- The *Magic of the Silver Swan* opened on 7 July 2023 and ended in early January. It was well received, featuring significant loans from national institutions, including the British Museum, Science Museum and the Bodleian Library, with features in The Guardian, The Times, The Spectator, Art Quarterly, and regional TV.
- *Murmuration* opened in February 2024. A group exhibition, this show presents a wide selection of artists and makers from various generations, backgrounds and contexts whose work ranges across drawing, sculpture, film and installation. It explores birds in art and traces their significance across time and cultures, softly prompting provocative discussion and environmental action through the work of Artists and Makers. Additionally, the show presents the complexity and nuance of displaying historic taxidermy and egg collections, from its role as a teaching resource to its ties to scientific racism and colonial exploitation. With over 80 works in the show, 66% are from our Durham-based collection. Exhibiting artists include Larry Achiampong and David Blandy, Henna Asikainen, Bentley Beetham, Josephine Bowes, Michel-Pierre Hubert Descours, John Doyle, Ryan Gander, Sally Madge, Bethan Maddocks, Edouard-Aime Pils, David Shrigley, C.F. Tunnicliffe and Hanna Tuulikki amongst others. Loans have been received from The British Council, Copperfield Gallery London, The Stephen Friedman Gallery and Tyne and Wear Archives and Museums. The show has been featured in The Times and recommended by The Guardian, and it has garnered other regional coverage.
- Throughout the year, a snapshot display of the late Vivienne Westwood's career through the eyes of collector Peter Smithson has been extended. Peter has collected Westwood clothing and accessories for more than 25 years, focusing on Mini-Crini (1986) to Storm in a Teacup (1996/7). Westwood was inspired by art, fashion, culture, and social history. This capsule display features items from the Museum's collection that echo and contextualise the historical references in Westwood's work, allowing visitors to examine materials and techniques.
- Flagpole commissions see a different artist delivering three pieces of work over six months. Currently, Louise Bradley's banners are displayed using plant and flower motifs found in collection objects or the parkland, covering a more comprehensive environmental agenda. Inspired by Mary Eleanor Bowes' botanical connections and small collections of textiles and embroidery, the banner flags are bright and welcoming. Gateshead-based Artist Michael James McCormack is the next artist to exhibit.

Strategic report (continued)

Achievements and performance (continued)

- The winter period saw the Museum successfully accepted into a UK-wide programme established by the Art Fund and Creative Scotland. As part of the Going Places initiative, it will be a key player within a network of small to mid-sized museums producing two touring exhibitions over five years (2025-2030). The organisation has allied with The Russell-Cotes Art Gallery and Museum, Bournemouth and The Watts Gallery, Guildford. Focusing on their founding couples' (Josephine and John Bowes, Merton and Annie Russell-Cotes and George and Mary Watts) passion for art, culture and collecting the network aims to explore how we make these three collections founded by creative and philanthropic couples, and rooted in their period, relevant to our communities today. In the spirit of these three dynamic couples, the network aims to explore the dynamics of collaboration, connection, and friendship with our local communities to reinterpret our collections, surface unheard stories and new narratives, and make the global 'local'.

2.4. Collections and Conservation:

2.4.1. Collections

The Bowes Museum is currently renewing its accredited status per cyclical requirements and, as such, refreshing policies, procedures, collection rationales, storage, and disposal processes. Part of this process is being a key part of the Regional Collections Network with sector colleagues, including Beamish, Tyne and Wear Archives, and Northumberland Museums.

A new two-year Curator role (Co-production) has been created due to funding from the John Ellerman Trust. It will help to deepen our co-production practice with communities through projects and activities.

The creation of four galleries and three collections stores has radically improved several areas in the building. It has enabled us to display more objects (90% of which have rarely or never been displayed) and care for collections in better and more accessible conditions.

Over the year, the Museum has loaned 25 objects (seventeen paintings, two designer outfits and six items of historic lace and embroidery) to exhibitions in London, Barnsley, The Auckland Project, Japan via the National Galleries of Scotland, Hamburg, Basel, Leuven, and Cologne.

2.4.2. Conservation

The Swan restoration project was completed, and the Swan started performing in the new year. The crowd funder campaign with Art Fund Happens surpassed its target of £18k by 6 December and reached £20,375, and following successful funding from NHLF, the Cumbria Clock Company (CCC) was engaged to undertake specialist conservation and repair work on TBM's Silver Swan. Happening on-site where possible and in the workshops of CCC where not, the work consisted of:

- Removing the neck/head assembly for restoration/conservation. Twelve neck rings require attention.
- Drive units fully dismantled/serviced.
- Neck assembly/ music box/glass dive rods serviced.
- Design for the fish retaining pipe/ the necessary work required.
- Capture full details of the operating track, cams, and an arbour that develop movement/operation of the neck, head and beak, deepening understanding.
- Dismantling/ cleaning of operating mechanisms, minor repairs, re-assembly, lubrication.

A dedicated programme of Volunteer recruitment has culminated in 10 new colleagues acting as Swan Explainers. Talking to visitors daily, explaining the conservation project, and collecting audience memories of this unique object, the team actively contributes to the Museum. The project has also afforded the involvement of four interns from national horological colleges, who can learn and hone their skills.

Strategic report (continued)

Achievements and performance (continued)

Public talks by CCC are supplemented by a new artist-in-residence, Victoria Franka Marcelino, who was recruited through an open advert to a three-month residency at the Museum. Commissioned to explore the conservation project, do their work, and deliver public engagement workshops, Victoria had access to a small studio space at the Museum and staff support. A benchmarked artist fee, commission production budget, workshop fee, and travel bursary support the artist's ethical employment.

2.5. Facilities

2.5.1. Journey to Accessibility (MEND-Funded)

The MEND (Museum Estate and Development Fund) project started after the successful approval of planning. DCMS/Arts Council England has supported this project with £974k. This will repair and improve road and car park infrastructure, improve accessibility from the car parks to the museum, and install EV chargers to support our environmental sustainability ambitions. The delivery programme shows the project work will be completed by mid-July 2024.

The Curiosity Project is transforming four gallery spaces and creating three new collection stores, culminating with a family-friendly launch on 2nd April 2024. The new spaces were made possible thanks to grants from The Foyle Foundation, DCMS Wolfson and The Friends of The Bowes Museum. Creative Core, West Yorkshire, appointed designers to collaborate with the Museum team and communities to develop, design and deliver (ultimately co-produce) The Curiosity Project. This collaboration explored understanding team dynamics, setting the project's ambitions, identifying our communities and understanding the spectrum of co-production, including defining what that means at The Bowes Museum.

Essential work has been necessary due to compliance needs and maintenance issues, and it has been a costly factor in our budgets. This work has included:

- Tree works – annual condition surveys to ensure our parkland trees are safe to enable public access. Substantive remedial works undertaken from any survey findings as required and kept up-to-date.
- Boiler repairs –The museum boilers are old and need regular maintenance. The third-floor boilers providing heating to staff areas and collections stores broke and required replacement, for which additional funding was sought. The third-floor boilers were switched from gas to electricity for installation practicality and environmental gains.
- Asbestos removal – Our annual survey detected a deterioration in some asbestos in the boiler house, necessitating isolation until the safe removal could be expedited. This work has been completed.
- Radon—Our Radon survey identified radon in two spaces on the lower level. These areas were closed for access until remedial works were undertaken, which is now complete.

2.6. Fundraising and Donations

An increase in charitable messaging across promotional material has seen donations from on-site visitors rise from only £393 donated on-site in April to £679 donated on-site in November 2023. Increased donation boxes and the development of the fundraising website pages support this. Gift aid conversion continues to improve following the training earlier this year. The Silver Swan crowdfunding campaign was successful, generating £20,375 from 178 individual supporters.

A four-year Development Strategy has been written to cover income generation strategies for 'business as usual' fundraising starting in April 2024.

Strategic report (continued)

Achievements and performance (continued)

Our grant applications this year have covered four project and programme areas:

- Development of new galleries and displays through co-production.
- The conservation of the Silver Swan.
- Development of Volunteering.
- Building and site repairs and improvements.

The grant funding successes this financial year are:

- Development of new galleries and displays through co-production.
- John Ellerman Foundation. £89,646 (inc. 24 months' salary, Co-Production Curator).
- The Foyle Foundation, £65,000, The Curiosity Project.
- The Friends of the Bowes Museum, £40,000, The Curiosity Project.
- Art Fund £500, Going Places Partnership.
- The conservation of the Silver Swan.
- National Lottery Heritage Fund, £146,342.
- Leche Trust, £5,000.
- Circles of Art, £1,500.
- Aurelius Trust, £4,000.
- Development of Volunteering.
- AIM Connected Communities £54,053 Young Volunteers Project.
- Esmee Fairbairn Collections Fund, £95,545.
- Building and site repairs and improvements.
- Garfield Weston Foundation, £40,000 toward the Journey to Accessibility project.
- Area Budget, £5,000, contribution towards boiler repairs.
- Local Action Partnership, £20,000 contribution towards boiler repairs.
- Highways England £100,000 (Feasibility Study).

Total grant income secured 23/24 = £666,586.

The high conversation rate and high number of successes this quarter are due to very targeted bids being submitted and a real appetite from funders to support transformation at TBM. However, increasingly more bids are being submitted to test the water with potential new funders (e.g. around the Silver Swan Fundraising campaign), which will lower the conversion rate (actual).

Strategic report (continued)

Achievements and performance (continued)

3. Strategic Objectives

3.1. Business Plan

While we are in a much-improved position as an organisation, the ongoing impact of the COVID-19 pandemic, the cost-of-living crisis and the significant increase in costs use of inflation, energy, wages and costs of buildings and sites that have lacked essential investment in maintenance and repairs for a decade mean we still have significant financial challenges to deal with. Therefore, we have revised our 3 -5 Year Business Plan with an Emergent Business Strategy format to reflect the unpredictable environment and increasing scarcity of resources and funding.

This includes updating our Vision/Mission/Aims/Objectives/Values to set out and underpin the direction of travel and proposing an investment strategy called *The Bowes 2092 Plan, which aims to address the organisation's long-term sustainability. Both were approved by the board in December 2023 and discussed in our AGM the same day.

The Business Plan's Strategic Aims and Objectives are as follows:

Take care of what's important (people, place, unique assets).

- *Objective 1 - We will support our people.*
- *Objective 2 - We will run our organisation ethically and well.*
- *Objective 3 - We will be responsible custodians - Environment, facilities, assets, resources.*

Invest in the future.

- *Objective 1 - We will affordably develop our spaces, informing and supporting our long-term plan.*
- *Objective 2 - We will create a Bowes 2092 Roadmap.*
- *Objective 3 - We will create a culture of entrepreneurship & fundraising that maximises income and funding, and maintains reserves targets through 2026.*

Make a difference in our communities.

- *Objective 1 - We will embed a culture of inclusivity and co-production.*
- *Objective 2 - We will connect proactively to the culture sector landscape.*
- *Objective 3 - We will keep in touch with our audiences and their needs, existing and new.*
  Objective 4 - We will support artists, designers, and makers of today and tomorrow.
- *Objective 5 - We will support and uplift our Children and Young People, and local communities.*

Create outstanding experiences.

- *Objective 1 - We will celebrate and inspire creativity.*
- *Objective 2 - We will make sure there is always something great to do.*
- *Objective 3 - We will be accessible to everyone.*

Support our region's ambitions.

- *Objective 1 - We will change the sector's lending landscape and bring outstanding art to the region.*
- *Objective 2 - We will develop strong regional and global partnerships based on mutually beneficial relationships.*
- *Objective 3 - We will communicate our purpose and impact.*

Under the Aims and Objectives, sit Activity and Action Plans, with KPIs. The ACE NPO programme, including Investment Principles, is mapped against these strategic objectives and has SLT and EMT leads. From this point on, the format of board and funder reports will map progress directly against these Aims and Objectives. In April 2023, a dashboard started tracking monthly and annual performance against KPIs, giving a clear overview and more accessible monitoring for SLT and Board.

Strategic report (continued)

Achievements and performance (continued)

The Bowes 2092 plan (also see Section 3.2.1 Transformation Project) is led by our Story of Change, and is a radical rethink of key areas of our organisation that seeks to pay forward the Bowes Museum towards 2092 (our 200th birthday) as sustainably as possible. It has five aims:

- Aim 1 – Develop a new financial model.
- Aim 2 – Create a fully realised capital programme.
- Aim 3 – Embed sustainable technologies and practices.
- Aim 4 – Invest in our workforce.
- Aim 5 – Invest in digital infrastructure and skills.

As part of this plan, we have secured support from National Highways for a Feasibility Study and Options Appraisal that will explore the potential across the site and create a RIBA stage 1 proposal with costings. The tender process for the design team leading this work was undertaken and awarded in March 2024.

We are discussing a potential application to their Resilience Fund with the NLHF. The Bowes Museum received funding from them pre-COVID, but we're hopeful that they will support us in developing and scoping the Bowes 2092 plan over the coming two years, to roll out the plan from 2026/27 onwards.

Durham County Council's funding has been critically important, and we are grateful for the local authority's ongoing support. We will continue to seek funding from other sources for projects and programmes from Trusts and Foundations, maximise our Gift Aid, and increase onsite donations and contributions from individuals.

4. Governance

Governance review - the previous two years saw Trustees become more engaged with operational issues through necessity due to the absence of a senior team. With a new senior team in place, we engaged an external consultancy to review our Governance and present recommendations for a refreshed structure. This was supported by funding from the Association of Independent Museums. Through consultation and workshops with trustees, the proposal reduced the ideal number of trustees from twenty to 12-14. Additionally, we have reduced the number of committees from five to three - Finance, Resource and Risk, Governance, and Enterprises. A task-and-finish group of trustees and senior team members has overseen the Governance Review, which is nearing completion. A recruitment drive for 2-3 new Trustees will be undertaken in 2024 to include specialisms in the Heritage/Museum sector and Accountancy. The Governance Review Task and Finish Group are developing a Scheme of Delegation for the Board to approve.

Strategic report (continued)

Achievements and performance (continued)

5. Partnerships

AIM Connecting Communities:
Successful funding from AIM Connected Communities has enabled a new partnership between Teesdale School, Barnard Castle and The Bowes Museum. This year-long programme is developing a youth volunteering scheme, co-developed with young people, designed to increase confidence, improve mental health through community commitment and civic volunteering and provide work-ready professional experiences to raise aspirations. The programme will also pay for training to upskill the Museum's visitor experience staff to welcome young people equitably and confidently. Planning and relationship building for this project started in December 2023.

National Gallery:
The Museum's partnership with the National Gallery as a Collaborative Doctoral Partner has been re-affirmed following its successful inclusion in the national scheme. The partners welcome PhD candidates and research exploring shared collection thematics. Following six successful studentships, one researcher is mid-way through their research. Two further studies are being prepared, exploring co-production using the Museum as a case study and an in-depth focus on the collection's Blackborne Lace.

UK Creative Community Fellows:
A partnership with Derby Museums and US-based NAS, the UK Creative Community Fellows is a nationwide programme supporting people using arts and culture to create positive change in their communities. The Bowes Museum has joined this established programme, funded by Arts Council England, due to the Executive Director's role in co-leading it with US partners since its inception. The Bowes Museum is well placed to support as the NE has been identified as a cold spot for engagement in such programmes.

Russell-Cotes Art Gallery and Museum (Bournemouth) and The Watts Gallery (Guildford):
As part of a UK-wide programme established by the Art Fund and Creative Scotland called Going Places, we will be a key player within a network of small to mid-sized museums producing two touring exhibitions over five years (2025-2030). Focusing on our founding couples' (Josephine and John Bowes, Merton and Annie Russell-Cotes and George and Mary Watts) passion for art, culture and collecting the network aims to explore how we make these three collections founded by creative and philanthropic couples, and rooted in their period, relevant to our communities today. In the spirit of these three dynamic couples, the network aims to explore the dynamics of collaboration, connection, and friendship with our local communities to reinterpret our collections, surface unheard stories and new narratives, and make the global 'local'.

Durham County's ACE Place Partnership:
We were delighted to hear of the success of Durham County Council's application to Arts Council England's Place Partnership Fund. We have been contributing to this application throughout 2023. The Bowes Museum will lead on one strand entitled 'Durham Creative Community Fellows' in partnership with National Arts Strategies (NAS), based in the USA, and Derby Museums. This programme will link to the UK and USA programmes and focus on supporting the growth and development of cultural leaders in Durham.

Culture Durham Partnership:
We are working with cultural partners on the new formation of the Culture Durham Partnership as part of an Advisory Board co-chaired by Cllr Elizabeth Scott and Jill Coles (Northern Heartlands).

Advisory Board Locomotion:
The Executive Director sits on the Advisory Board for the new developments at Locomotion by the Science Museum Group.

Durham County Culture, Leisure and Sport Leaders:
The Executive Director is supporting recent Leaders Dinner discussions with Cllr Amanda Hopgood, John Hewitt, Amy Harhhoff, Alison Clark, representatives from the County Council, and key Culture, Leisure, and Sport leaders in the county about the future of culture-led regeneration in the region.

Strategic report (continued)

Achievements and performance (continued)

NMDC (National Museum Director's Council):
We are part of the Heritage Buildings Advisory Group with national museum partners. In winter 2023, we attended the Museum COP in London with National Museum Directors Council partners, including Tate, Birmingham Museums, Liverpool Museums, and the National Portrait Gallery. We agreed to a combined commitment by museums to collective action on the climate emergency.

Conferences:
We attended the AIM conference in June 2023 and the Museums Association Conference in November 2023, both of which were held in Gateshead. On two of the evenings, we supported the MA conference as NE co-hosts and Hannah Fox spoke on a panel with Newcastle University, Keith Merrin (TWAM), and Ron Inglis (Nottingham Museums) about the challenges and opportunities in leading museums today.

6. 2023-24 Key Achievements

- Developing 13,000 memberships as part of our new pricing strategy.
- Development of a refreshed Vision and Mission drawn from our founding principles.
- Completion of a staff restructure, ensuring a fit-for-purpose and equitable workforce.
- Development of four new galleries and three accessible collections stores.
- 50%+ increase in volunteer community.
- 20% increase in volunteer hours.
- 111 people engaged in co-production workshops informing new galleries and interpretation strategies.
- 12,072 people engaged with learning programmes onsite and in our neighbourhoods.
- 10 Conversation Wall' exhibitions featuring 40+ objects.
- Exhibitions Magic of the Silver Swan and Murmuration featuring significant loans from national institutions including the British Museum, Science Museum, the Bodleian Library, Copperfield Gallery, The Stephen Friedman Gallery, and Tyne and Wear Archives and featuring work from artists including Larry Achiampong and David Blandy, Henna Asikainen, Bentley Beetham, Josephine Bowes, Michel-Pierre Hubert Descours, John Doyle, Ryan Gander, Sally Madge, Bethan Maddocks, Edouard- Aime Pils, David Shrigley, C.F Tunnicliffe and Hanna Tuulikki.
- 3 Artists commissions
- £600,000+ secured for new galleries, conservation, volunteering, and building improvements.
- New Governance structure in place.
- 25 objects (seventeen paintings, two designer outfits and six items of historic lace and embroidery) were loaned to exhibitions in London, Barnsley, The Auckland Project, and Japan via the National Galleries of Scotland, Hamburg, Basel, Leuven, and Cologne.
- The Silver Swan was fully restored to working order.

Strategic report (continued)

Achievements and performance (continued)

7. Thanks to our supporters

We are grateful to all financial supporters of the Museum, which in the twelve months include, in alphabetical order:

Art Council England - MEND
Art Fund - Swan
Arts Council England
Association of Independent Museums
Circles of Art
Daphne Joy Stroud
Durham County Council
Esmee Fairburn
Foyle Foundation
Friends of the Bowes Museum
Garfield Weston
John Ellerman
Leche Trust
National Lottery Heritage Fund
The Wolfson Foundation

Warm thanks to our 198 donors to our 'Bring back the magic of the Silver Swan' Art Fund crowdfund campaign in December 2023.

Strategic report (continued)

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Investment powers and restrictions

The Trustees may invest funds as they see fit, subject to any laws in place at the time.

Reserves policy

The Trustees have set a reserves policy which requires that:

- Reserves will be maintained at a level which ensures that the Bowes Museum's core activity could continue during a period of unforeseen difficulty and the Museum is able to take advantage of strategic development opportunities;
- A proportion of reserves be maintained in a readily realisable form.

In setting the overall minimum level of reserves to be held of £770,000, the Trustees have established three levels of reserves to reflect the different risks it must respond to:

- The Museum will keep two months worth of total expenditure to cover any short term setbacks in funding or cash flow difficulties. This equates to £240,000;
- The Museum will set aside £100,000 to enable the charity to take advantage of strategic opportunities;
- The Museum will keep 50% of the annual income it assesses to be of high risk and 10% of the annual income it assesses to be of medium risk to cover the risk of significant changes in the environment in which it operates. This equates to £450,000.

The current level of free reserves is £573,479 (2023: £593,938). The Trustees intend that the Museum generates a surplus income each year of £100,000 so that the level of reserves set in its reserves policy builds further over time.

The reserves policy will be reviewed by Trustees annually when annual budgets are set to ensure the level of reserves in the policy are reasonable and that any budget surplus or deficit is set with regard to actual reserves and the reserves policy.

The Bowes Museum has a specific endowment fund, the John and Josephine Bowes Fund, of £1,689,470 (2023: £1,523,574). The trust has a requirement to retain the capital sum in the specific endowment fund and only spend the income to assist in covering the current expenditure (£45,220 income in the year to 31 March 2024 (2023: £45,047)).

In the long term the trust intends to add to the specific endowment fund. The Governance committee is considering how best to achieve this alongside other fundraising priorities.

The Bowes Museum also has a Catalyst Endowment Fund of £1,973,824 (2023: £2,129,522). Donations to the Museum were matched funded by a grant from the Heritage Lottery Fund with the intention to provide future income for the Museum.

The two endowment funds made a combined unrealised gain of £32,876 during the year (2023: loss £453,372).

Structure, governance and management

Governing document

The Charity is regulated by (1) a scheme made by the Charity Commission on 12 September 2014 and (2) a company limited by guarantee, The Bowes Museum Limited (Company Registration 03879872) established for charitable purposes only.

The Bowes Museum Limited is a charitable company limited by guarantee incorporated 18 November 1999. The Charity is governed by the memorandum and articles of association, last amended October 2014.

Recruitment and appointment of new Trustees

Each year, at the Annual General Meeting, one third of the Trustees retire and may seek re-election. New Trustees are appointed when vacancies become available. A Trustee's skills matrix is maintained and the appointment process takes account of skills gaps.

Induction and training of new Trustees

New Trustees receive an induction to the Museum which consists of a file of governing documents, recent reports and minutes of meetings, and a familiarisation with the work of the Museum. External training for new Trustees in matters of governance is available.

Pay policy for senior staff

The Trustees consider the Senior Management Team to form the key management personnel of the Museum, in charge of directing and controlling, running and operating the Museum on a day to day basis. The pay of the senior staff is reviewed annually. In view of the nature of the Museum, the Trustees benchmark against pay levels in other similar Charities.

Organisational structure

The Trustees meet quarterly. Decisions at Trustees meetings are made by majority vote with the Chairman having the casting vote on split decisions.

The Board is supported by four sub-committees, Finance & Estates, Strategy & Development, Culture and Audience Development. The chairs of these together with the Chairman, constitute the Governance Committee, which meets regularly with the Director. Each sub-committee has its own Terms of Reference and their reports are a standing item for the full Board meetings. The Board also receives a report from the Director of the Museum.

The Trustees have delegated day to day management of the charity to the Director of the Museum who reports on performance against the Museum's strategic and operational plans. Financial reports are received quarterly by the Board.

Staff are involved in major decision making and policy formulation wherever possible. Staff briefings led by Directorate take place monthly, along with various internal working groups, staff team meetings and diary meetings.

Structure, governance and management (continued)

Related party relationships

Durham County Council provides core funding for the Museum.

The Friends of The Bowes Museum exists to assist The Bowes Museum in meeting its objectives. The Friends were the largest overall contributor to the success of the Catalyst Endowment Fund reaching its target, and they have contributed annually to the Museum over a number of years.

During the year both the Barnard Castle Tennis Club and the Barnard Castle Bowling Club have continued to enjoy use of the facilities within the grounds of The Bowes Museum. Both clubs are well supported, and the use of the green and courts by members, visiting players, and the general public is extensive.

The trading subsidiary, Bowes Museum (Enterprises) Limited, operates the café, shop and function facilities of The Bowes Museum. The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Risk management

Trustees regularly analyse risks to the charity. Risks are mitigated by a well-advanced development planning programme, by close scrutiny of key performance indicators, and by early negotiation of funding with core funders.

Governance risks are offset by the fact that Trustees are recruited with the appropriate skill-sets. New Trustees receive induction which includes all relevant documentation, meetings with key staff, understanding of the collections and knowledge of the Museum's programme of exhibitions, events and activities. In addition, the full Board meet quarterly and there is a system of rotation.

Audit, remuneration and nominations sub-committees are in place to ensure organisational risks are managed appropriately.

Uniting direction

A uniting direction has been made under s96(5) of the Charities Act 1993 with respect to The Bowes Museum (charity no. 1079639-1). The financial statements for The Bowes Museum (charity no. 1079639) therefore also include the assets held by this charity.

A uniting direction has also been made with respect to the Heritage Lottery Fund & Department for Culture, Media and Sport Bowes Museum Catalyst Endowment Fund (charity no. 1079639-2) and the financial statements for The Bowes Museum (charity no. 1079639) include the assets held by this fund.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic 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 . 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

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

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 group'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 relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Clive Owen LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 25 October 2024 and signed on their behalf by:

PDAMell

~~Dr Stephen Howell~~ Peter Mothersill
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM

Opinion

We have audited the financial statements of The Bowes Museum (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 2024 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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's or the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have 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 including the Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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.

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 undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Group. We communicated identified laws and regulations throughout the audit team and remained alert to any indications on non-compliance throughout the audit. We determined the most significant of these to be around employment law, charity law, company law, health and safety law, food and hygiene and licencing regulations, taxation law and GDPR.
- Enquiry of directors and management as to policies and procedures to ensure compliance and any known instances of non-compliance.
- Review of Board minutes and correspondence with regulators.
- Enquiry of directors and management as to areas of the financial statements susceptible to fraud and how those risks are managed.
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the financial statements. The further removed non-compliance with law and regulations is from the events and transactions reflected in the financial statement, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentation, or override of inter controls.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. This description forms part of our Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

C P Beaumont

Christopher Beaumont BA (Hons) BFP FCA DChA (Senior Statutory Auditor)

for and on behalf of
Clive Owen LLP

Chartered Accountants and Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

Date: 25 october 2024

THE BOWES MUSEUM

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income and endowments from:						
Donations and legacies	3	**357,378**	**40,000**	**-**	**397,378**	*393,911*
Charitable activities	4	**399,906**	**1,228,588**	**-**	**1,628,494**	*382,736*
Other trading activities	5	**2,104,314**	**-**	**-**	**2,104,314**	*1,275,975*
Investments	6	**30,022**	**-**	**152,007**	**182,029**	*162,271*
Total income and endowments		**2,891,620**	**1,268,588**	**152,007**	**4,312,215**	*2,214,893*
Expenditure on:						
Raising funds	8	**1,144,350**	**-**	**-**	**1,144,350**	*979,345*
Charitable activities		**1,926,005**	**235,687**	**11**	**2,161,703**	*1,519,605*
Total expenditure		**3,070,355**	**235,687**	**11**	**3,306,053**	*2,498,950*
Net (expenditure)/income before net gains/(losses) on investments		**(178,735)**	**1,032,901**	**151,996**	**1,006,162**	*(284,057)*
Net gains/(losses) on investments		**-**	**-**	**32,876**	**32,876**	*(453,372)*
Net (expenditure)/income		**(178,735)**	**1,032,901**	**184,872**	**1,039,038**	*(737,429)*
Transfers between funds	19	**230,218**	**(55,544)**	**(174,674)**	**-**	*-*
Net movement in funds before other recognised gains/(losses)		**51,483**	**977,357**	**10,198**	**1,039,038**	*(737,429)*
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	**(20,000)**	**-**	**-**	**(20,000)**	*-*
Net movement in funds		**31,483**	**977,357**	**10,198**	**1,019,038**	*(737,429)*
Reconciliation of funds:						
Total funds brought forward		**7,081,126**	**2,398,597**	**3,653,096**	**13,132,819**	*13,870,248*
Net movement in funds		**31,483**	**977,357**	**10,198**	**1,019,038**	*(737,429)*

THE BOWES MUSEUM

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Total funds carried forward		**7,112,609**	**3,375,954**	**3,663,294**	**14,151,857**	*13,132,819*

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £		*2023 £*
Fixed assets					
Tangible assets	13		**483,953**		*80,281*
Heritage assets	14		**8,805,504**		*8,805,504*
Investments	15		**3,663,304**		*3,630,428*
			12,952,761		*12,516,213*
Current assets					
Stocks	16	**66,191**		*48,308*	
Debtors	17	**904,603**		*237,639*	
Cash at bank and in hand		**628,146**		*635,148*	
		1,598,940		*921,095*	
Creditors: amounts falling due within one year	18	**(399,844)**		*(304,489)*	
Net current assets			**1,199,096**		*616,606*
Total assets less current liabilities			**14,151,857**		*13,132,819*
Net assets excluding pension asset			**14,151,857**		*13,132,819*
Total net assets			**14,151,857**		*13,132,819*

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Charity funds			
Endowment funds	19	**3,663,294**	*3,653,096*
Restricted funds	19	**3,375,954**	*2,398,597*
Unrestricted funds	19	**7,112,609**	*7,081,126*
Total funds		**14,151,857**	*13,132,819*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 25 october 2024 and signed on their behalf by:

PDAMLW

~~Dr Stephen Howell~~ Peter Mothersill
Trustee

The notes on pages 38 to 65 form part of these financial statements.

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CHARITY BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £		*2023 £*
Fixed assets					
Tangible assets	13		**483,953**		*80,281*
Heritage assets	14		**8,805,504**		*8,805,504*
Investments	15		**3,663,314**		*3,630,438*
			12,952,771		*12,516,223*
Current assets					
Debtors	17	**1,301,116**		*512,145*	
Cash at bank and in hand		**249,047**		*261,868*	
		1,550,163		*774,013*	
Creditors: amounts falling due within one year	18	**(351,077)**		*(157,417)*	
Net current assets			**1,199,086**		*616,596*
Total assets less current liabilities			**14,151,857**		*13,132,819*
Net assets excluding pension asset			**14,151,857**		*13,132,819*
Total net assets			**14,151,857**		*13,132,819*
Charity funds					
Endowment funds	19		**3,663,294**		*3,653,096*
Restricted funds	19		**3,375,954**		*2,398,597*
Unrestricted funds					
Unrestricted funds excluding pension asset	19	**7,112,609**		*7,081,126*	
Total unrestricted funds	19		**7,112,609**		*7,081,126*
Total funds			**14,151,857**		*13,132,819*

The Charity's net movement in funds for the year was £1,019,038 *(2023 - £(737,429))*.

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 25 October 2024 and signed on their behalf by:

PDAMell

~~Dr Stephen Howell~~ Peter Mothersill
Trustee

The notes on pages 38 to 65 form part of these financial statements.

THE BOWES MUSEUM

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	*2023 £*
Cash flows from operating activities		
Net cash used in operating activities	**264,315**	*(427,496)*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(423,313)**	*(32,579)*
Purchase of heritage assets	**-**	*(2,275)*
Net cash used in investing activities	**(423,313)**	**(34,854)**
Cash flows from financing activities		
Endowment income	**152,007**	*152,271*
Endowment expenditure	**(11)**	*(11)*
Net cash provided by financing activities	**151,996**	**152,260**
Change in cash and cash equivalents in the year	**(7,002)**	**(310,090)**
Cash and cash equivalents at the beginning of the year	**635,148**	*945,238*
Cash and cash equivalents at the end of the year	**628,146**	*635,148*

The notes on pages 38 to 65 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Bowes Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Museum to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date the financial statements are approved.

On the basis of the above the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. Whilst in the current environment there can never be any certainty over the level of profitability and continuing financial support, having made appropriate enquiries, the Trustees do not believe there to be any material uncertainty and they therefore believe it is appropriate to have prepared the financial statements on a going concern basis. No adjustments have been made to reflect any writedown or writeup of assets to net realisable value, to provide for any further liabilities which may arise or to reclassify fixed assets and long term liabilities as current assets and liabilities, as might be necessary were continuing financial support not be available or the sale of assets on a timely basis and the going concern basis found not to be valid.

1. Accounting policies (continued)

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Legacy income is recognised when receipt is probable and entitlement is established. Where a legacy is notified to the charity prior to the year end, it is recognised as income if it is received before the accounts are approved. Income from donations is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services and facilities:
Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers. Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Redundancy costs are charged to the Consolidated Statement of Financial Activities in the year in which an irrevocable commitment is made to incur the costs and the main features of the restructuring plan have been announced to affected employees.

1.6 Government grants

Government grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1. Accounting policies (continued)

1.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 5% -25% on cost
Office equipment	- 25% on cost
Computer equipment	- 25% on cost
Other fixed assets	- 25% on cost

1.9 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated impairment losses.

1.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at market value at the Balance Sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell after making due allowance for obsolete and slow-moving stocks.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Accounting policies (continued)

1.13 Cash at bank and in hand

Cash at bank and 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.

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.15 Financial instruments

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

1.16 Pensions

Retirement benefits to employees of the Group are provided by the Local Government Pension Scheme ("LGPS"). This is a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2022.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1. Accounting policies (continued)

1.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent the permanent funds of the charity. All income generated by the funds are unrestricted and used for the purpose of the charity.

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgement

In the application of the charity's and the group's accounting policies the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of certain assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These include the valuation of donated heritage assets which are based on advice from the Arts Council in the case of assets received via the organisation for example if received by HM Treasury in lieu of tax or on the estimate of the Museum's own curatorial staff in the case of smaller donations. Estimates also include the depreciation rate applied to the various categories of the various tangible fixed assets.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26 will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Friends of the Bowes Museum	372	40,000	**40,372**	*30,520*
Donations	31,516	-	**31,516**	*27,901*
Core funding from DCC	325,490	-	**325,490**	*335,490*
	357,378	40,000	**397,378**	*393,911*
Total 2023	*390,932*	*2,979*	*393,911*	

4. Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Grants - see note 7	375,812	1,228,588	**1,604,400**	*380,172*
Crowdfunding	24,767	-	**24,767**	-
Education income	(673)	-	**(673)**	*2,564*
Total 2024	399,906	1,228,588	**1,628,494**	*382,736*
Total 2023	*377,379*	*5,357*	*382,736*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Entrance Income	434,091	-	**434,091**	*349,188*
Gift aid rebate	68,463	-	**68,463**	*31,997*
Sundry income	18,199	-	**18,199**	*49,835*
Exhibitions tax relief	638,415	-	**638,415**	*56,896*
Trading company income	945,146	-	**945,146**	*788,059*
Total 2024	2,104,314	-	**2,104,314**	*1,275,975*
Total 2023	*1,271,071*	*4,904*	*1,275,975*	

6. Investment income

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Dividends receivable on endowment funds	22	152,007	**152,029**	*152,271*
Pension income	30,000	-	**30,000**	*10,000*
	30,022	152,007	**182,029**	*162,271*
Total 2023	*10,000*	*152,271*	*162,271*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

7. Analysis of grants

	2024 £	2023 £
Arts Council England	374,572	374,575
Other	1,240	-
Restricted grants	1,228,588	5,357
	1,604,400	379,932

	2024 £	2023 £
Restricted grants:		
NHLF	146,342	-
John Ellerman Foundation	27,051	-
The Wolfson Foundation	254,900	-
Foyle Foundation	65,000	-
Connected Communities	43,242	-
Arts Council England - MEND	584,804	-
Garfield Weston	40,000	-
Esmee Fairburn	46,836	-
Other < £10,000	20,413	5,357
	1,228,588	5,357

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Admissions	324,148	**324,148**	*274,689*
Total 2024	324,148	**324,148**	*274,689*
Total 2023	*274,689*	*274,689*	

8. Expenditure on raising funds (continued)

Trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Trading company	820,202	**820,202**	*704,656*
Total 2023	*704,656*	*704,656*	

9. Analysis of charitable activities

	Direct costs 2024 £	Support costs 2024 £	Total funds 2024 £	*Total funds 2023 £*
Exhibitions	400,727	873,157	**1,273,884**	*789,782*
Education	115,350	293,348	**408,698**	*397,474*
Collections	137,741	341,380	**479,121**	*332,349*
Total 2024	653,818	1,507,885	**2,161,703**	*1,519,605*
Total 2023	*474,503*	*1,045,102*	*1,519,605*	

Support costs directly attributable to an activity have been allocated to that activity. Where support costs cannot be directly attributed to any activity they hav ebeen allocated in proportion to direct expenditure.

Trading costs relate to total expenditure incurred attributed to admissions within the Museum.

In 2024, of the total expenditure, £3,070,355 (2023: £2,473,874) was to unrestricted funds, £11 (2023: £11) was to endowment funds and £235,687 (2023: £25,065) was to restricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

9. Analysis of charitable activities (continued)

Analysis of direct costs

	Total funds 2024 £	*Total funds 2023 £*
Staff costs	**320,103**	*312,416*
Rates and water	**14,483**	*27,455*
Postage and stationery	**13,102**	*18,593*
Sundries	**3,471**	*2,375*
Staff services	**43,763**	*38,370*
Public programme	**252,731**	*61,366*
Conservation	**6,165**	*13,928*
Total 2024	**653,818**	*474,503*

Analysis of support costs

	Total funds 2024 £	*Total funds 2023 £*
Staff costs	**626,943**	*417,671*
Depreciation	**19,641**	*30,608*
Postage and stationery	**20,286**	*14,509*
Sundries	**25,670**	*22,745*
Insurance	**94,507**	*83,019*
Light and heat	**192,025**	*79,982*
Telephone	**8,133**	*10,726*
Advertising	**37,000**	*62,884*
Repairs and renewals	**369,782**	*226,821*
Bank charges	**2,769**	*2,104*
Auditors remuneration	**17,500**	*16,500*
Legal and professional fees	**96,950**	*77,533*
Bad debts written off	**(3,321)**	-
Total 2024	**1,507,885**	*1,045,102*

Governance costs included above amount to £114,450 (2023: £94,033).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

10. Net income/expenditure

	2024 £	2023 £
Depreciation of tangible fixed assets:		
- owned by the Charity	**19,641**	*30,608*
Auditors' remuneration - audit - Charity	**17,500**	*16,500*
Auditors' remuneration - audit - Subsidiary	**-**	*9,788*

11. Staff costs

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Wages and salaries	**1,505,264**	*1,263,294*	**1,120,360**	*904,788*
Social security costs	**108,660**	*81,773*	**90,530**	*63,865*
Pension costs	**59,456**	*34,827*	**50,304**	*26,123*
Other pension costs (note 26)	**10,000**	*10,000*	**10,000**	*10,000*
	1,683,380	*1,389,894*	**1,271,194**	*1,004,776*

Other pension costs relate to the current and past service costs as detailed in note 26.

The average number of persons employed by the Charity during the year was as follows:

	Group 2024 No.	Group 2023 No.
Charity	**52**	*49*
Subsidiary	**29**	*28*
	81	*77*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £70,001 - £80,000	**-**	*1*
In the band £80,001 - £90,000	**1**	-

Remuneration of key management personnel (including employer national insurance and employer pension contributions) was £272,302 (2023: £150,844).

Included within staff costs are redundancy payments totalling £30,582 (2023: £Nil).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 31 March 2024, travel and subsistence expenses totalling £1,000 were reimbursed or paid directly to 1 Trustee *(2023 - £NIL to Trustees)*.

13. Tangible fixed assets

Group and Charity

	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 April 2023	**1,321,555**	**19,159**	**131,371**	**194,031**	**1,666,116**
Additions	**410,868**	**-**	**-**	**12,445**	**423,313**
At 31 March 2024	**1,732,423**	**19,159**	**131,371**	**206,476**	**2,089,429**
Depreciation					
At 1 April 2023	**1,263,843**	**19,159**	**121,887**	**180,946**	**1,585,835**
Charge for the year	**10,119**	**-**	**3,161**	**6,361**	**19,641**
At 31 March 2024	**1,273,962**	**19,159**	**125,048**	**187,307**	**1,605,476**
Net book value					
At 31 March 2024	**458,461**	**-**	**6,323**	**19,169**	**483,953**
At 31 March 2023	*57,712*	*-*	*9,484*	*13,085*	*80,281*

14. Heritage assets

Group and Charity

Assets recognised at cost

	Heritage assets 2024 £
Carrying value at 1 April 2023	8,805,504
Carrying value at 31 March 2024	8,805,504

The charity's heritage assets comprise the building and grounds together with the collection. The Museum building is a Grade I listed building and is located in a landscaped park listed as Grade II on the Register of Parks and Gardens of special historic interest in England. The grounds also contain a bowling green and tennis courts and entrance lodges. Nursery grounds and buildings are located to the north side of the park. The collection is made up of a diverse range of pictures, textiles, ceramics, metalwork, sculpture and items of historical interest based around the original collection of the founders John and Josephine Bowes.

Under the current Statement of Recommended Practice (SORP) and FRS 102 items purchased for the collection are capitalised and included at cost in the balance sheet. Items acquired prior to the 2005 SORP are not included in the financial statements.

The Museum maintains its collection for its historical and artistic value. Any valuation is completed within the confines of the requirements of the management and preservation of the collection and for no other purpose. In accordance with the provisions of both the SORP and the FRS, no value has been attributed to items acquired prior to the implementation of the SORP 2005 due to the lack of reliable information regarding cost or valuation.

Access to the collection is promoted through educational workshops, tours as well as through general admissions to the Museum. More information about the Museum's activities and collection can be found at the Museum's website.

Heritage assets reported in the balance sheet during the last five years were as follows:

Analysis of heritage asset transactions

Group and Charity

	2024 £	2023 £	2022 £	2021 £	2020 £
Purchases					
Heritage assets	-	2,275	18,000	18,596	8,375
Total additions	-	2,275	18,000	18,596	8,375

15. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2023	**3,630,428**
Revaluations	**32,876**
At 31 March 2024	**3,663,304**
Net book value	
At 31 March 2024	**3,663,304**
At 31 March 2023	*3,630,428*

The listed investments relate to the following:

82,685 shares in the COIF Charities Investment Fund. These investments are held by the Bowes Museum (charity no 1071630).

The historical cost of these investments at 31 March 2024 was £953,941 (2023: £953,941).

1,906,902 shares in the COIF Charities Property Fund. These investments are held by the Catalyst Endowment Fund (charity no 1079639-2).

The historical cost of these investments as 31 March 2024 was £2,312,183 (2023: £2,312,183).

Charity	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2023	**10**	**3,630,428**	**3,630,438**
Revaluations	**-**	**32,876**	**32,876**
At 31 March 2024	**10**	**3,663,304**	**3,663,314**
Net book value			
At 31 March 2024	**10**	**3,663,304**	**3,663,314**
At 31 March 2023	*10*	*3,630,428*	*3,630,438*

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Aggregate of share capital and reserves £	Profit/(loss) £	Holding
The Bowes Museum (Enterprises) Limited	06864117	10	-	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
The Bowes Museum (Enterprises) Limited	**945,146**	**945,146**	**10**

16. Stocks

	Group 2024 £	*Group 2023 £*
Goods for resale	**66,191**	*48,308*

17. Debtors

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Due within one year				
Trade debtors	**29,727**	*27,781*	**26,130**	*27,114*
Amounts owed by group undertakings	**-**	*-*	**402,175**	*275,173*
Other debtors	**7,143**	*65,672*	**7,143**	*65,672*
Prepayments and accrued income	**867,733**	*144,186*	**865,668**	*144,186*
	904,603	*237,639*	**1,301,116**	*512,145*

18. Creditors: Amounts falling due within one year

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Trade creditors	**94,527**	*64,393*	**64,276**	*41,389*
Other taxation and social security	**51,908**	*140,612*	**51,908**	*24,320*
Other creditors	**4,788**	*9,620*	**4,788**	*9,620*
Accruals and deferred income	**248,621**	*89,864*	**230,105**	*82,088*
	399,844	*304,489*	**351,077**	*157,417*

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Deferred Income				
Deferred income at 1 April 2023	**40,545**	*5,346*	**40,545**	*5,346*
Resources deferred during the year	**27,434**	*40,545*	**20,739**	*40,545*
Amounts released from previous periods	**(40,545)**	*(5,346)*	**(40,545)**	*(5,346)*
Deferred income at 31 March 2024	**27,434**	*40,545*	**20,739**	*40,545*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Legacies	20,000	-	-	-	-	20,000
General funds						
General	7,061,126	2,861,620	(3,060,355)	230,218	-	7,092,609
Pension reserve	-	30,000	(10,000)	-	(20,000)	-
	7,061,126	2,891,620	(3,070,355)	230,218	(20,000)	7,092,609
Total Unrestricted funds	7,081,126	2,891,620	(3,070,355)	230,218	(20,000)	7,112,609
Endowment funds						
John & Josephine Bowes	1,523,574	45,220	-	(19,558)	140,234	1,689,470
Catalyst Endowment	2,129,522	106,787	(11)	(155,116)	(107,358)	1,973,824
	3,653,096	152,007	(11)	(174,674)	32,876	3,663,294
Restricted funds						
Acquisitions & Conservation	2,237,352	152,842	(152,842)	91,354	-	2,328,706
Education	143,595	8,913	(8,913)	(143,595)	-	-
Capital Improvement	2,806	989,704	(47,770)	11,540	-	956,280
Skills for the Future	14,844	117,129	(26,162)	(14,843)	-	90,968
	2,398,597	1,268,588	(235,687)	(55,544)	-	3,375,954

19. Statement of funds (continued)

Total of funds	**13,132,819**	**4,312,215**	**(3,306,053)**	**-**	**12,876**	**14,151,857**

Unrestricted funds represent resources available for the general work of the charity.

The Acquisitions fund is a designated fund within unrestricted funds and represents a legacy received by the Museum to be used by the Trustees to fund future acquisitions.

The Pernsion Fund is a designated fund within unrestricted funds and represents the liability of the Museum under its defined benefit pension scheme, the details of which are set out in note 26.

Restricted funds relate to grants and donations for specific purposes:

Capital Improvements Fund - funding to enable the redevelopment of the reception, cafe and shop areas on the ground floor, new textile galleries and silver and metal galleries on the first floor and the installation of new service and passenger lifts. This funding compromises grants from the Heritage Lottery Fund itself together with additional funding from other sources towards the same project.

Skills for the Future is funding from the Heritage Lottery Fund toward the Museum's paintings and textiles conservation skills project and will help to extend and formalise conservation training delivered by the Museum.

Acquisitions and Conservation fund - funding towards objects purchased and major conservation work to be undertaken.

Friends of The Bowes Museum is set up by its Articles of Association to support the Musuem. It is written into their constitution that the donations may not support the building, maintenance or staff costs.

Education Fund is funding received for various community and art education projects.

The Catalyst Endowment Fund is an endowment fund whereby donations were matched by a grant from the Heritage Lottery Fund. The intention of the fund is to provide future income for the Museum.

The John and Josephine Bowes Endowment fund represents the original endowment left by the founders of the Museum.

Transfers between funds:
£152,007 has been transferred between Endowment Fund and general funds relating to unrestricted investment income (2023: £151,834). The Trustees reviewed the funds during 2023/24 and made further transfers to ensure they reflect the ambitions of the Charity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2023* £
Unrestricted funds						
Designated funds						
Legacies	-	*20,000*	-	-	-	*20,000*
General funds						
General	*7,353,784*	*2,019,382*	*(2,463,874)*	*151,834*	-	*7,061,126*
Pension reserve	-	*10,000*	*(10,000)*	-	-	-
	7,353,784	*2,029,382*	*(2,473,874)*	*151,834*	-	*7,061,126*
Total Unrestricted funds	*7,353,784*	*2,049,382*	*(2,473,874)*	*151,834*	-	*7,081,126*
Endowment funds						
John & Josephine Bowes	*1,584,505*	*45,047*	-	*(45,047)*	*(60,931)*	*1,523,574*
Catalyst Endowment	*2,521,537*	*107,224*	*(11)*	*(106,787)*	*(392,441)*	*2,129,522*
	4,106,042	*152,271*	*(11)*	*(151,834)*	*(453,372)*	*3,653,096*
Restricted funds						
Acquisitions & Conservation	*2,249,756*	*3,183*	*(15,587)*	-	-	*2,237,352*
Education	*143,016*	*10,057*	*(9,478)*	-	-	*143,595*
Capital Improvement	*2,806*	-	-	-	-	*2,806*
Skills for the Future	*14,844*	-	-	-	-	*14,844*
	2,410,422	*13,240*	*(25,065)*	-	-	*2,398,597*

19. Statement of funds (continued)

Total of funds	*13,870,248*	*2,214,893*	*(2,498,950)*	-	*(453,372)*	*13,132,819*

20. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Designated funds	**20,000**	**-**	**-**	**-**	**-**	**20,000**
General funds	**7,061,126**	**2,891,620**	**(3,070,355)**	**230,218**	**(20,000)**	**7,092,609**
Endowment funds	**3,653,096**	**152,007**	**(11)**	**(174,674)**	**32,876**	**3,663,294**
Restricted funds	**2,398,597**	**1,268,588**	**(235,687)**	**(55,544)**	**-**	**3,375,954**
	13,132,819	**4,312,215**	**(3,306,053)**	**-**	**12,876**	**14,151,857**

Summary of funds - prior year

	Balance at 1 April 2022 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2023* £
Designated funds	-	*20,000*	-	-	-	*20,000*
General funds	*7,353,784*	*2,029,382*	*(2,473,874)*	*151,834*	-	*7,061,126*
Endowment funds	*4,106,042*	*152,271*	*(11)*	*(151,834)*	*(453,372)*	*3,653,096*
Restricted funds	*2,410,422*	*13,240*	*(25,065)*	-	-	*2,398,597*
	13,870,248	*2,214,893*	*(2,498,950)*	-	*(453,372)*	*13,132,819*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	26,766	457,187	-	**483,953**
Fixed asset investments	-	-	3,663,304	**3,663,304**
Heritage assets	6,512,364	2,293,140	-	**8,805,504**
Current assets	973,313	625,627	-	**1,598,940**
Creditors due within one year	(399,834)	-	(10)	**(399,844)**
Total	7,112,609	3,375,954	3,663,294	**14,151,857**

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	*Restricted funds 2023 £*	*Endowment funds 2023 £*	*Total funds 2023 £*
Tangible fixed assets	-	*80,281*	-	*80,281*
Fixed asset investments	-	-	*3,630,428*	*3,630,428*
Heritage assets	*6,495,363*	*2,310,141*	-	*8,805,504*
Current assets	*890,252*	*8,175*	*22,668*	*921,095*
Creditors due within one year	*(304,489)*	-	-	*(304,489)*
Total	*7,081,126*	*2,398,597*	*3,653,096*	*13,132,819*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	*Group 2023 £*
Net income/expenditure for the period (as per Statement of Financial Activities)	**1,039,038**	*(737,429)*
Adjustments for:		
Depreciation charges	**19,641**	*30,608*
(Gains)/losses on investments	**(32,876)**	*453,372*
Endowment income	**(152,007)**	*(152,271)*
Increase in stocks	**(17,883)**	*(14,691)*
Increase in debtors	**(666,964)**	*(2,083)*
Increase/(decrease) in creditors	**95,355**	*(5,013)*
Other finance income	**(20,000)**	-
Costs attributable to Endowment	**11**	*11*
Net cash provided by/(used in) operating activities	**264,315**	*(427,496)*

23. Analysis of cash and cash equivalents

	Group 2024 £	*Group 2023 £*
Cash in hand	**628,146**	*635,148*
Total cash and cash equivalents	**628,146**	*635,148*

24. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	**635,148**	**(7,002)**	**628,146**
	635,148	**(7,002)**	**628,146**

25. Capital commitments

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	**836,955**	-	**836,955**	-

26. Pension commitments

The Group operates a defined benefit pension scheme.

The latest actuarial valuation of the LGPS related to the period ended 31 March 2022.

The actuary has undertaken a valuation of the LGPS as at 31 March 2024 which shows an asset of £680,000. In accordance with 28.22 of FRS102 as the charity will not benefit from either reduced contribution rates in the future nor a refund from the scheme the asset is not recognised within these financial statements.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2024	*At 31 March 2023*
	%	*%*
Discount rate	**4.8**	*4.8*
Future salary increases	**3.6**	*3.7*
Future pension increases	**2.6**	*2.7*
CPI inflation	**2.6**	*2.7*
Pension accounts revaluation rate	**2.6**	*2.7*

Sensitivity analysis

	At 31 March 2024	*At 31 March 2023*
	£	*£*
Discount rate +0.1%	**(10,000)**	*(10,000)*
Discount rate -0.1%	**10,000**	*10,000*
Mortality assumption - 1 year increase	**(10,000)**	*(10,000)*
Mortality assumption - 1 year decrease	**10,000**	*10,000*
CPI rate +0.1%	**10,000**	*10,000*
CPI rate -0.1%	**(10,000)**	*(10,000)*

26. Pension commitments (continued)

The Group's share of the assets in the scheme was:

	At 31 March 2024 £	*At 31 March 2023 £*
Equities	**1,660,000**	*1,580,000*
Government bonds	**310,000**	*380,000*
Corporate bonds	**290,000**	*130,000*
Property	**200,000**	*230,000*
Cash	**50,000**	*50,000*
Other	**70,000**	*130,000*
Multi Asset Credit	**460,000**	*450,000*
Total fair value of assets	**3,040,000**	*2,950,000*

The actual return on scheme assets was £680,000 *(2023 - £520,000)*.

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2024 £	*2023 £*
Current service cost	**10,000**	*10,000*
Interest income	**(140,000)**	*(90,000)*
Interest cost	**110,000**	*80,000*
Total amount recognised in the Consolidated Statement of Financial Activities	**(20,000)**	-

Movements in the present value of the defined benefit obligation were as follows:

	2024 £
Opening defined benefit obligation	**2,430,000**
Current service cost	**10,000**
Interest cost	**110,000**
Actuarial gains	**(40,000)**
Benefits paid	**(150,000)**
Asset ceiling restriction	**520,000**
Closing defined benefit obligation	**2,880,000**

26. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2024 £
Opening fair value of scheme assets	**2,950,000**
Expected return on assets	**140,000**
Actuarial losses	**(60,000)**
Benefits paid	**(150,000)**
Closing fair value of scheme assets	**2,880,000**

27. Operating lease commitments

At 31 March 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 **£**	*Group 2023* *£*	**Charity 2024** **£**	*Charity 2023* *£*
Not later than 1 year	**1,200**	-	**1,200**	-
Later than 1 year and not later than 5 years	**2,100**	-	**2,100**	-
	3,300	-	**3,300**	-

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	Group 2024 **£**	*Group 2023* *£*	**Charity 2024** **£**	*Charity 2023* *£*
Operating lease rentals	**300**	-	**300**	-

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

29. Related party transactions

The Friends of Bowes Museum is a connected charity as it exists to assist The Bowes Museum in its objectives. During the year The Friends of Bowes Museum made donations to The Bowes Museum as shown in note 3. At the year end £394 (2023: £553) was due to the Museum from The Friends of Bowes Museum and creditors of £Nil (2023: £1,946) are included for amounts due to The Friends of Bowes Museum for subscriptions collected.

Durham County Council provides core funding for the museum as shown in note 3.

P D A Mothersill is a Trustee of Barnard Castle School. During the year sales of £180 (2023: £72) were made for a Museum visit. At the year end £180 (2023: £72) was due to the Museum from Barnard Castle School.

E Smith is a Director of Elliot Smith Company Limited. During the year sales of £Nil (2023: £227) were made for educational work.

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

30. Charges

Heritage Memorial Fund. This charge is dated 24 March 2009 and is a condition of the National Lottery grant funding of the Museum's capital works programme.

THE BOWES MUSEUM

England & Wales - Charity number 1079639

Accounts

Registered number: 03879872
Charity number: 1079639

THE BOWES MUSEUM

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THE BOWES
MUSEUM

THE BOWES MUSEUM
(A Company Limited by Guarantee)

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THE BOWES MUSEUM

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Mr Peter Mothersill, Chair Dr Keith Bartlett (resigned 10 July 2023) Mr Mark Blackett-Ord Ms Rebecca Blackwood Ms Robyn Brown Ms Jennie Collingwood Ms Deborah Corbett Professor Stefano Cracolici Mr Christopher Davy Ms Lesley Graham (resigned 2 September 2022) Dr Stephen Howell Mr Christopher Oughtred Dr Kenneth Partington Mr Jonathan Beauchamp Peacock (resigned 10 July 2023) Mrs Caroline Peacock (resigned 10 July 2023) Mr Michael Robinson Councillor Elizabeth Elton Scott Mr Eliot Smith Mr George Stastny (resigned 13 November 2023) Ms Alison Thain OBE
Company registered number	03879872
Charity registered number	1079639
Registered office	The Bowes Museum Newgate Barnard Castle County Durham DL12 8NP
Principal operating office	The Bowes Museum Newgate Barnard Castle County Durham DL12 8NP
Company secretary	Mr Simon Lee
Independent auditors	Clive Owen LLP Chartered Accountants and Statutory Auditors 140 Coniscliffe Road Darlington County Durham DL3 7RT

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Bankers	Natwest Plc 29 Newgate Street Bishop Auckland County Durham DL14 7ET
Solicitors	Womble Bond Dickinson LLP Helix The Spark Draymans Way Newcastle Upon Tyne NE4 5DE
Investment Managers	CCLA Investment Management Limited One Angel Lane London EC4R 3AB

STATEMENT FROM THE CHAIR AND DIRECTOR FOR THE YEAR ENDED 31 MARCH 2023

The chairman presents his statement for the year.

2022-23 at a glance:

- 77,127 visitors;
- 49 regular volunteers contributing 2352 volunteer hours;
- 6,733 children and young people engaged in learning programmes;
- New Senior Leadership Team in place;
- £2.4m funding secured for strategic projects and programmes;
- Arts Council England National Portfolio Organisation;
- Paintings loaned to London, Budapest, Dublin and Tokyo.

The Bowes Museum performed well in 2022-23 despite the unpredictable economic and global environment. Ambitious business plan targets were quickly realised to be challenging to achieve in an environment where external factors of COVID-19, the war in Ukraine, the cost-of-living crisis, and a scorching summer all impacted visitor numbers, behaviours, and costs.

Prudent expenditure, the timing of Senior Team recruitment, and outstanding performance in our enterprise activities helped us to maintain a budget outturn within 3% of the original budget. Timely financial reporting and a data-focused approach enabled an up-to-date view of performance and allowed us to adjust accordingly. The year has also given us a more accurate benchmark for the upcoming performance targets and budget and informed the business planning process.

We are delighted to continue as an Arts Council England National Portfolio Organisation for 2023-26, collaborating with our peers across the region and country to create outstanding cultural experiences and support our communities, contributing to Arts Council England's 'Let's Create' mission. We are immensely grateful to our funder and stakeholder, Durham County Council, for its ongoing investment in our work and to The Friends of the Bowes Museum for the breadth of their support, from volunteering and events management to financial contributions.

As you will read in this report, 'transformation' has been the word of the year. From the recruitment of a new senior leadership team, the development of exciting public programmes, exhibitions and displays, and the introduction of a new membership strategy, to securing significant investment for capital refurbishments, the foundations are in place for us to shape a positive and vibrant future for our organisation and the communities we serve.

Peter Mothersill
Chair of Trustees

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the The Bowes Museum for the year 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The Bowes Museum's charitable objectives are the provision of:

(a) a public Museum
(b) a public park

In these objectives:
'Public Museum' has the same meaning as it has in the Public Parks Schools and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes; and 'Public Park' has the same meaning as it has in the Public Parks Schools and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes.

The Museum's objectives and aims have been achieved through an attractive programme of permanent and temporary displays and exhibitions, educational events, family activities and outreach work, as detailed in the report from the Museum's Director and Chairman.

Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the charity's charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

Volunteers

Volunteer guides continue to be invaluable in helping The Bowes Museum to engage visitors in the Museum through guided tours and educational events. The Bowes Museum has approximately ninety volunteers and conveys its gratitude for their continued support for the Museum and library, without which it would be unable to offer visitors the high quality experience and facilities they have come to expect.

Strategic report

Achievements and performance

1. 2022-23 Performance

Area	Actuals	Against target
Visitor Numbers	77,127	77.4%
Average daily visitors	213	77.4%
Total Museum income	**£1,426,834**	**80.2%**
(Ticket/memberships)	£349,188	65.9%
Total Enterprises income	**£788,059**	**91.4%**
(Events)	£126,295	60.1%
(Café)	£435,153	103.8%
(Shop)	£226,611	97.4%
Total Expenditure	**£2,498,950**	**95.3%**
(Museum staff costs)	£1,004,776	87.0%
(Enterprises staff costs)	£385,118	115.7%
(Activity costs)	£111,174	95.8%
(Premises costs)	£344,984	134.0%
(Insurance costs)	£83,019	118.7%
(Marketing costs)	£62,884	62.4%

Strategic report (continued)

Achievements and performance (continued)

2. Review of activities

a) Transformation Project:

The transformation of the Bowes Museum took another step forward in early 2022 with the recruitment of our new Executive Director, Hannah Fox, in May. Hannah's initial focus, supported by trustees, was ensuring our NPO application to Arts Council England was robust and assessing the priorities for the organisation. Strategic direction and business plan targets and activity plans were redefined in recognition of the continuing impact of the COVID-19 pandemic and the growing effect of the war in Ukraine on the cost of living in the UK – both to ensure the organisation could navigate the uncertainty of visitor numbers and to be best placed to support our communities throughout the year.

In January 2023, the full extent of the senior leadership team was completed as Hannah was joined by Simon Lee as Director of Commercial and Operations (COO), Vicky Sturrs as Director of Programme and Collections, and Kelly Smith as Director of Development and Communications. This experienced team represents a step-change in the leadership of the organisation, giving the expertise, skills, and knowledge to build on the transformation project to date and achieve our ambitions for sustainability, growth, and impact. Our vision, mission, aims, and objectives were reviewed and updated to underpin our transformation and ambitions.

Culture Recovery Funding projects concluded and have resulted in significant changes, including:

i) a newly launched annual membership offering the cheapest membership to local people (equivalent to £1 per month) and increasing our knowledge of and connections with visitors
ii) Audience research that gives us a greater knowledge of our market and better methods of communications.
iii) Refreshed brand and digital presence with a new website and brand guidelines.
iv) Research and knowledge about our collections, most significantly a comprehensive report on the condition of our most famous object, the Silver Swan.

b) Programmes and Activities:

Throughout the year, we've delivered programmes supporting our communities, collaborated with our volunteers, engaged children and young people, explored our collections, created new displays and exhibitions, worked with artists, designers, and makers, and developed exciting new projects and partnerships.

c) Communities:

Throughout the winter months, we offered a warm and safe space for people to spend time, for free, in our warm spaces hub as part of a town, county and country-wide initiative. Our engagement programme for elderly care home residents offered in-person and online connections and creative activities. We've had regular visits from community groups, including U3A, and new visits from groups, including Burnhope Community, Afghanistan Refugee Support Group, and Ukraine Refugee Support Groups. In autumn, people in schools, young clubs, and community groups participated in workshops run in partnership with Teesdale Community Resources Hub (TCR Hub), creating snowmen sculptures to be displayed around the museum in response to our Raymond Briggs exhibition. Young people from HMP Deerbolt also took part, creating a fun and engaging snowman that had pride of place at the top of our staircase. The 'It's a Small World' project, a collaboration with Barnard Castle's Town Mayor and supported by Teesdale Area Action Partnership (TAAP) engaged 18 schools in the Teesdale Network of Schools. We worked with two freelance artists to create online CPD workshops for Teachers and Children, resulting in 6 YouTube videos and an exhibition of work at TCR Hub.

d) Volunteers:

Our regular volunteering opportunities engaged 49 regular volunteers throughout the year, working with the staff team to host tours, take care of the parkland, and research our collections. The Friends of the Bowes Museum have been partners on a wide variety of engaging activities – from events and talks to tours and publications. As is the tradition, The Friends decorated the Christmas Tree in the front entrance, ready for the start of the Winter Season and provide vital support for our seasonal market. In 2023-24, there will be even more opportunities for volunteers to work with our staff team on new activities and gallery developments, informing and benefitting from these projects. This year, we were delighted that our volunteers were recognised by a special commendation in the national Marsh Awards.

Strategic report (continued)

Achievements and performance (continued)

e) Education and Young People:
Participation in our education programmes was steady. While school visit bookings have been slow to return to pre-pandemic levels, several projects and programmes have created opportunities for focused work with children and teachers.

The loan of several paintings to museums in Japan kickstarted a project with local primary schools and an elementary school in Kobe, and the Platinum Jubilee led to a community exhibition featuring work from a selection of the 90 pupils who participated.

Our summer exhibition 'Journey in Colour' engaged 200 pupils from 8 schools in Barnard Castle, Bishop Auckland, Darlington and Shildon, who made and painted clay pots featured amid our permanent galleries.

In September, we worked with Butterknowle, Woodland and Frosterley Primary Schools, all three in areas of rural isolation, to support their ambitions for 'Arts Mark' in connection with The Forge. These schools also took part in our Kids in Museum (national initiative) to bring 120 pupils to the museum as part of a 'take over' event – connecting children to the workings of the organisation and encouraging them to imagine themselves as creators, curators, and leaders of future arts and heritage organisations.

Our weekly groups for children and young people continued with Young Creators (11-16yrs), Little Treasures (early years), and After School Club (5-11yrs).

Co-production opportunities with students have started to develop well – resulting in co-designed visitor surveys with a student from Newcastle University, and a collaborative 'call and response' with students from the Northern School of Art, who created new work in response to our collections, which were featured in our Modern Maker Exhibition in March 2023.

Responses to the evaluation question 'Do you think the Museum visit will impact your pupil's personal progression?'

"Some of our students have never left Darlington – so it gave them an experience that there is quite a local place to visit for inspiration" Darlington College – Printing Workshop, KS5.

"Seeing the design process, how we can study primary sources to influence designs and artwork" Samuel King School – Printing Workshop, KS3.

"Yes, due to Covid, many of our children have not experienced school trips or visits to Museums." Neville's Cross Primary – Toys From The Past, KS1.

"Gaining cultural capital through Museum visits and understanding of the wider world" Sunnybrow Primary – Romans, KS2.

"Uplifting, motivating and great for their (children) self-esteem." Sugar Hill Primary – Raymond Briggs, KS2.

f) Families:
A host of holiday activities spanned the year, attracting local families and people from further afield to engage in seasonal activities, including arts and crafts events, a Raymond Briggs Family Fun Day, and a special screening of The Snowman. Our first free heritage open day attracted over 1500 people and a series of Family Days and Artist-led programmes are planned for 2023-24.

Strategic report (continued)

Achievements and performance (continued)

g) Exhibitions and Display:

Throughout the year, we produced a variety of exhibitions and displays exploring a wide range of themes and provocations. These included:

i) 'Regeneration' featuring work from artist Martin Kinnear exploring identity, belonging, and place. Alongside this exhibition nationwide call outs for art and poetry resulted a selection of submissions being featured digitally and onsite.

ii) 'A Platinum Jubilee Celebration' marked the Queen's Jubilee and celebrated royal links and memories spanning seventy years contributed to by local organisations and individuals of all ages.

iii) 'Journey in Colour' was an international collaboration with a team of designers and artists from the UK and China, who used cutting edge technologies and processes to examine and respond to the colours in objects from the collection.

iv) 'Raymond Briggs: A Retrospective' opened in partnership with the Quentin Blake House of Illustration and featured beautiful and thought-provoking works from this world-renowned artist. "The most fabulous exhibition I've seen in years (since your quilt one). The chance to find out his processes and thoughts when embarking on a book is to be my future inspiration. With very much thanks for bringing this locally" Steph and David, Durham City

v) Fashion Gallery developments: New objects from the quilt and costume collections have been displayed and a new interactive study area created in a previously underused area of the gallery.

vi) 'Kinetic Arboretum' is a striking series of three metal trees by the Huddersfield-based artist Martin Smith, whose practice draws the audience's attention to the functional parts often hidden from the viewer – highlighting mechanisms and movement. Sited outside the museum entrance, these installations signalled the start of the 2023 Year of Movement, celebrating 250 years of our Silver Swan.

As part of our Transformation Project, we have identified an urgent need for improved learning and engagement spaces, facilities, and accessible storage. We were delighted to secure £250k from DCMS/Wolfson *(Department for Culture, Media and Sport, and Wolfson Foundation)*, and £40k from the Friends of the Bowes Museum towards the 'Curiosity Project', which will redevelop 4 gallery spaces (bringing 2 currently inaccessible spaces back into use) and 3 collections stores. This work will take place in the 2023-24 financial year. This initiative underpins our commitment to display more objects from the collection and explore narratives in co-production with our communities.

Strategic report (continued)

Achievements and performance (continued)

h) Collections and Conservation:

Our change of focus into co-produced and cross-discipline working has seen a great deal of groundwork laid in preparing for new 2023-24 projects alongside the day-to-day activities. We've tackled some of our collection's storage issues, both onsite and offsite at our Harmire and Sevenhills units. This has included progressing the transfer of archaeology collections back to Durham County Council (DCC), which began before the pandemic. Two early-career curators were given short-term contracts to assist in this work, along with other conservation and collections work that gave them vital on-the-job experience and created much-needed capacity within the team.

In September 2022, Bowes bid successfully at auction for a pair of racing plates of two of John Bowes' racehorses. They complement two others the Museum already had, making a complete quartet of the four horses from the Streatlam Stud, which won the Derby in the 1850s and 60s. As part of the same auction Lot, a portrait of a groomsman at the Streatlam Stud was also acquired. This portrait sits alongside that of John Malton, who trained Bowes' racehorses and was the most successful of his generation. All three items were acquired from a bequest to the Friends of The Bowes Museum towards the acquisition of objects.

Bowes lent some of its significant paintings to major exhibitions in Britain and abroad, including:
i) El Greco, The Tears of St Peter to Museum of Fine Arts, Budapest for the El Greco exhibition.
ii) Charles Chaplin, A Young Girl Drawing, to the Rediscover Eva Gonzales exhibition at the Hugh Lane Gallery,
Dublin, to the National Gallery.
iii) Jacob Hoet, Perseus and Andromeda to the Hyuogo Prefectural Museum of Art in Kobe Province in March 2023 and Ueno Royal Museum in Tokyo for the Dinosaur Dreams: Creation and Imagination of the Lost World exhibition.

The loan to Japan resulted in a cultural connection between schools in County Durham and Kobe province, initiated by The Bowes Museum, with funding from an international Japanese foundation. The El Greco exhibition in Budapest attracted 200,000 visitors. These examples demonstrate our collections' impact when they are on loan, extending the Museum's reach and reputation worldwide.

i) Facilities:

As part of the Transformation Project, we have conducted a comprehensive survey of the museum building, identifying areas for regular maintenance schedules and areas that need significant investment. We also identified an urgent need to address the condition of our main car park, accessible parking, and parkland pathways, which have had minimal maintenance since their creation in the early 1980s. An opportunity arose to apply for DCMS/ACE MEND Funding for a project called 'Journey to Accessibility', which will comprehensively refurbish these areas and ensure a much higher quality experience for our visitors. In March 2023, we were delighted to be awarded £974,673 towards the project. Work will be completed in late spring 2024.

j) Fundraising and donations highlights:

i) Arts Council England National Portfolio Organisation (NPO) 2023-26 - £1,123,716 for core activity.
ii) Department for Culture, Media and Sport (DCMS) Wolfson - £254,900 for The Curiosity Project.
iii) The Friends of the Bowes Museum - £40,000 for The Curiosity Project.
iv) DCMS Arts Council England Museum Estate and Development Fund (MEND) - £974,673 for the Journey to Accessibility Project.
v) A legacy of £20,000 was received and we are holding this as designated funds to use appropriately.

Strategic report (continued)

Achievements and performance (continued)

3. Strategic Objectives

During 2022-23, the trustees and executive team reviewed and updated the strategic objectives of the Bowes Museum to reflect our commitment to public benefit as a charitable trust and to support our contribution to Art England's 'Let's Create' manifesto and Durham County Council's 'County Durham Vision 2035'.

Our vision is to unlock people's potential to shape a more interesting, equitable, and sustainable world.

Through our mission as a future-thinking museum of Artists, Designers and Makers, and with a spirit of generosity and collaboration, we will support and uplift the Northeast.

To help achieve our vision and mission, **our aims** for 2023-28 are:
1. Take care of what's important (people, places, and unique assets).
2. Invest in the future.
3. Make a difference in our communities.
4. Create outstanding experiences.
5. Support our region's ambitions.

Aims and Objectives:
1. Take care of what's important (people, place, unique assets):
   - Objective 1 - Support our people.
   - Objective 2 - Run our organisation ethically and well.
   - Objective 3 - Be responsible custodians - Environment, facilities, assets, resources.
2. Invest in the future:
   - Objective 1 - Affordably develop our spaces, informing and supporting our long-term plan.
   - Objective 2 - Create a Bowes 2092 Roadmap to steward our organisation well towards its 200th birthday.
   - Objective 3 - Create a culture of entrepreneurship & fundraising that maximises income and funding and maintains reserves target.
3. Make a difference in our communities:
   - Objective 1 - Embed a culture of inclusivity and co-production.
   - Objective 2 - Connect proactively to the culture sector landscape.
   - Objective 3 - Keep in touch with our audiences and their needs, existing and new.
     Objective 4 - Support artists, designers, and makers of today and tomorrow.
   - Objective 5 - Support and uplift our Children and Young People, and local communities.
4. Create outstanding experiences:
   - Objective 1 - Celebrate and inspire creativity.
   - Objective 2 - Make sure there is always something great to do.
   - Objective 3 - Be accessible to everyone.
5. Support our region's ambitions:
   - Objective 1 - Change the sector's lending landscape and bring outstanding art to the region.
   - Objective 2 - Develop strong regional and global partnerships based on mutually beneficial relationships.
   - Objective 3 - Communicate our purpose and impact.

Under our Aims and Objectives sit activity and action plans with KPIs (Key Performance Indicators). The ACE National Portfolio Organisation programme, including Investment Principles, is mapped against these strategic objectives and has assigned staff leads. The format of board and funder reports now map progress directly against these Aims and Objectives and a monthly dashboard tracks performance against KPIs, giving a clear overview and more accessible monitoring for the executive and trustees.

Strategic report (continued)

Achievements and performance (continued)

4. Governance

In late 2022, we began a Governance Review, supported by funding from AIM (Alliance of Independent Museums), in recognition of the progress of the Transformation Project and the need to realign trustees' roles to governance now an executive team is in place. With support from external consultants, a full review resulted in recommendations that were agreed upon by the Board of Trustees and will be taken forward in 2023-24. These include reducing the number of trustees and sub-committees, agreeing on a delegation framework, and developing focused areas of work through Task and Finish Groups drawn from trustees, the executive team, and a trusted pool of external advisors.

5. Partnerships

Bowes partnership with the National Gallery as part of the Collaborative Doctoral Partnership (CDP) has generated five doctoral studentships since 2016, focusing on the lives of the Founders and their collections. The latest one was awarded in 2020. Bowes contributed to the National Gallery's annual report on CDP3 (due in May 2022) and has been invited to partner with the National Gallery for the CDP4 application for 2023-6, which will award 9 studentships over four years. The first students in this cohort would begin their studentship in October 2024.

As part of the County Durham Culture Partnership we worked with our peers to highlight the county and region's cultural offer and deliver programmes together. Throughout the year, we have represented the Museum at events, including North East Culture awards held on 15 November 2022 at Durham Cathedral; participated in the Visit County Durham Destination Management Plan - Stakeholder Consultation; and supported Durham Culture County Programmes, including:

- *'Place Lab'* project pilot in collaboration with East Durham Creates, East Durham College, Horden Together, and other partners;
- *Congregate Fest:* a free, public event held on Sat 25 March 2023, at Bishop Auckland Town Hall, bringing together all the elements and networks involved in Culture County so far;
- *Durham Kickstart:* 10 Micro-commissions of £1000 were awarded to applicants across the County to support them in getting their creative ideas off the ground. Facilitated and administered by East Durham Creates, the judging panel included Northern Heartlands, TIN Arts, and Bowes Museum representatives;
- *Culture Club:* The group of people (creative practitioners and members of the public) who responded to the original call-out for ideas to include in the County Durham's City of Culture 2025 bid, plus others who have become engaged in the process.

Strategic report (continued)

Achievements and performance (continued)

6. 2022-23 Key Achievements

- Securing Arts Council England National Portfolio Organisation status and funding (£374k per year) for 2023-26.
- Introduction of new ticketing strategy that aims to build a more loyal and regular visitor base.
- Redevelopment of our digital presence, creating a more accessible and attractive website and social media platforms.
- Recruitment of a new senior leadership team.
- Exhibitions including Martin Kinnear, Raymond Briggs, and Modern Makers – engaging new audiences and working with young people.
- 12,854 people, including families, young people, school groups, older adults and teachers, engaged through talks, tours, workshops and events.
- Programmes, including the Japan Project, worked with rural and school communities to engage creatively and culturally, introducing the Museum to many children for the first time.
- National and international loan requests to exhibit works from the Museum's collection were agreed. Highlight contributions include *El Greco* at The Museum of Fine Arts, Budapest and Jacob Hoet's *Perseus and Andromeda* to a Japanese touring exhibition at the Hyogo Prefectural Museum of Art and The Ueno Royal Museum in Tokyo.
- Securing £974,673 funding from DCMS/ACE MEND towards the redevelopment of parking and access.
- Securing £254,900 funding from DCMS/Wolfson, and £40,000 from The Friends of the Bowes Museum towards developing 4 new galleries and 3 collections stores.
- Conducting a Governance Review with the support of AIM.

7. Thanks to our supporters

We are grateful to all financial supporters of the Museum, which in the twelve months include, in alphabetical order:

Arts Council England
Arts Council England Cultural Recovery Fund
Art Fund
Arms & Armour Heritage Trust
Bowland Charitable Trust
Catherine Lewis Foundation
County Durham Community Foundation
Creative Age Challenge Partnership
Christine Dipple
Dales Life
Darlington Building Society
Durham County Council
Durham University Innovation Trust
EMS Shepherd Trust
Foyle Foundation
Friends of the Bowes Museum
GlaxoSmithKline PLC
Global Radio
Great Britain Sasakawa Foundation
Guido Reni Fund
Heritage Lottery Fund
High Coniscliffe Womens Institute
Keith Grimshaw
Living North
Museum Development England
National Lottery Heritage Emergency Fund
National Lottery Heritage Fund
PSL Pejacsevich
Reach Publishing Services
Skills for the Future
Stevenson Family's Charitable Trust
Tavolozza Foundation
Teesdale Area Action Partnership
Together Middlesbrough & Cleveland
York Museums Trust
Zedra Trust

Strategic report (continued)

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Investment powers and restrictions

The Trustees may invest funds as they see fit, subject to any laws in place at the time.

Reserves policy

The Trustees have set a reserves policy which requires that:

- Reserves will be maintained at a level which ensures that the Bowes Museum's core activity could continue during a period of unforeseen difficulty and the Museum is able to take advantage of strategic development opportunities;
- A proportion of reserves be maintained in a readily realisable form.

In setting the overall minimum level of reserves to be held of £770,000, the Trustees have established three levels of reserves to reflect the different risks it must respond to:

- The Museum will keep two months worth of total expenditure to cover any short term setbacks in funding or cash flow difficulties. This equates to £220,000;
- The Museum will set aside £100,000 to enable the charity to take advantage of strategic opportunities;
- The Museum will keep 50% of the annual income it assesses to be of high risk and 10% of the annual income it assesses to be of medium risk to cover the risk of significant changes in the environment in which it operates. This equates to £450,000.

The current level of free reserves is £593,938 (2022: £860,527). The Trustees intend that the Museum generates a surplus income each year of £100,000 so that the level of reserves set in its reserves policy builds further over time.

The reserves policy will be reviewed by Trustees annually when annual budgets are set to ensure the level of reserves in the policy are reasonable and that any budget surplus or deficit is set with regard to actual reserves and the reserves policy.

The Bowes Museum has a specific endowment fund, the John and Josephine Bowes Fund, of £1,523,574 (2022: £1,584,505). The trust has a requirement to retain the capital sum in the specific endowment fund and only spend the income to assist in covering the current expenditure (£45,047 income in the year to 31 March 2023 (2022: £44,162)).

In the long term the trust intends to add to the specific endowment fund. The Governance committee is considering how best to achieve this alongside other fundraising priorities.

The Bowes Museum also has a Catalyst Endowment Fund of £2,129,522 (2022: £2,521,537). Donations to the Museum were matched funded by a grant from the Heritage Lottery Fund with the intention to provide future income for the Museum.

The two endowment funds made a combined unrealised loss of £453,372 during the year (2022: gain £449,235).

Structure, governance and management

Governing document

The Charity is regulated by (1) a scheme made by the Charity Commission on 12 September 2014 and (2) a company limited by guarantee, The Bowes Museum Limited (Company Registration 03879872) established for charitable purposes only.

The Bowes Museum Limited is a charitable company limited by guarantee incorporated 18 November 1999. The Charity is governed by the memorandum and articles of association, last amended October 2014.

Structure, governance and management (continued)

Recruitment and appointment of new Trustees

Each year, at the Annual General Meeting, one third of the Trustees retire and may seek re-election. New Trustees are appointed when vacancies become available. A Trustee's skills matrix is maintained and the appointment process takes account of skills gaps.

Induction and training of new Trustees

New Trustees receive an induction to the Museum which consists of a file of governing documents, recent reports and minutes of meetings, and a familiarisation with the work of the Museum. External training for new Trustees in matters of governance is available.

Pay policy for senior staff

The Trustees consider the Senior Management Team to form the key management personnel of the Museum, in charge of directing and controlling, running and operating the Museum on a day to day basis. The pay of the senior staff is reviewed annually. In view of the nature of the Museum, the Trustees benchmark against pay levels in other similar Charities.

Organisational structure

The Trustees meet quarterly. Decisions at Trustees meetings are made by majority vote with the Chairman having the casting vote on split decisions.

The Board is supported by four sub-committees, Finance & Estates, Strategy & Development, Culture and Audience Development. The chairs of these together with the Chairman, constitute the Governance Committee, which meets regularly with the Director. Each sub-committee has its own Terms of Reference and their reports are a standing item for the full Board meetings. The Board also receives a report from the Director of the Museum.

The Trustees have delegated day to day management of the charity to the Director of the Museum who reports on performance against the Museum's strategic and operational plans. Financial reports are received quarterly by the Board.

Staff are involved in major decision making and policy formulation wherever possible. Staff briefings led by Directorate take place monthly, along with various internal working groups, staff team meetings and diary meetings.

Structure, governance and management (continued)

Related party relationships

Durham County Council provides core funding for the Museum.

The Friends of The Bowes Museum exists to assist The Bowes Museum in meeting its objectives. The Friends were the largest overall contributor to the success of the Catalyst Endowment Fund reaching its target, and they have contributed annually to the Museum over a number of years.

During the year both the Barnard Castle Tennis Club and the Barnard Castle Bowling Club have continued to enjoy use of the facilities within the grounds of The Bowes Museum. Both clubs are well supported, and the use of the green and courts by members, visiting players, and the general public is extensive.

The trading subsidiary, Bowes Museum (Enterprises) Limited, operates the café, shop and function facilities of The Bowes Museum. The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Risk management

Trustees regularly analyse risks to the charity. Risks are mitigated by a well-advanced development planning programme, by close scrutiny of key performance indicators, and by early negotiation of funding with core funders.

Governance risks are offset by the fact that Trustees are recruited with the appropriate skill-sets. New Trustees receive induction which includes all relevant documentation, meetings with key staff, understanding of the collections and knowledge of the Museum's programme of exhibitions, events and activities. In addition, the full Board meet quarterly and there is a system of rotation.

Audit, remuneration and nominations sub-committees are in place to ensure organisational risks are managed appropriately.

Uniting direction

A uniting direction has been made under s96(5) of the Charities Act 1993 with respect to The Bowes Museum (charity no. 1079639-1). The financial statements for The Bowes Museum (charity no. 1079639) therefore also include the assets held by this charity.

A uniting direction has also been made with respect to the Heritage Lottery Fund & Department for Culture, Media and Sport Bowes Museum Catalyst Endowment Fund (charity no. 1079639-2) and the financial statements for The Bowes Museum (charity no. 1079639) include the assets held by this fund.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

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

Disclosure of information to auditors

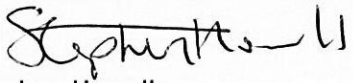
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group'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 relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Clive Owen LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 8 December 2023 and signed on their behalf by:



Dr Stephen Howell
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM

Opinion

We have audited the financial statements of The Bowes Museum (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 2023 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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's or the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have 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 including the Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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.

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 undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Group. We communicated identified laws and regulations throughout the audit team and remained alert to any indications on non-compliance throughout the audit. We determined the most significant of these to be around employment law, charity law, company law, health and safety law, food and hygiene and licencing regulations, taxation law and GDPR.
- Enquiry of directors and management as to policies and procedures to ensure compliance and any known instances of non-compliance.
- Review of Board minutes and correspondence with regulators.
- Enquiry of directors and management as to areas of the financial statements susceptible to fraud and how those risks are managed.
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the financial statements. The further removed non-compliance with law and regulations is from the events and transactions reflected in the financial statement, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentation, or override of inter controls.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. This description forms part of our Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

AW Luckett

Antony Luckett BCom BFP FCA DChA (Senior Statutory Auditor)

for and on behalf of
Clive Owen LLP

Chartered Accountants and Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

Date: 8 December 2023

THE BOWES MUSEUM

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income and endowments from:						
Donations and legacies	3	**390,932**	**2,979**	**-**	**393,911**	*383,559*
Charitable activities	4	**377,379**	**5,357**	**-**	**382,736**	*1,258,276*
Other trading activities	5	**1,271,071**	**4,904**	**-**	**1,275,975**	*1,140,436*
Investments	6	**10,000**	**-**	**152,271**	**162,271**	*150,784*
Other income	7	**-**	**-**	**-**	**-**	*55,830*
Total income and endowments		**2,049,382**	**13,240**	**152,271**	**2,214,893**	*2,988,885*
Expenditure on:						
Raising funds	9	**979,345**	**-**	**-**	**979,345**	*835,824*
Charitable activities		**1,494,529**	**25,065**	**11**	**1,519,605**	*1,817,669*
Total expenditure		**2,473,874**	**25,065**	**11**	**2,498,950**	*2,653,493*
Net (expenditure)/income before net (losses)/gains on investments		**(424,492)**	**(11,825)**	**152,260**	**(284,057)**	*335,392*
Net (losses)/gains on investments		**-**	**-**	**(453,372)**	**(453,372)**	*449,235*
Net (expenditure)/income		**(424,492)**	**(11,825)**	**(301,112)**	**(737,429)**	*784,627*
Transfers between funds	20	**151,834**	**-**	**(151,834)**	**-**	*-*
Net movement in funds before other recognised gains/(losses)		**(272,658)**	**(11,825)**	**(452,946)**	**(737,429)**	*784,627*
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	**-**	**-**	**-**	**-**	*(20,000)*
Net movement in funds		**(272,658)**	**(11,825)**	**(452,946)**	**(737,429)**	*764,627*
Reconciliation of funds:						
Total funds brought forward		**7,353,784**	**2,410,422**	**4,106,042**	**13,870,248**	*13,105,621*

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Net movement in funds		(272,658)	(11,825)	(452,946)	(737,429)	*764,627*
Total funds carried forward		**7,081,126**	**2,398,597**	**3,653,096**	**13,132,819**	*13,870,248*

THE BOWES MUSEUM
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		*2022 £*
Fixed assets					
Tangible assets	14		**80,281**		*78,310*
Heritage assets	15		**8,805,504**		*8,803,229*
Investments	16		**3,630,428**		*4,083,800*
			12,516,213		*12,965,339*
Current assets					
Stocks	17	**48,308**		*33,617*	
Debtors	18	**237,639**		*235,556*	
Cash at bank and in hand		**635,148**		*945,238*	
		921,095		*1,214,411*	
Creditors: amounts falling due within one year	19	**(304,489)**		*(309,502)*	
Net current assets			**616,606**		*904,909*
Total assets less current liabilities			**13,132,819**		*13,870,248*
Net assets excluding pension asset			**13,132,819**		*13,870,248*
Total net assets			**13,132,819**		*13,870,248*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	*2022 £*
Charity funds			
Endowment funds	20	**3,653,096**	*4,106,042*
Restricted funds	20	**2,398,597**	*2,410,422*
Unrestricted funds	20	**7,081,126**	*7,353,784*
Total funds		**13,132,819**	*13,870,248*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 8 December 2023 and signed on their behalf by:



Dr Stephen Howell
Trustee

The notes on pages 29 to 53 form part of these financial statements.

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CHARITY BALANCE SHEET
AS AT 31 MARCH 2023

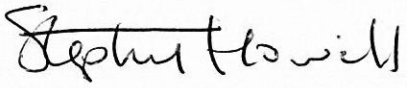
	Note		2023 £		*2022 £*
Fixed assets					
Tangible assets	14		**80,281**		*78,310*
Heritage assets	15		**8,805,504**		*8,803,229*
Investments	16		**3,630,438**		*4,083,810*
			12,516,223		*12,965,349*
Current assets					
Debtors	18	**512,145**		*473,082*	
Cash at bank and in hand		**261,868**		*668,686*	
		774,013		*1,141,768*	
Creditors: amounts falling due within one year	19	**(157,417)**		*(248,657)*	
Net current assets			**616,596**		*893,111*
Total assets less current liabilities			**13,132,819**		*13,858,460*
Net assets excluding pension asset			**13,132,819**		*13,858,460*
Total net assets			**13,132,819**		*13,858,460*
Charity funds					
Endowment funds	20		**3,653,096**		*4,106,042*
Restricted funds	20		**2,416,299**		*2,410,422*
Unrestricted funds					
Unrestricted funds excluding pension asset	20	**7,063,424**		*7,341,996*	
Total unrestricted funds	20		**7,063,424**		*7,341,996*
Total funds			**13,132,819**		*13,858,460*

The Charity's net movement in funds for the year was £(737,429) *(2022 - £699,736)*.

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 8 December 2023 and signed on their behalf by:



Dr Stephen Howell
Trustee

The notes on pages 29 to 53 form part of these financial statements.

THE BOWES MUSEUM

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	*2022* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(427,496)**	*482,850*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(32,579)**	-
Purchase of heritage assets	**(2,275)**	*(18,000)*
Net cash used in investing activities	**(34,854)**	**(18,000)**
Cash flows from financing activities		
Endowment income	**152,271**	*152,299*
Endowment expenditure	**(11)**	*(15)*
Net cash provided by financing activities	**152,260**	**152,284**
Change in cash and cash equivalents in the year	**(310,090)**	**617,134**
Cash and cash equivalents at the beginning of the year	**945,238**	*328,104*
Cash and cash equivalents at the end of the year	**635,148**	*945,238*

The notes on pages 29 to 53 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Bowes Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Museum to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date the financial statements are approved.

On the basis of the above the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. Whilst in the current environment there can never be any certainty over the level of profitability and continuing financial support, having made appropriate enquiries, the Trustees do not believe there to be any material uncertainty and they therefore believe it is appropriate to have prepared the financial statements on a going concern basis. No adjustments have been made to reflect any writedown or writeup of assets to net realisable value, to provide for any further liabilities which may arise or to reclassify fixed assets and long term liabilities as current assets and liabilities, as might be necessary were continuing financial support not be available or the sale of assets on a timely basis and the going concern basis found not to be valid.

1. Accounting policies (continued)

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Legacy income is recognised when receipt is probable and entitlement is established. Where a legacy is notified to the charity prior to the year end, it is recognised as income if it is received before the accounts are approved. Income from donations is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Donated services and facilities:
Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers. Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

1.6 Government grants

Government grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1. Accounting policies (continued)

1.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 5% -25% on cost
Office equipment	- 25% on cost
Computer equipment	- 25% on cost
Other fixed assets	- 25% on cost

1.9 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated impairment losses.

1.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at market value at the Balance Sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell after making due allowance for obsolete and slow-moving stocks.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Accounting policies (continued)

1.13 Cash at bank and in hand

Cash at bank and 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.

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.15 Financial instruments

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

1.16 Pensions

Retirement benefits to employees of the Group are provided by the Local Government Pension Scheme ("LGPS"). This is a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2019.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1. Accounting policies (continued)

1.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent the permanent funds of the charity. All income generated by the funds are unrestricted and used for the purpose of the charity.

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgement

In the application of the charity's and the group's accounting policies the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of certain assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These include the valuation of donated heritage assets which are based on advice from the Arts Council in the case of assets received via the organisation for example if received by HM Treasury in lieu of tax or on the estimate of the Museum's own curatorial staff in the case of smaller donations. Estimates also include the depreciation rate applied to the various categories of the various tangible fixed assets.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26 will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Friends of the Bowes Museum	30,000	520	-	**30,520**	*8,289*
Donations	25,442	2,459	-	**27,901**	*31,270*
Core funding from DCC	335,490	-	-	**335,490**	*344,000*
	390,932	2,979	-	**393,911**	*383,559*
Total 2022	*370,536*	*11,508*	*1,515*	*383,559*	

4. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Grants - see note 8	374,815	5,357	**380,172**	*1,257,458*
Education income	2,564	-	**2,564**	*818*
Total 2023	377,379	5,357	**382,736**	*1,258,276*
Total 2022	*864,305*	*393,971*	*1,258,276*	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Entrance Income	349,188	-	**349,188**	*379,706*
Gift aid rebate	31,793	204	**31,997**	*60,987*
Sundry income	45,135	4,700	**49,835**	*40,370*
Exhibitions tax relief	56,896	-	**56,896**	*31,744*
Trading company income	788,059	-	**788,059**	*627,629*
Total 2023	1,271,071	4,904	**1,275,975**	*1,140,436*
Total 2022	*1,139,868*	*568*	*1,140,436*	

6. Investment income

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Dividends receivable on endowment funds	-	152,271	**152,271**	*150,784*
Pension income	10,000	-	**10,000**	-
	10,000	152,271	**162,271**	*150,784*
Total 2022	-	*150,784*	*150,784*	

7. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Coronavirus job retention scheme	-	**-**	*55,830*
Total 2022	*55,830*	*55,830*	

7. Other incoming resources (continued)

Included within the above is £nil (2022: £30,522) which relates to the trading company.

8. Analysis of grants

	2023 £	2022 £
Arts Council England	374,575	374,575
Culture Recovery Fund	-	704,161
Durham County Council – Resilience Fund	-	62,213
Other	5,597	116,509
	380,172	1,257,458

9. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022* £
Admissions	274,689	**274,689**	*272,735*
Total 2022	*272,735*	*272,735*	

Trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022* £
Trading company	704,656	**704,656**	*563,089*
Total 2022	*563,089*	*563,089*	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Analysis of charitable activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	*Total funds 2022 £*
Exhibitions	265,244	524,538	**789,782**	*955,780*
Education	93,653	303,821	**397,474**	*228,161*
Collections	115,606	216,743	**332,349**	*663,728*
Total 2023	474,503	1,045,102	**1,519,605**	*1,847,669*
Total 2022	*575,288*	*1,272,381*	*1,847,669*	

Support costs directly attributable to an activity have been allocated to that activity. Where support costs cannot be directly attributed to any activity they hav ebeen allocated in proportion to direct expenditure.

Trading costs relate to total expenditure incurred attributed to admissions within the Museum.

In 2023, of the total expenditure, £2,473,874 (2022: £2,120,131) was to unrestricted funds, £11 (2022: £15) was to endowment funds and £25,065 (2022: £582,318) was to restricted funds.

10. **Analysis of charitable activities (continued)**

Analysis of direct costs

	Total funds 2023 £	*Total funds 2022 £*
Staff costs	**312,416**	*398,399*
Rates and water	**27,455**	*20,965*
Postage and stationery	**18,593**	*14,892*
Sundries	**2,375**	*3,537*
Staff services	**38,370**	*77,076*
Public programme	**61,366**	*56,894*
Conservation	**13,928**	*3,525*
Total 2023	**474,503**	*575,288*

Analysis of support costs

	Total funds 2023 £	*Total funds 2022 £*
Pension finance costs	**-**	*30,000*
Staff costs	**417,671**	*348,448*
Depreciation	**30,608**	*20,086*
Postage and stationery	**14,509**	*76,174*
Sundries	**22,745**	*15,409*
Insurance	**83,019**	*61,326*
Light and heat	**79,982**	*76,525*
Telephone	**10,726**	*10,068*
Advertising	**62,884**	*225,283*
Repairs and renewals	**226,821**	*249,586*
Bank charges	**2,104**	*4,512*
Auditors remuneration	**16,500**	*15,000*
Legal and professional fees	**77,533**	*136,864*
Bad debts written off	**-**	*3,100*
Total 2023	**1,045,102**	*1,272,381*

Governance costs included above amount to £94,033 (2022: £151,864).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

11. Net income/expenditure

	2023 £	2022 £
Depreciation of tangible fixed assets:		
- owned by the Charity	**30,608**	*20,086*
Auditors' remuneration - audit - Charity	**16,500**	*15,000*
Auditors' remuneration - audit - Subsidiary	**9,788**	*6,770*

12. Staff costs

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	**1,263,294**	*1,179,761*	**904,788**	*905,778*
Social security costs	**81,773**	*74,034*	**63,865**	*59,675*
Pension costs	**34,827**	*31,442*	**26,123**	*24,129*
Other pension costs (note 26)	**10,000**	*30,000*	**10,000**	*30,000*
	1,389,894	*1,315,237*	**1,004,776**	*1,019,582*

Other pension costs relate to the current and past service costs as detailed in note 26.

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.
Charity	**49**	*45*
Subsidiary	**28**	*23*
	77	*68*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £70,001 - £80,000	**1**	-
In the band £120,001 - £130,000	**-**	*1*

Remuneration of key management personnel (including employer national insurance and employer pension contributions) was £150,844 (2022: £172,446).

Included within staff costs are redundancy payments totalling £Nil (2022: £81,593).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 31 March 2023, no Trustee expenses have been incurred *(2022 - £NIL)*.

14. Tangible fixed assets

Group and Charity

	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 April 2022	**1,319,009**	**19,159**	**118,725**	**180,099**	**1,636,992**
Additions	**2,546**	**-**	**12,646**	**17,387**	**32,579**
Disposals	**-**	**-**	**-**	**(3,455)**	**(3,455)**
At 31 March 2023	**1,321,555**	**19,159**	**131,371**	**194,031**	**1,666,116**
Depreciation					
At 1 April 2022	**1,240,868**	**19,159**	**118,725**	**179,930**	**1,558,682**
Charge for the year	**22,975**	**-**	**3,162**	**4,471**	**30,608**
On disposals	**-**	**-**	**-**	**(3,455)**	**(3,455)**
At 31 March 2023	**1,263,843**	**19,159**	**121,887**	**180,946**	**1,585,835**
Net book value					
At 31 March 2023	**57,712**	**-**	**9,484**	**13,085**	**80,281**
At 31 March 2022	*78,141*	-	-	*169*	*78,310*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15. Heritage assets

Group and Charity

Assets recognised at cost

	Heritage assets 2023 £
Carrying value at 1 April 2022	8,803,229
Additions	2,275
Carrying value at 31 March 2023	8,805,504

The charity's heritage assets comprise the building and grounds together with the collection. The Museum building is a Grade I listed building and is located in a landscaped park listed as Grade II on the Register of Parks and Gardens of special historic interest in England. The grounds also contain a bowling green and tennis courts and entrance lodges. Nursery grounds and buildings are located to the north side of the park. The collection is made up of a diverse range of pictures, textiles, ceramics, metalwork, sculpture and items of historical interest based around the original collection of the founders John and Josephine Bowes.

Under the current Statement of Recommended Practice (SORP) and FRS 102 items purchased for the collection are capitalised and included at cost in the balance sheet. Items acquired prior to the 2005 SORP are not included in the financial statements.

The Museum maintains its collection for its historical and artistic value. Any valuation is completed within the confines of the requirements of the management and preservation of the collection and for no other purpose. In accordance with the provisions of both the SORP and the FRS, no value has been attributed to items acquired prior to the implementation of the SORP 2005 due to the lack of reliable information regarding cost or valuation.

Access to the collection is promoted through educational workshops, tours as well as through general admissions to the Museum. More information about the Museum's activities and collection can be found at the Museum's website.

Heritage assets reported in the balance sheet during the last five years were as follows:

Analysis of heritage asset transactions

Group and Charity

	2023 £	2022 £	2021 £	2020 £	2019 £
Purchases					
Heritage assets	2,275	18,000	18,596	8,375	24,683
Total additions	2,275	18,000	18,596	8,375	24,683

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

19. Creditors: Amounts falling due within one year

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Trade creditors	**64,393**	*211,171*	**41,389**	*169,396*
Other taxation and social security	**140,612**	*35,732*	**24,320**	*23,958*
Other creditors	**9,620**	*208*	**9,620**	*208*
Accruals and deferred income	**89,864**	*62,391*	**82,088**	*55,095*
	304,489	*309,502*	**157,417**	*248,657*

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Deferred Income				
Deferred income at 1 April 2022	**5,346**	*21,801*	**5,346**	*21,801*
Resources deferred during the year	**40,545**	*5,346*	**40,545**	*5,346*
Amounts released from previous periods	**(5,346)**	*(21,801)*	**(5,346)**	*(21,801)*
Deferred income at 31 March 2023	**40,545**	*5,346*	**40,545**	*5,346*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Legacies	-	20,000	-	-	-	20,000
General funds						
General	7,353,784	2,019,382	(2,463,874)	151,834	-	7,061,126
Pension reserve	-	10,000	(10,000)	-	-	-
	7,353,784	2,029,382	(2,473,874)	151,834	-	7,061,126
Total Unrestricted funds	7,353,784	2,049,382	(2,473,874)	151,834	-	7,081,126
Endowment funds						
John & Josephine Bowes	1,584,505	45,047	-	(45,047)	(60,931)	1,523,574
Catalyst Endowment	2,521,537	107,224	(11)	(106,787)	(392,441)	2,129,522
	4,106,042	152,271	(11)	(151,834)	(453,372)	3,653,096
Restricted funds						
Acquisitions & Conservation	2,249,756	3,183	(15,587)	-	-	2,237,352
Education	143,016	10,057	(9,478)	-	-	143,595
Capital Improvement	2,806	-	-	-	-	2,806
Skills for the Future	14,844	-	-	-	-	14,844
	2,410,422	13,240	(25,065)	-	-	2,398,597

20. Statement of funds (continued)

Total of funds	**13,870,248**	**2,214,893**	**(2,498,950)**	**-**	**(453,372)**	**13,132,819**

Unrestricted funds represent resources available for the general work of the charity.

The Acquisitions fund is a designated fund within unrestricted funds and represents a legacy received by the Museum to be used by the Trustees to fund future acquisitions.

The Pernsion Fund is a designated fund within unrestricted funds and represents the liability of the Museum under its defined benefit pension scheme, the details of which are set out in note 26.

Restricted funds relate to grants and donations for specific purposes:

Capital Improvements Fund - funding to enable the redevelopment of the reception, cafe and shop areas on the ground floor, new textile galleries and silver and metal galleries on the first floor and the installation of new service and passenger lifts. This funding compromises grants from the Heritage Lottery Fund itself together with additional funding from other sources towards the same project.

Skills for the Future is funding from the Heritage Lottery Fund toward the Museum's paintings and textiles conservation skills project and will help to extend and formalise conservation training delivered by the Museum.

Acquisitions and Conservation fund - funding towards objects purchased and major conservation work to be undertaken.

Friends of The Bowes Museum is set up by its Articles of Association to support the Musuem. It is written into their constitution that the donations may not support the building, maintenance or staff costs.

Education Fund is funding received for various community and art education projects.

The Catalyst Endowment Fund is an endowment fund whereby donations were matched by a grant from the Heritage Lottery Fund. The intention of the fund is to provide future income for the Museum.

The John and Josephine Bowes Endowment fund represents the original endowment left by the founders of the Museum.

Transfers between funds:
£151,834 has been transferred between Endowment Fund and general funds relating to unrestricted investment income (2022: £150,784).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2022* £
Unrestricted funds						
General	*6,813,621*	*2,430,539*	*(2,041,160)*	*150,784*	-	*7,353,784*
Pension reserve	*50,000*	-	*(30,000)*	-	*(20,000)*	-
	6,863,621	*2,430,539*	*(2,071,160)*	*150,784*	*(20,000)*	*7,353,784*
Endowment funds						
John & Josephine Bowes	*1,456,583*	*44,162*	-	*(44,162)*	*127,922*	*1,584,505*
Catalyst Endowment	*2,198,724*	*108,137*	*(15)*	*(106,622)*	*321,313*	*2,521,537*
	3,655,307	*152,299*	*(15)*	*(150,784)*	*449,235*	*4,106,042*
Restricted funds						
Acquisitions & Conservation	*2,354,913*	*46,952*	*(152,109)*	-	-	*2,249,756*
Education	*128,690*	*350,806*	*(336,480)*	-	-	*143,016*
Capital Improvement	*83,330*	-	*(80,524)*	-	-	*2,806*
Skills for the Future	*19,760*	-	*(4,916)*	-	-	*14,844*
Friends of Bowes Museum	-	*8,289*	*(8,289)*	-	-	-
	2,586,693	*406,047*	*(582,318)*	-	-	*2,410,422*
Total of funds	*13,105,621*	*2,988,885*	*(2,653,493)*	-	*429,235*	*13,870,248*

24. Analysis of cash and cash equivalents

	Group 2023 £	*Group 2022 £*
Cash in hand	**635,148**	*945,238*
Total cash and cash equivalents	**635,148**	*945,238*

25. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	**945,238**	**(310,090)**	**635,148**
	945,238	**(310,090)**	**635,148**

26. Pension commitments

The Group operates a defined benefit pension scheme.

The latest actuarial valuation of the LGPS related to the period ended 31 March 2019.

The actuary has undertaken a valuation of the LGPS as at 31 March 2023 which shows an asset of £520,000. In accordance with 28.22 of FRS102 as the charity will not benefit from either reduced contribution rates in the future nor a refund from the scheme the asset is not recognised within these financial statements.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2023 %	*At 31 March 2022 %*
Discount rate	**4.8**	*2.8*
Future salary increases	**3.7**	*4.1*
Future pension increases	**2.7**	*3.1*
CPI inflation	**2.7**	*3.1*
Pension accounts revaluation rate	**2.7**	*3.1*

26. Pension commitments (continued)

Sensitivity analysis

	At 31 March 2023 £	*At 31 March 2022 £*
Discount rate +0.1%	**(10,000)**	*(30,000)*
Discount rate -0.1%	**10,000**	*30,000*
Mortality assumption - 1 year increase	**(10,000)**	*(30,000)*
Mortality assumption - 1 year decrease	**10,000**	*30,000*
CPI rate +0.1%	**10,000**	*30,000*
CPI rate -0.1%	**(10,000)**	*(30,000)*

The Group's share of the assets in the scheme was:

	At 31 March 2023 £	*At 31 March 2022 £*
Equities	**1,580,000**	*1,830,000*
Government bonds	**380,000**	*500,000*
Corporate bonds	**130,000**	*200,000*
Property	**230,000**	*220,000*
Cash	**50,000**	*80,000*
Other	**130,000**	*480,000*
Multi Asset Credit	**450,000**	-
Total fair value of assets	**2,950,000**	*3,310,000*

The actual return on scheme assets was £520,000 *(2022 - £220,000)*.

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2023 £	*2022 £*
Current service cost	**10,000**	*30,000*
Interest income	**(90,000)**	*(70,000)*
Interest cost	**80,000**	*70,000*
Total amount recognised in the Consolidated Statement of Financial Activities	**-**	*30,000*

26. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2023 £
Opening defined benefit obligation	3,070,000
Current service cost	10,000
Interest cost	80,000
Actuarial gains	(540,000)
Benefits paid	(190,000)
Asset ceiling restriction	240,000
Closing defined benefit obligation	2,670,000

Movements in the fair value of the Group's share of scheme assets were as follows:

	2023 £
Opening fair value of scheme assets	3,310,000
Expected return on assets	90,000
Actuarial losses	(540,000)
Benefits paid	(190,000)
Closing fair value of scheme assets	2,670,000

27. Operating lease commitments

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Charity 2023 £	*Charity* *2022* *£*
Not later than 1 year	-	*3,710*

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

29. Related party transactions

The Friends of Bowes Museum is a connected charity as it exists to assist The Bowes Museum in its objectives. During the year The Friends of Bowes Museum made donations to The Bowes Museum as shown in note 3. At the year end £553 (2022: £497) was due to the Museum from The Friends of Bowes Museum and creditors of £1,946 (2022: £2,837) are included for amounts due to The Friends of Bowes Museum for subscriptions collected.

Durham County Council provides core funding for the museum as shown in note 3.

P D A Mothersill is a Trustee of Barnard Castle School. During the year sales of £72 (2022: £85) were made for a Museum visit.

E Smith is a Director of Elliot Smith Company Limited. During the year sales of £227 (2022: £nil) were made for educational work.

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

30. Charges

Heritage Memorial Fund. This charge is dated 24 March 2009 and is a condition of the National Lottery grant funding of the Museum's capital works programme.

THE BOWES MUSEUM

England & Wales - Charity number 1079639

Accounts

Registered number: 03879872
Charity number: 1079639

THE BOWES MUSEUM

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE BOWES
MUSEUM

THE BOWES MUSEUM
(A Company Limited by Guarantee)

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THE BOWES MUSEUM

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Mr Peter Mothersill, Chair Councillor Joy Allen (resigned 20 August 2021) Dr Keith Bartlett Mr Mark Blackett-Ord Ms Rebecca Blackwood (appointed 20 August 2021) Ms Robyn Brown (appointed 20 August 2021) Ms Jennie Collingwood (appointed 20 August 2021) Ms Deborah Corbett (appointed 20 August 2021) Professor Stefano Cracolici Mr Christopher Davy Ms Lesley Graham (appointed 20 August 2021, resigned 2 September 2022) Mr Timothy Harrison (resigned 20 August 2021) Mr Stephen Howell Mr Adrian Jenkins (resigned 20 August 2021) Mr Christopher Oughtred Dr Kenneth Partington Mr Jonathan Beauchamp Peacock Mrs Caroline Peacock Mr Michael John Robinson Councillor Elizabeth Elton Scott (appointed 20 August 2021) Mr Eliot Smith Mr George Stastny Ms Alison Thain OBE (appointed 20 August 2021)
Company registered number	03879872
Charity registered number	1079639
Registered office	The Bowes Museum Newgate Barnard Castle County Durham DL12 8NP

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Independent auditors	Clive Owen LLP Chartered Accountants and Statutory Auditors 140 Coniscliffe Road Darlington County Durham DL3 7RT
Bankers	Natwest Plc 29 Newgate Street Bishop Auckland County Durham DL14 7ET
Solicitors	Womble Bond Dickinson LLP Helix The Spark Draymans Way Newcastle Upon Tyne NE4 5DE
Investment Managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Chairman's Statement

The Museum's operation in the fiscal year 2021/2022 was dominated, much as in the previous year, by two principal challenges - the continuation and aftermath of the COVID pandemic and the implementation of a major transformation project started the year before, which encompassed all aspects of the Museum's operation.

A second COVID lockdown forced the Museum to close its doors in November 2020, and they were not opened again until 17 May 2021. This marked the culmination of a period of change unprecedented in living memory, requiring a response from staff and Trustees characterised by courage, ingenuity and strength of character.

Once reopened, the Museum saw visitors returning in gratifyingly high numbers, amounting through the year to more than 75% of pre-COVID numbers, which is all the more impressive as most comparable venues reported between 25 and 50%. This resulted, in large part, from the dedication and commitment of our staff, who dealt calmly and professionally with all adversity. They ensured that the parkland remained open and safe throughout the lockdowns, which illustrated that, for once, a rural location with plenty of open space has advantage over city-based venues.

Having successfully minimised the impact of the pandemic on the Museum, staff and visitors, it would be remiss not to make clear that the long-term effect of COVID will remain for some time. This, together with current economic, societal and political pressures and other variables beyond the direct control of the Museum, will continue to impact negatively on the sector. The Museum has, however, performed extensive risk analysis, which has informed future budgets and forecasts, resulting in the creation of a five-year business plan, which is rational, achievable and incorporates sufficient contingency to cover all but the most extreme eventualities.

In 2020, the Museum embarked upon a transformation project supported by Durham County Council (DCC), with joint funding provided by National Lottery Heritage Fund (NLHF). This involved a radical re-evaluation of the Museum's mission and operating model and the definition and implementation of a plan to build internal capacity, capability and confidence well beyond the term of the project. The review was divided into two phases and concentrated on four principal themes:

- Financial Sustainability - Apply rigour and focus to grow and develop business revenue, control expenditure, develop fundraising and demonstrate financial understanding and discipline with clear and timely reporting;
- Community - Put people at the heart of everything the Museum does.
- Risk - Ensure compliance in line with the Charity Commission's requirements, be aware and mindful of risk and develop tracking strategies; and
- Leadership - Demonstrate great and clear leadership at all levels.

The National Trust agreed to work with the Museum to provide an objective lead for the duration of the project and their Phase 1 report, focussing on the definition and planning of the Transformation, was delivered to the Museum in July 2020. Phase 2 work began in August 2020 and concentrated exclusively on its delivery and implementation. Much progress has been made this year in all four of the highlighted areas, a synopsis of which is highlighted below:

In April 2020, a new five-year funding package was agreed with DCC, which provided the stability the Museum needed to rebalance its short-term needs with longer-term development. This financial sustainability, together with strong leadership and direction, has enabled the Museum to enhance significantly its offering to the local community and Durham County as a whole.

This focus on developing a far wider and more engaged audience was a core requirement of NLHF's Programme of Resilience through Investment in People and Business, which proved a core facilitator in the Museum's delivery of tangible community benefits, some examples of which are as follows:

- The Kindness Quilt Project – an outreach programme was part of the engagement programme for *North Country Quilts: In Celebration of New Acquisitions* involving one thousand seven hundred children from forty-five schools in County Durham, including one webinar led by a freelance artist to nine hundred school children;
- A Community Care Home project - ten artist-led online sessions delivered to two local Care Homes, supporting health and well-being;
- Free family events - Forty-seven sessions both inside the Museum and in a new outdoor classroom, involving craft activities and artist-led story-telling, theatre and magic shows;
- The Young Curators Group - ten new recruits joined the programme, which included curator-led tours of the collection, artist-led sessions for young people aged 15-25 and display of their artwork in the Museum; and,
- Adult Art Courses - online artist-/practitioner-led work, together with three sessions of Curation, Power & Care by Paul Stewart of Teesside University.

The outcomes of the above are many and varied. They include, among other things:

- Connecting with the education sector throughout the county;
- Establishing links with older audiences in the community;
- Greater variety and innovation in the utilisation of the grounds;
- Understanding how younger audiences wish to engage;
- Dynamic new approaches to storytelling; and,
- Innovative approaches to bringing objects in the Museum's Collection to life.

In the course of the year, Arts Council England (ACE) awarded the Museum over £700,000 from its Cultural Recovery Fund, which proved invaluable in helping to cement its recovery and has had a hugely positive impact on its development going forward.

Firstly, a significant percentage of the grant was allocated to reserves. This has provided, and continues to provide, genuine financial stability, which the Museum has not enjoyed for many years, particularly because it is not now a hostage to fortune defined by variables beyond its control.

Secondly, the grant was awarded to put a comprehensive digital infrastructure in place and to undertake extensive audience research to develop focused strategies to increase visitor numbers, leading to greater self-sufficiency through greater ticket sales and secondary spending. The underlying theme throughout was to develop our conviction that for the Museum to thrive, the community, whether local or across the county, has to feel that it is their Museum, something they can be proud of, actively involved in and keen to visit whatever their age, gender or interests.

The work involved extensive market research into scoping market scale, audience profile, penetration and potential, together with attractors and barriers to visiting. It also included testing responses to programming, exhibitions, the Museum's story, and to its retail and catering offer. In addition, it provided comprehensive research and analysis to inform and fund a complete redevelopment of the Museum's website in order to improve the customer journey, and increase sales, accessibility and brand value.

In understanding that risk management is a process that allows individual risk events and overall risk to be understood and managed proactively, it is clear that a credible and comprehensive Business Plan has a central role to play in its practical implementation. Much time and energy have been put into developing and implementing a five-year plan that, while looking to deliver a sustainable business model, encompasses any identifiable risk. This ranges from ticket pricing (a full review is in process), improving the care of the building and estate (a comprehensive building survey has been completed), to the impact of strengthening the Museum's commitment to equality and diversity and the ongoing challenges of the pandemic.

Five key areas of focus have been identified. They are as follows:

- Visitor Experience
- Management & Compliance
- Community, Engagement & Learning
- Environmental Sustainability & Building Management
- Stakeholder Management & Fundraising

Five-year forecasts and detailed action plans, with full critical path analysis, have been created for each area, the delivery of which is prioritised using a traffic light system. The plans are reviewed regularly and are subject to a formal annual Trustee review. Trustees within the Finance & Estates sub-committee have responsibility for risk management, part of an initiative to devolve governance responsibility for specific elements of the business to individual Trustees with the appropriate experience.

Much work has been done to strengthen the Board of Trustees by broadening its expertise and increasing its diversity. Consequently, seven new Trustees were appointed in December 2021, and another sub-committee, Audience Development, was added to the existing four. A Governance Committee continues to sit as an umbrella committee, made up of the Chairs of the sub-committees and led by the Chair of Trustees. It would be remiss not to recognise formally that, notwithstanding the very special commitment and enthusiasm of the Museum's staff, the engagement, dedication and contribution shown by all Trustees has been exemplary and has contributed very significantly to the Museum's ability to drive through adversity and emerge with such a positive and healthy outlook.

The final part of the Transformation Project has been to effect a comprehensive review, proposal and implementation of a staff restructure at every level. As often stressed, this is not a cost-cutting exercise but is designed to ensure that the Museum has the right people and expertise in sufficient numbers and in the right positions to deliver the Business Plan.

At the end of July 2021, in the course of this process, Adrian Jenkins stepped down as Director of the Museum after twenty years of service, and it therefore became a top priority to recruit his replacement at the earliest opportunity. There were many applications for the post from all over the world, but after a lengthy and thorough interview process, the Museum was very fortunate to appoint Hannah Fox to the post. Hannah was Director of Projects & Programming at the Derby Museums, leading the creation and delivery of the Museum of Making at Derby Silk Mill, one of five Museums shortlisted for the prestigious Art Fund Museum of the Year Award 2022. Recruitment of supporting directors is ongoing, with an extended management team already in place covering all aspects of the Museum's operation. The restructure is anticipated to be completed in 2022/23.

A palpable air of excitement and anticipation now exists within the Museum, which stems from a general sense that now is one of those rare moments when we can, in our own small way, genuinely influence the future. This is underpinned by a quiet confidence that, though the new journey may just have begun, the Museum is on the right path and is well-equipped to deal with any obstacles that may stand in the way. This is in no small measure due to the combined efforts of Trustees, management and staff, together with the commitment and support of DCC, ACE and NLHF, which is invaluable and plays a critical role in underpinning the Museum's ambitious aspirations for the future.

Equally, the support of the Friends of the Museum and our Volunteers is hugely appreciated and has had a very significant impact on the Museum's ability to navigate its way through the choppy waters of lockdowns and the subsequent challenges. Their practical help, alongside financial backing, has a very significant impact on the general well-being of every aspect of the Museum's operation and manifestly proves how fortunate it is to benefit from such a large, active and generous group.

P Mothersill

Peter Mothersill
Chair
December 2022

Trustees' Report

The Trustees' present their annual report together with the audited financial statements of the The Bowes Museum for the year. 1 April 2021 to 31 March 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The Bowes Museum's charitable objectives are the provision of:

(a) a public Museum
(b) a public park

In these objectives:
'Public Museum' has the same meaning as it has in the Public Parks Schools and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes; and 'Public Park' has the same meaning as it has in the Public Parks Schools and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes.

The Museum's objectives and aims have been achieved through an attractive programme of permanent and temporary displays and exhibitions, educational events, family activities and outreach work, as detailed in the report from the Museum's Director and Chairman.

Significant activities

Significant activities are included in the Report of the Museum Director and Chairman.

Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the charity's charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

Volunteers

Volunteer guides continue to be invaluable in helping The Bowes Museum to engage visitors in the Museum through guided tours and educational events. The Bowes Museum has approximately ninety volunteers and conveys its gratitude for their continued support for the Museum and library, without which it would be unable to offer visitors the high quality experience and facilities they have come to expect.

Strategic report

Achievements and performance

General Museum Update

Exhibition Programme

- The Museum reopened on 17 May 2021 with our exhibition *North Country Quilts: In Celebration of New Acquisitions*. The exhibition was planned and programmed almost entirely remotely, posing a unique set of challenges that the Exhibitions Team responded to well. Installation on site was carefully planned according to government guidelines. The content of the exhibition was a celebration of the Museum's fantastic collection, and the positive response from visitors has led to more quilt artefacts being displayed in the permanent galleries. The exhibition closed on 9 January 2022.
- The Adventures of Clara opened on 17 July 2021 and consisted of a colourful Museum-wide tour celebrating the world's most famous rhinoceros. The exhibition space on the second floor was transformed into an 18th-century galleon, with illustrations coming from a single collection in America. For the exhibition, the Museum partnered with the charity Helping Rhinos to explore how visitors could help future 'Claras'.
- In November, the Museum opened its *12 Days of Christmas* trail consisting of objects from the Museum collection – some not previously not on public display. Each object was reimagined to represent themes from the classic cumulative song.
- In December, a temporary display of the Silver Swan opened on the second-floor exhibition space, which includes video footage of the Swan performing and a short film of the study week in which conservators discuss the mechanism in detail. This is the first time the Swan has been displayed in a dedicated space with interpretation; the display will evolve as further research comes to light and necessary conservation work takes place.
- In January 2022, we opened the Martin Kinnear exhibition 'Regeneration'. Through Martin's own experiences of disability, the exhibition explored change and his own experience of regeneration. He also looked more broadly at how society is changing through the pandemic, and the exhibition celebrated possibility and hope. Alongside the exhibition, we ran two open calls on the theme of *'Regeneration'* to work with communities in three age categories 6-11, 12-17 and 18+ years old.
    a. The first competition was themed on artwork; there were over 135 entries, and such was the quality that there were three winning works from each category that were hung in the gallery, and all of the entries were displayed digitally in the exhibition.
    b. The second competition focused on poetry and had over 40 entries judged by Durham University. One winner was selected from each category, and each candidate was recorded reading their poem at the sound studio in The Hub in Barnard Castle. The recordings were played out every 30 minutes in the gallery space.

Strategic report (continued)

Achievements and performance (continued)

Education:

- The team engaged with 108 schools over the year (previously 19/20 – 138 schools). There were 8 cancellations due to the impact of Covid and staff shortages. The number of school children participating 21/22 – were 3839 children engaged in school visits/projects. (4290 children - 19/20).
- Swan Project Outreach – Six local primary schools from Barnard Castle, Shildon and Bishop Auckland participated in the Swan Project. A partnership with Locomotion, Shildon and The Bowes enabled the 180 children who took part in the STEAM (Science, Technology, Engineering, Art and Maths) project to visit two cultural venues in one day and for schools to demonstrate cultural capital. Children explored the history of the Swan and its workings, experimented with pulleys in a practical workshop and viewed The Cloud Cuckoo Automata at Locomotion.
- In Our Neighbourhoods – 10 Community Care Home Zoom creative sessions were delivered between October and January for elderly residents living in Care Homes.
- Engagement programmes for elderly residents in Care Homes within Barnard Castle are now embedded into Education activity and delivered weekly by the education team, from April 2022 onwards.
- The Kindness Quilt Project was developed as part of the engagement programme for the *North Country Quilts: In Celebration of New Acquisitions*, entailed five separate projects delivered in the community. The outcome of this was five quilts on display in the ground floor of the Museum. Firstly, an International Quilt project involved a series of 8 textile workshops for older members of the BAME communities living in Middlesbrough. 38 participants took part with support from Together Middlesbrough and Cleveland and Investing in People, with funding from Power to Change. The community-made quilt was on display in the Museum as part of the Kindness Quilt Project.
- Three Kindness Quilt projects for schools were delivered, and funded through the CRF. A total of 1698 children took part between April-July 2021, from 45 schools. Using the Healthy Living Scores, 28 schools are in identified areas of deprivation, with 956 of the children living in low-scoring areas.
  a. An intergenerational project with local care homes and 5 Primary schools, consisting of 5 artist-led workshops combining digital and outreach delivery.
  b. A printing workshop with 28 schools, using craft packs delivered directly to schools, with 900 children.
  c. A textile artist delivered outreach to 300 children from 12 primary schools.
- A community quilt created by adult female members of the Pimm's and Needles community interest group, depicting personal stories from lockdown and coping strategies.
- Expansion of Young Curators - an open call was launched in June 2021 for 10 new recruits to join the existing Young Curators for a six-month programme. The new cohort had their Induction day on 24 July 2021 at the Museum. The original six Young Curators in the first cohort were offered the opportunity to work with mentors in 2021 through CRF funding.
- At the end of the six-month programme the group left along with the Young Person Co-ordinator. Young Creators were established from April 22 for 11-16 yr olds, meeting on the first Saturday of each month.
- Auckland Youth Community Centre Partnership: AYCC is located in an area of high deprivation in Bishop Auckland. On 19 June 2021, a group of young people who have been working with Bowes' Community Co-ordinator (Young People) since November 2020 visited the Museum. The group were invited to see their artwork exhibited in the picture galleries as part of a project they did focusing on a fifteenth-century Netherlandish painting by an artist called Dieric Bouts. They also met two Artists, who delivered the project with this group remotely via Teams. They took part in an art-making activity – creating shoes, had a tour of the Museum, had lunch and played outside in the grounds. Feedback was extremely positive, and the Museum hopes to sustain a partnership with the Centre.

Strategic report (continued)

Achievements and performance (continued)

Conservation:
The conservation team dealt with an outbreak of moths in the first-floor galleries in June and July 2021. Pest traps are checked monthly throughout the year. Still, it is thought that moths are laying eggs between the floorboards and that the previous year's extensive cleaning of these galleries, containing carpets, upholstered furniture and other textiles, did not fully eradicate eggs laid in textiles. This year an industrial freezer unit was hired for a month, and all upholstered furniture, carpet and curtains were frozen for at least 48 hours. The work was undertaken while galleries were open to the public, with conservators available during the day to explain to visitors.

The conservation team fulfilled its first major commission involving the conservation and mounting of around 25 costumes from the Tullie House collection, which form its new costume gallery, opening in October 2021. The commission started in 2019 and was interrupted by the pandemic, so has been quite a challenge to complete. The Textiles Conservator has undertaken a steady stream of private commissions this year, an area of the business we are looking to develop to promote the Museum's reputation for conservation and an income stream.

In December, the Textiles Conservator became the first Bowes conservator to achieve ICON (Institute of Conservation) Accreditation status.

Acquisitions:
In 2021-22, Bowes acquired the following three paintings gifted via the Art Fund:

- Attributed to Gerrit Pietersz Sweelink (1566-1612), Charity seated in a Landscape with Children, John the Baptist Preaching in the Wilderness beyond
- Attributed to Simone Cantarini (1612-1648), The Rest on the Flight into Egypt
- Attributed to Pieter Aertsen (1508-1575), Christ on the Road to Calvary

Several Quilts were donated to the Museum because of the Quilts exhibition, which ran from March – November 2021

Loans:
- The Museum's two paintings by Goya went on loan to the Fondation Beyeler in Basel, Switzerland, from 10 October 2021 to 21 January 2022
- The 18th-century marble sculpture of Clara the rhinoceros went on loan to the Barber Institute of Fine Arts at Birmingham University from November 2021 – January 2022, following the successful family exhibition on the 'Travels of Clara' during the summer holidays at Bowes.
- 14 items from the exceptional Blackborne lace collection went on loan to MoMu, the Fashion Museum, Antwerp, for the international exhibition 'Looking through Antwerp Lace', September 2021 - January 2022, which highlighted the important role Antwerp played in the production and trade of lace.

Friends:
- The Friends continue to support the grounds, with a Park gardening volunteer group helping to clear paths once a fortnight. This team also looks after the lime avenue, maintains small planters and does general weeding.
- The Friends were pleased to help with the costs (ca. £8,000) in autumn 2021 of supporting the ongoing Swan project. This funded the excellent film about the Swan's history, renovation, and performance.
- The Friends decorated the Christmas tree inside the front door of the Museum at the end of November, ready for the start of the Christmas Season. They provided invaluable help towards the Christmas Market weekend with the annual Christmas raffle.
- They participated in two focus group discussions organised through the Audience Development team and continue to offer any assistance to support all Museum functions and projects.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Strategic report (continued)

Achievements and performance (continued)

Partnerships:

- Bowes partnership with the National Gallery as part of the Collaborative Doctoral Consortium has generated five doctoral studentships since 2016, focusing on the lives of the Founders and their collections. The latest one was awarded in 2020. Bowes contributed to the National Gallery's annual report on CDP3 (due in May 2022) and has been invited to partner with the National Gallery for the CDP4 application for 2023-6.
- As a member of Culture Durham, Bowes contributed to the Culture 2025 bid via workshops and Board meetings.
- Bowes participated in online consultation workshops organised by the North East Cultural Partnership to help shape its new Strategy.

Fundraising:
The Trustees and staff are grateful to all financial supporters of the Museum, which in the twelve months include, in alphabetical order:
Arts Council England
Arms & Armour Heritage Trust
Christopher Wilson-Tate
Creative Age Challenge Partnership
Darlington Building Society
Durham County Council
Durham University Innovation Trust
EMS Sheppard Trust
Friends of the Bowes Museum
Global Radio
Guido Reni Fund
Heritage Lottery Fund
National Lottery Heritage Fund
NLHF Emergency Fund
Skills for the Future
Stevenson Family's Charitable Trust
Tavolozza Foundation
Teesdale Area Action Partnership
The Art Fund
The Foyle Foundation
Together Middlesbrough & Cleveland

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Five year summary

A five year summary is given to show recent performance of the Museum:

MOVEMENT IN FUNDS FOR THE YEAR	2022 £	2021 £	2020 £	2019 £	2018 £
Total income resouces	2,988,885	2,085,666	2,794,297	2,804,843	2,188,386
Total self generated income	1,140,436	351,463	1,429,860	1,279,361	1,195,208
Total operating expenditure	2,653,493	1,911,096	2,482,560	2,828,743	2,525,496
SURPLUS / (DEFICIT) IN FUNDS	**784,627**	**720,734**	**75,928**	**356,823**	**- 297,412**
BALANCE SHEET TOTAL	**13,870,248**	**13,105,621**	**12,384,887**	**12,308,959**	**11,952,136**

Total visitor numbers *	69,909	15,615	103,136	86,322	78,399
Total website numbers	196,161	128,240	176,354	154,987	193,385
Average staff numbers	68	69	86	75	74

* Visitor numbers do not include visitors to park, educational outreach users, bowls or tennis players.

Principal funding sources

The principal sources of revenue funding during the period were:

- Core funding from Durham County Council;
- Self generated income from the visiting public;
- Funding through the Arts Council England's National Portfolio Museums Programme.

Investment powers and restrictions

The Trustees may invest funds as they see fit, subject to any laws in place at the time.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Reserves policy

The Trustees have set a reserves policy which requires that:

- Reserves will be maintained at a level which ensures that the Bowes Museum's core activity could continue during a period of unforeseen difficulty and the Museum is able to take advantage of strategic development opportunities;
- A proportion of reserves be maintained in a readily realisable form.

In setting the overall minimum level of reserves to be held of £770,000, the Trustees have established three levels of reserves to reflect the different risks it must respond to:

- The Museum will keep two months worth of total expenditure to cover any short term setbacks in funding or cash flow difficulties. This equates to £220,000;
- The Museum will set aside £100,000 to enable the charity to take advantage of strategic opportunities;
- The Museum will keep 50% of the annual income it assesses to be of high risk and 10% of the annual income it assesses to be of medium risk to cover the risk of significant changes in the environment in which it operates. This equates to £450,000.

The current level of free reserves is £860,527 (2021: £386,344). The Trustees intend that the Museum generates a surplus income each year of £100,000 so that the level of reserves set in its reserves policy builds further over time.

The reserves policy will be reviewed by Trustees annually when annual budgets are set to ensure the level of reserves in the policy are reasonable and that any budget surplus or deficit is set with regard to actual reserves and the reserves policy.

The Bowes Museum has a specific endowment fund, the John and Josephine Bowes Fund, of £1,584,505 (2021: £1,456,583). The trust has a requirement to retain the capital sum in the specific endowment fund and only spend the income to assist in covering the current expenditure (£44,162 income in the year to 31 March 2022 (2021: £44,881)).

In the long term the trust intends to add to the specific endowment fund. The fundraising committee is considering how best to achieve this alongside other fundraising priorities.

The Bowes Museum also has a Catalyst Endowment Fund of £2,521,537 (2021: £2,198,724). Donations to the Museum were matched funded by a grant from the Heritage Lottery Fund with the intention to provide future income for the Museum.

The two endowment funds made a combined unrealised gain of £449,235 during the year (2021: £206,164).

Plans for future periods

Along with all similar institutions in the UK, The Bowes Museum was forced to close as a result of the Covid-19 pandemic. Our staff had continued to work from home on new presentations intended for the website (www.thebowesmuseum.org.uk) or for social media, and to prepare the new exhibitions with which we reopened in May 2021. Our primary funders continued to support us throughout the period.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

Governing document

The Charity is regulated by (1) a scheme made by the Charity Commission on 12 September 2014 and (2) a company limited by guarantee, The Bowes Museum Limited (Company Registration 03879872) established for charitable purposes only.

The Bowes Museum Limited is a charitable company limited by guarantee incorporated 18 November 1999. The Charity is governed by the memorandum and articles of association, last amended October 2014.

Recruitment and appointment of new Trustees

Each year, at the Annual General Meeting, one third of the Trustees retire and may seek re-election.

New Trustees are appointed when vacancies become available. A Trustee's skills matrix is maintained and the appointment process takes account of skills gaps.

Induction and training of new Trustees

New Trustees receive an induction to the Museum which consists of a file of governing documents, recent reports and minutes of meetings, and a familiarisation with the work of the Museum. External training for new Trustees in matters of governance is available.

Pay policy for senior staff

The Trustees consider the Senior Management Team to form the key management personnel of the Museum, in charge of directing and controlling, running and operating the Museum on a day to day basis. The pay of the senior staff is reviewed annually. In view of the nature of the Museum, the Trustees benchmark against pay levels in other similar Charities.

Organisational structure

The Trustees meet quarterly. Decisions at Trustees meetings are made by majority vote with the Chairman having the casting vote on split decisions.

The Board is supported by four sub-committees, Finance & Estates, Strategy & Development, Culture and Audience Development. The chairs of these together with the Chairman, constitute the Governance Committee, which meets regularly with the Director. Each sub-committee has its own Terms of Reference and their reports are a standing item for the full Board meetings. The Board also receives a report from the Director of the Museum.

The Trustees have delegated day to day management of the charity to the Director of the Museum who reports on performance against the Museum's strategic and operational plans. Financial reports are received quarterly by the Board.

Staff are involved in major decision making and policy formulation wherever possible. Staff briefings led by Directorate take place monthly, along with various internal working groups, staff team meetings and diary meetings.

Structure, governance and management (continued)

Related party relationships

Durham County Council provides core funding for the Museum.

The Friends of The Bowes Museum exists to assist The Bowes Museum in meeting its objectives. The Friends were the largest overall contributor to the success of the Catalyst Endowment Fund reaching its target, and they have contributed annually to the Museum over a number of years.

During the year both the Barnard Castle Tennis Club and the Barnard Castle Bowling Club have continued to enjoy use of the facilities within the grounds of The Bowes Museum. Both clubs are well supported, and the use of the green and courts by members, visiting players, and the general public is extensive.

The trading subsidiary, Bowes Museum (Enterprises) Limited, operates the café, shop and function facilities of The Bowes Museum. The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Risk management

Trustees regularly analyse risks to the charity. Risks are mitigated by a well-advanced development planning programme, by close scrutiny of key performance indicators, and by early negotiation of funding with core funders.

Governance risks are offset by the fact that Trustees are recruited with the appropriate skill-sets. New Trustees receive induction which includes all relevant documentation, meetings with key staff, understanding of the collections and knowledge of the Museum's programme of exhibitions, events and activities. In addition, the full Board meet quarterly and there is a system of rotation.

Audit, remuneration and nominations sub-committees are in place to ensure organisational risks are managed appropriately.

Uniting direction

A uniting direction has been made under s96(5) of the Charities Act 1993 with respect to The Bowes Museum (charity no. 1079639-1). The financial statements for The Bowes Museum (charity no. 1079639) therefore also include the assets held by this charity.

A uniting direction has also been made with respect to the Heritage Lottery Fund & Department for Culture, Media and Sport Bowes Museum Catalyst Endowment Fund (charity no. 1079639-2) and the financial statements for The Bowes Museum (charity no. 1079639) include the assets held by this fund.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

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

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 group'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 relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Clive Owen LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on .....and signed on their behalf by:

PDA MEH

Mr Peter Mothersill
Chair

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM

Opinion

We have audited the financial statements of The Bowes Museum (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 2022 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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's or the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have 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 including the Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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.

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 undertake the following procedure to identify and respond to these risk of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Group. We communicated identified laws and regulations throughout the audit team and remained alert to any indications on non-compliance throughout the audit. We determined the most significant of these to be around employment law, charity law, company law, health and safety law, food and hygiene and licencing regulations, taxation law and GDPR.
- Enquiry of directors and management as to policies and procedures to ensure compliance and any known instances of non-compliance.
- Review of Board minutes and correspondence with regulators.
- Enquiry of directors and management as to areas of the financial statements susceptible to fraud and how those risks are managed.
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the financial statements. The further removed non-compliance with law and regulations is from the events and transactions reflected in the financial statement, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentation, or override of inter controls.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. This description forms part of our Auditors' Report.

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Antony Luckett BCom BFP FCA DChA (Senior Statutory Auditor)
for and on behalf of
Clive Owen LLP
Chartered Accountants and Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date:

THE BOWES MUSEUM

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income and endowments from:						
Donations and legacies	4	**370,536**	**11,508**	**1,515**	**383,559**	*443,442*
Charitable activities	5	**864,305**	**393,971**	**-**	**1,258,276**	*779,673*
Other trading activities	6	**1,139,868**	**568**	**-**	**1,140,436**	*351,463*
Investments	7	**-**	**-**	**150,784**	**150,784**	*142,453*
Other income	8	**55,830**	**-**	**-**	**55,830**	*368,635*
Total income and endowments		**2,430,539**	**406,047**	**152,299**	**2,988,885**	*2,085,666*
Expenditure on:						
Raising funds	10	**835,824**	**-**	**-**	**835,824**	*601,389*
Charitable activities		**1,235,336**	**582,318**	**15**	**1,817,669**	*1,309,707*
Total expenditure		**2,071,160**	**582,318**	**15**	**2,653,493**	*1,911,096*
Net gains on investments		**-**	**-**	**449,235**	**449,235**	*206,164*
Net income/(expenditure)		**359,379**	**(176,271)**	**601,519**	**784,627**	*380,734*
Transfers between funds	21	**150,784**	**-**	**(150,784)**	**-**	*-*
Net movement in funds before other recognised gains/(losses)		**510,163**	**(176,271)**	**450,735**	**784,627**	*380,734*
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	27	**(20,000)**	**-**	**-**	**(20,000)**	*340,000*
Net movement in funds		**490,163**	**(176,271)**	**450,735**	**764,627**	*720,734*
Reconciliation of funds:						
Total funds brought forward		**6,863,621**	**2,586,693**	**3,655,307**	**13,105,621**	*12,384,887*
Net movement in funds		**490,163**	**(176,271)**	**450,735**	**764,627**	*720,734*
Total funds carried forward		**7,353,784**	**2,410,422**	**4,106,042**	**13,870,248**	*13,105,621*

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		*2021 £*
Fixed assets					
Tangible assets	15		**78,310**		*98,396*
Heritage assets	16		**8,803,229**		*8,785,229*
Investments	17		**4,083,800**		*3,634,566*
			12,965,339		*12,518,191*
Current assets					
Stocks	18	**33,617**		*34,892*	
Debtors	19	**235,556**		*460,317*	
Cash at bank and in hand		**945,238**		*328,104*	
		1,214,411		*823,313*	
Creditors: amounts falling due within one year	20	**(309,502)**		*(285,883)*	
Net current assets			**904,909**		*537,430*
Total assets less current liabilities			**13,870,248**		*13,055,621*
Net assets excluding pension asset			**13,870,248**		*13,055,621*
Defined benefit pension scheme asset	27		**-**		*50,000*
Total net assets			**13,870,248**		*13,105,621*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

	Note		2022 £		*2021 £*
Charity funds					
Endowment funds	21		**4,106,042**		*3,655,307*
Restricted funds	21		**2,410,422**		*2,586,693*
Unrestricted funds					
Unrestricted funds excluding pension asset / liability	21	**7,353,784**		*6,813,621*	
Pension reserve	21	**-**		*50,000*	
Total unrestricted funds	21		**7,353,784**		*6,863,621*
Total funds			**13,870,248**		*13,105,621*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on ..... and signed on their behalf by:

P DA MOTHERSILL

Mr Peter Mothersill
Chair

The notes on pages 26 to 52 form part of these financial statements.

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CHARITY BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		*2021 £*
Fixed assets					
Tangible assets	15		**78,310**		*98,396*
Heritage assets	16		**8,803,229**		*8,785,229*
Investments	17		**4,083,810**		*3,634,576*
			12,965,349		*12,518,201*
Current assets					
Debtors	19	**473,082**		*566,357*	
Cash at bank and in hand		**668,686**		*300,954*	
		1,141,768		*867,311*	
Creditors: amounts falling due within one year	20	**(248,657)**		*(275,051)*	
Net current assets			**893,111**		*592,260*
Total assets less current liabilities			**13,858,460**		*13,110,461*
Net assets excluding pension asset			**13,858,460**		*13,110,461*
Defined benefit pension scheme asset	27		**-**		*50,000*
Total net assets			**13,858,460**		*13,160,461*

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

	Note		2022 £		*2021 £*
Charity funds					
Endowment funds	21		**4,106,042**		*3,655,307*
Restricted funds	21		**2,410,422**		*2,586,693*
Unrestricted funds					
Unrestricted funds including pension asset	21	**7,341,996**		*6,918,461*	
Total unrestricted funds	21		**7,341,996**		*6,918,461*
Total funds			**13,858,460**		*13,160,461*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on ..... and signed on their behalf by:

PDAMell

Mr Peter Mothersill
Chair

The notes on pages 26 to 52 form part of these financial statements.

THE BOWES MUSEUM

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	*2021 £*
Cash flows from operating activities		
Net cash used in operating activities	**482,850**	*(12,715)*
Cash flows from investing activities		
Sales and purchases of listed investments	**-**	*30,000*
Purchase of heritage assets	**(18,000)**	*(18,596)*
Net cash (used in)/provided by investing activities	**(18,000)**	**11,404**
Cash flows from financing activities		
Endowment income	**152,299**	*144,303*
Endowment expenditure	**(15)**	*(15)*
Net cash provided by financing activities	**152,284**	**144,288**
Change in cash and cash equivalents in the year	**617,134**	**142,977**
Cash and cash equivalents at the beginning of the year	**328,104**	*185,127*
Cash and cash equivalents at the end of the year	**945,238**	*328,104*

The notes on pages 26 to 52 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Bowes Museum is a charitable company limited by guarantee registered in England and Wales. The company and charity registered numbers and registered office address can be found on page 1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Bowes Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies (continued)

2.3 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Museum to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date the financial statements are approved. The Museum's situation is now much improved, and while good fiscal management is, of course, still required, the Trustees are confident that the future is secure, in spite of continuing Covid-19 threats.

1. Core funders have continued to be supportive throughout the Covid-19 period, and with their commitment to on-going support the Museum is in a healthy financial position; and

2. There is a significant number of assets owned by the Museum which are not included on its balance sheet.

3. Support from government and others in response to Covid-19.

On the basis of the above the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. Whilst in the current environment there can never be any certainty over the level of profitability and continuing financial support, having made appropriate enquiries, the Trustees do not believe there to be any material uncertainty and they therefore believe it is appropriate to have prepared the financial statements on a going concern basis. No adjustments have been made to reflect any writedown or writeup of assets to net realisable value, to provide for any further liabilities that may arise or to reclassify fixed assets and long term liabilities as current assets and liabilities, as might be necessary were continuing financial support not be available or the sale of assets on a timely basis and the going concern basis found not to be valid.

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Donated services and facilities:
Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers. Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.6 Government grants

Government grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 5% -25% on cost
Office equipment	- 25% on cost
Computer equipment	- 25% on cost
Other fixed assets	- 25% on cost

2.9 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

2. Accounting policies (continued)

2.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at market value at the Balance Sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.11 Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell after making due allowance for obsolete and slow-moving stocks.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and 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.

2.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.15 Financial instruments

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.16 Pensions

Retirement benefits to employees of the Group are provided by the Local Government Pension Scheme ("LGPS"). This is a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2019.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent the permanent funds of the charity. All income generated by the fund is unrestricted and used for the purpose of the charity.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

In the application of the charity's and the group's accounting policies the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of certain assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These include the valuation of donated heritage assets which are based on advice from the Arts Council in the case of assets received via the organisation for example if received by HM Treasury in lieu of tax or on the estimate of the Museum's own curatorial staff in the case of smaller donations. Estimates also include the depreciation rate applied to the various categories of the various tangible fixed assets.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27 will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Friends of the Bowes Museum	-	8,289	-	**8,289**	*10,000*
Donations	26,536	3,219	1,515	**31,270**	*19,315*
Additional support from DCC	-	-	-	**-**	*170,000*
Core funding from DCC	344,000	-	-	**344,000**	*244,127*
	370,536	11,508	1,515	**383,559**	*443,442*
Total 2021	*424,732*	*16,860*	*1,850*	*443,442*	

5. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Grants - see note 9	863,487	393,971	**1,257,458**	*779,475*
Education income	818	-	**818**	*198*
Total 2022	864,305	393,971	**1,258,276**	*779,673*
Total 2021	*474,773*	*304,900*	*779,673*	

6. Income from other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Entrance income	379,706	-	**379,706**	*125,554*
Gift aid rebate	60,987	-	**60,987**	*27,789*
Sundry income	39,802	568	**40,370**	*11,789*
Exhibitions tax relief	31,744	-	**31,744**	-
Trading company income	627,629	-	**627,629**	*186,331*
Total 2022	1,139,868	568	**1,140,436**	*351,463*
Total 2021	*348,384*	*3,079*	*351,463*	

7. Investment income

	Endowment funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Dividends receivable on endowment funds	150,784	**150,784**	*142,453*
Total 2021	*142,453*	*142,453*	

8. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Coronavirus job retention scheme	55,830	**55,830**	*368,635*
Total 2021	*368,635*	*368,635*	

Included within the above is £30,552 (2021: £117,272) which relates to the trading company.

9. Analysis of grants

	2022 £	2021 £
Arts Council England	374,575	374,575
Culture Recovery Fund	704,161	-
Durham County Council	-	111,981
Durham County Council - Resilience Fund	62,213	91,846
NLHF Emergency Fund	-	103,300
Heritage Lottery Fund	-	55,809
Other	116,509	41,964
	1,257,458	779,475

10. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021* *£*
Admissions	272,735	**272,735**	*244,683*
Total 2021	*244,683*	*244,683*	

Trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021* *£*
Trading company	563,089	**563,089**	*356,706*
Total 2021	*356,706*	*356,706*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11. Analysis of charitable expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total 2022 £	*Total 2021 £*
Exhibitions	288,617	653,638	**942,255**	*489,529*
Education	59,709	180,240	**239,949**	*127,382*
Collections	226,962	438,503	**665,465**	*692,796*
Total 2022	575,288	1,272,381	**1,847,669**	*1,309,707*
Total 2021	*474,136*	*835,571*	*1,309,707*	

Support costs directly attributable to an activity have been allocated to that activity. Where support costs cannot be directly attributed to any activity they have been allocated in proportion to direct expenditure.

Included within the above support costs is £30,000 relating to pension finance costs.

Trading costs relate to total expenditure incurred attributed to admissions with the Museum.

In 2022, of the total expenditure, £2,120,131 (2021: £1,620,666) was to unrestricted funds, £15 (2021: £15) was to endowment funds and £582,318 (2021: £290,415) was to restricted funds.

Analysis of direct costs

	Total 2022 £	*Total 2021 £*
Staff costs	**398,399**	*336,942*
Rates and water	**20,965**	*17,516*
Postage and stationery	**14,892**	*440*
Sundries	**3,537**	*464*
Staff services	**77,076**	*16,069*
Public programme	**56,894**	*80,304*
Conservation	**3,525**	*22,401*
Total 2022	**575,288**	*474,136*

11. Analysis of charitable expenditure by activities (continued)

Analysis of support costs

	Total 2022 £	*Total 2021 £*
Pension finance costs	**30,000**	*10,000*
Staff costs	**348,448**	*348,542*
Depreciation	**20,086**	*28,892*
Postage and stationery	**64,386**	*49,444*
Sundries	**27,197**	*11,803*
Insurance	**61,326**	*58,926*
Light and heat	**76,525**	*51,365*
Telephone	**10,068**	*11,532*
Advertising	**225,283**	*27,728*
Repairs and renewals	**249,586**	*117,247*
Bank charges	**4,512**	*7,704*
Auditors' remuneration	**15,000**	*14,744*
Legal and professional fees	**136,864**	*95,265*
Bad debts	**3,100**	*2,379*
Total 2022	**1,272,381**	*835,571*

Governance costs included above amount to £151,864 (2021: £110,009).

12. Net income/expenditure

	2022 £	*2021 £*
Depreciation of tangible fixed assets:		
- owned by the Charity	**20,086**	*28,892*
Auditors' remuneration - audit		
- Charity	**15,000**	*14,744*
- Subsidiary	**6,770**	*5,970*
Auditors' remuneration - other services to the group		*7,337*
	-	*-*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

13. Staff costs

	Group 2022 £	*Group 2021 £*	Charity 2022 £	*Charity 2021 £*
Wages and salaries	**1,179,761**	*1,048,364*	**905,778**	*817,180*
Social security costs	**74,034**	*66,124*	**59,675**	*56,684*
Pension costs	**31,442**	*32,185*	**24,129**	*26,303*
Other pension costs (note 26)	**30,000**	*30,000*	**30,000**	*30,000*
	1,315,237	*1,176,673*	**1,019,582**	*930,167*

Other pension costs relate to the current and past service costs as detailed in note 26

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	*Group 2021 No.*
Charity	**45**	*46*
Subsidiary	**23**	*23*
	68	*69*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	*Group 2021 No.*
In the band £80,001 - £90,000	**-**	*1*
In the band £120,001 - £130,000	**1**	-

Remuneration of key management personnel (including employer national insurance and employer pension contributions) was £172,446 (2021 - £125,860).

Included within staff costs are redundancy payments totalling £81,593 (2021: £NIL).

14. Trustees' remuneration and expenses

A Jenkins was a Trustee and received remuneration as Museum Director. During the year, no other Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 March 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15. Tangible fixed assets

Group and Charity

	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 April 2021	**1,319,009**	**19,159**	**118,725**	**180,099**	**1,636,992**
At 31 March 2022	**1,319,009**	**19,159**	**118,725**	**180,099**	**1,636,992**
Depreciation					
At 1 April 2021	**1,222,323**	**19,159**	**117,695**	**179,419**	**1,538,596**
Charge for the year	**18,545**	**-**	**1,030**	**511**	**20,086**
At 31 March 2022	**1,240,868**	**19,159**	**118,725**	**179,930**	**1,558,682**
Net book value					
At 31 March 2022	**78,141**	**-**	**-**	**169**	**78,310**
At 31 March 2021	*96,686*	-	*1,030*	*680*	*98,396*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

16. Heritage assets

Group and Charity

Assets recognised at cost

	Heritage assets 2022 £
Carrying value at 1 April 2021	8,785,229
Additions	18,000
Carrying value at 31 March 2022	8,803,229

The charity's heritage assets comprise the building and grounds together with the collection. The Museum building is a Grade I listed building and is located in a landscaped park listed as Grade II on the Register of Parks and Gardens of special historic interest in England. The grounds also contain a bowling green and tennis courts and entrance lodges. Nursery grounds and buildings are located to the north side of the park. The collection is made up of a diverse range of pictures, textiles, ceramics, metalwork, sculpture and items of historical interest based around the original collection of the founders John and Josephine Bowes.

Under the current Statement of Recommended Practice (SORP) and FRS 102 items purchased for the collection are capitalised and included at cost in the balance sheet. Items acquired prior to the 2005 SORP are not included in the financial statements.

The Museum maintains its collection for its historical and artistic value. Any valuation is completed within the confines of the requirements of the management and preservation of the collection and for no other purpose. In accordance with the provisions of both the SORP and the FRS, no value has been attributed to items acquired prior to the implementation of the SORP 2005 due to the lack of reliable information regarding cost or valuation.

Access to the collection is promoted through educational workshops, tours as well as through general admissions to the Museum. More information about the Museum's activities and collection can be found at the Museum's website.

Heritage assets reported in the balance sheet during the last five years were as follows:

Analysis of heritage asset transactions

Group

	2022 £	2021 £	2020 £	2019 £	2018 £
Purchases					
Heritage asset	18,000	18,596	8,375	24,683	7,018
Total additions	18,000	18,596	8,375	24,683	7,018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

17. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2021	**3,634,566**
Revaluations	**449,234**
At 31 March 2022	**4,083,800**
Net book value	
At 31 March 2022	**4,083,800**
At 31 March 2021	*3,634,566*

17. Fixed asset investments (continued)

Charity	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2021	**10**	**3,634,566**	**3,634,576**
Revaluations	**-**	**449,234**	**449,234**
At 31 March 2022	**10**	**4,083,800**	**4,083,810**
Net book value			
At 31 March 2022	**10**	**4,083,800**	**4,083,810**
At 31 March 2021	*10*	*3,634,566*	*3,634,576*

The listed investments relate to the following:

82,685 shares in the COIF Charities Investment Fund. These investments are held by The Bowes Museum (charity no 1071630).

The historical cost of these investments at 31 March 2022 was £953,941 (2021: £953,941).

1,906,902 shares in the COIF Charities Property Fund. These investments are held by the Catalyst Endowment Fund (charity no 1079639-2).

The historical cost of these investments as 31 March 2022 was £2,312,183 (2021: £2,312,183).

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets	Holding
The Bowes Museum (Enterprises) Limited	06864117	627,629	(574,526)	53,103	10	100%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

18. Stocks

	Group 2022 £	*Group 2021 £*
Goods for resale	**33,617**	*34,892*

19. Debtors

	Group 2022 £	*Group 2021 £*	Charity 2022 £	*Charity 2021 £*
Due within one year				
Trade debtors	**25,142**	*9,600*	**20,040**	*9,448*
Amounts owed by group undertakings	**-**	*-*	**243,784**	*121,599*
Other debtors	**34,679**	*31,201*	**34,679**	*28,701*
Prepayments and accrued income	**175,735**	*419,516*	**174,579**	*406,609*
	235,556	*460,317*	**473,082**	*566,357*

20. Creditors: Amounts falling due within one year

	Group 2022 £	*Group 2021 £*	Charity 2022 £	*Charity 2021 £*
Trade creditors	**211,171**	*147,829*	**169,396**	*144,654*
Other taxation and social security	**35,732**	*-*	**23,958**	*-*
Other creditors	**208**	*3,125*	**208**	*3,125*
Accruals and deferred income	**62,391**	*134,929*	**55,095**	*127,272*
	309,502	*285,883*	**248,657**	*275,051*

	Group 2022 £	*Group 2021 £*	Charity 2022 £	*Charity 2021 £*
Deferred Income				
Deferred income at 1 April	**22,314**	*107,885*	**21,801**	*107,372*
Resources deferred during the year	**5,859**	*21,801*	**5,346**	*21,801*
Amounts released from previous periods	**(22,314)**	*(107,372)*	**(21,801)**	*(107,372)*
Deferred income at 31 March	**5,859**	*22,314*	**5,346**	*21,801*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

21. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
General	6,813,621	2,430,539	(2,041,160)	150,784	-	7,353,784
Pension reserve	50,000	-	(30,000)	-	(20,000)	-
	6,863,621	2,430,539	(2,071,160)	150,784	(20,000)	7,353,784
Endowment funds						
John & Josephine Bowes	1,456,583	44,162	-	(44,162)	127,922	1,584,505
Catalyst Endowment	2,198,724	108,137	(15)	(106,622)	321,313	2,521,537
	3,655,307	152,299	(15)	(150,784)	449,235	4,106,042
Restricted funds						
Acquisitions & Conservation	2,354,913	46,952	(152,109)	-	-	2,249,756
Education	128,690	350,806	(336,480)	-	-	143,016
Capital Improvement	83,330	-	(80,524)	-	-	2,806
Skills for the Future	19,760	-	(4,916)	-	-	14,844
Friends of Bowes Museum	-	8,289	(8,289)	-	-	-
	2,586,693	406,047	(582,318)	-	-	2,410,422
Total of funds	13,105,621	2,988,885	(2,653,493)	-	429,235	13,870,248

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2021* £
Unrestricted funds						
General	*6,636,310*	*1,616,524*	*(1,580,666)*	*141,453*	-	*6,813,621*
Pension reserve	*(250,000)*	-	*(40,000)*	-	*340,000*	*50,000*
	6,386,310	1,616,524	(1,620,666)	*141,453*	*340,000*	*6,863,621*
Endowment funds						
John & Josephine Bowes	*1,199,143*	*44,881*	-	*(42,231)*	*254,790*	*1,456,583*
Catalyst Endowment	*2,247,165*	*99,422*	*(15)*	*(99,222)*	*(48,626)*	*2,198,724*
	3,446,308	144,303	(15)	*(141,453)*	*206,164*	*3,655,307*
Restricted funds						
Acquisitions & Conservation	*2,375,972*	*174,893*	*(195,952)*	-	-	*2,354,913*
Education	*20,772*	*128,824*	*(20,906)*	-	-	*128,690*
Capital Improvement	*138,207*	-	*(54,877)*	-	-	*83,330*
Skills for the Future	*17,318*	*11,122*	*(8,680)*	-	-	*19,760*
Friends of Bowes Museum	-	*10,000*	*(10,000)*	-	-	-
	2,552,269	324,839	(290,415)	-	-	*2,586,693*
Total of funds	*12,384,887*	*2,085,666*	*(1,911,096)*	-	*546,164*	*13,105,621*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

22. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	**6,863,621**	**2,430,539**	**(2,071,160)**	**150,784**	**(20,000)**	**7,353,784**
Endowment funds	**3,655,307**	**152,299**	**(15)**	**(150,784)**	**449,235**	**4,106,042**
Restricted funds	**2,586,693**	**406,047**	**(582,318)**	**-**	**-**	**2,410,422**
	13,105,621	**2,988,885**	**(2,653,493)**	**-**	**429,235**	**13,870,248**

Summary of funds - prior year

	Balance at 1 April 2020 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 March 2021 £*
General funds	*6,386,310*	*1,616,524*	*(1,620,666)*	*141,453*	*340,000*	*6,863,621*
Endowment funds	*3,446,308*	*144,303*	*(15)*	*(141,453)*	*206,164*	*3,655,307*
Restricted funds	*2,552,269*	*324,839*	*(290,415)*	-	-	*2,586,693*
	12,384,887	*2,085,666*	*(1,911,096)*	-	*546,164*	*13,105,621*

22. Summary of funds (continued)

Unrestricted funds represent resources available for the general work of the charity:

The Acquisitions fund is a designated fund within unrestricted funds and represents a legacy received by the Museum to be used by the Trustees to fund future acquisitions.

The Pension Fund is a designated fund within unrestricted funds and represents the liability of the Museum under its defined benefit pension scheme, the details of which are set out in note 26.

Restricted funds relate to grants and donations for specific purposes:

Capital Improvements Fund - funding to enable the redevelopment of the reception, cafe and shop areas on the ground floor, new textile galleries and silver and metal galleries on the first floor and the installation of new service and passenger lifts. This funding comprises grants from the Heritage Lottery Fund itself together with additional funding from other sources towards the same project.

Skills for the Future is funding from the Heritage Lottery Fund toward the Museum's painting and textiles conservation skills project and will help to extend and formalise conservation training delivered by the Museum.

Acquisitions and Conservation fund - funding towards objects purchased and major conservation work to be undertaken.

Friends of The Bowes Museum is set up by its Articles of Association to support the Museum. It is written into their constitution that the donations may not support the building, maintenance or staff costs.

Education Fund is funding received for various community and art education projects.

The Catalyst Endowment Fund is an endowment fund whereby donations were matched by a grant from the Heritage Lottery Fund. The intention of the fund is to provide future income for the Museum.

The John and Josephine Bowes Endowment fund represents the original endowment left by the founders of the Museum.

Transfers between funds

£150,784 has been transferred between Endowment Fund and general funds relating to unrestricted investment income (2021: £141,453).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	169	78,141	-	**78,310**
Fixed asset investments	-	-	4,083,800	**4,083,800**
Heritage assets	6,493,088	2,310,141	-	**8,803,229**
Current assets	1,170,029	22,140	22,242	**1,214,411**
Creditors due within one year	(309,502)	-	-	**(309,502)**
Total	7,353,784	2,410,422	4,106,042	**13,870,248**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Endowment funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	2,189	96,207	-	*98,396*
Fixed asset investments	-	-	3,634,566	*3,634,566*
Heritage assets	6,475,088	2,310,141	-	*8,785,229*
Current assets	622,227	180,345	20,741	*823,313*
Creditors due within one year	(285,883)	-	-	*(285,883)*
Provisions for liabilities and charges	50,000	-	-	*50,000*
Total	6,863,621	2,586,693	3,655,307	*13,105,621*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

24. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	*Group 2021 £*
Net income for the year (as per Statement of Financial Activities)	**784,627**	*380,734*
Adjustments for:		
Depreciation charges	**20,086**	*28,892*
Gains on investments	**(449,235)**	*(206,164)*
Endownment income	**(152,299)**	*(144,303)*
Decrease in stocks	**1,275**	*11,837*
Decrease in debtors	**224,761**	*20,765*
Increase/(decrease) in creditors	**23,620**	*(114,491)*
Other finance costs	**30,000**	*10,000*
Costs attributable to endownment	**15**	*15*
Net cash provided by/(used in) operating activities	**482,850**	*(12,715)*

25. Analysis of cash and cash equivalents

	Group 2022 £	*Group 2021 £*
Cash in hand	**945,238**	*328,104*
Total cash and cash equivalents	**945,238**	*328,104*

26. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	**328,104**	**617,134**	**945,238**
	328,104	**617,134**	**945,238**

27. Pension commitments

The Group operates a Local Government Pension Scheme ("LGPS") which is a funded defined benefit pension scheme, with the assets held in separate Trustee administered funds. The total contribution made for the year ended 31 March 2022 was £NIL (2021 - £10,000), of which employer's contributions totalled £NIL (2021 - £NIL) and employees' contributions totalled £NIL (2021 - £10,000). The agreed contribution rates for future years are 5.5 to 12.5% per cent for employees.

The latest actuarial valuation of the LGPS related to the period ended 31 March 2019.

The Trustees are of the view that the Charity should not recognise a pension scheme asset as it pre-determines the reduction in future pension contributions and commitments. The notes included in these accounts show the defined benefit obligation together with the fair value of the scheme assets which shows there are excess assets over obligations of £240,000 (2021: £50,000).

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	t 31 March 2022	*At 31 March 2021*
	%	*%*
Discount rate	**2.8**	*2.1*
Future salary increases	**4.1**	*3.7*
Future pension increases	**3.1**	*2.7*
CPI inflation	**3.1**	*2.7*
Pension accounts revaluation rate	**3.1**	*2.7*

Sensitivity analysis

	At 31 March 2022	*At 31 March 2021*
	£	*£*
Discount rate +0.1%	**(30,000)**	*(30,000)*
Discount rate -0.1%	**30,000**	*30,000*
Mortality assumption - 1 year increase	**(30,000)**	*(100,000)*
Mortality assumption - 1 year decrease	**30,000**	*100,000*
CPI rate +0.1%	**30,000**	*30,000*
CPI rate -0.1%	**(30,000)**	*(30,000)*

27. Pension commitments (continued)

The Group's share of the assets in the scheme was:

	At 31 March 2022 £	*At 31 March 2021 £*
Equities	**1,830,000**	*1,870,000*
Government bonds	**500,000**	*540,000*
Corporate bonds	**200,000**	*610,000*
Property	**220,000**	*210,000*
Cash	**80,000**	*160,000*
Other	**480,000**	-
Total fair value of assets	**3,310,000**	*3,390,000*

The actual return on scheme assets was £220,000 *(2021 - £340,000)*.

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2022 £	*2021 £*
Current service cost	**30,000**	*30,000*
Interest income	**(70,000)**	*(60,000)*
Interest cost	**70,000**	*70,000*
Total amount recognised in the Consolidated Statement of Financial Activities	**30,000**	*40,000*

Movements in the present value of the defined benefit obligation were as follows:

	2022 £
Opening defined benefit obligation	**3,340,000**
Current service cost	**30,000**
Interest cost	**70,000**
Actuarial (gains)/losses	**(150,000)**
Benefits paid	**(220,000)**
Closing defined benefit obligation	**3,070,000**

27. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2022 £
Opening fair value of scheme assets	**3,390,000**
Expected return on assets	**70,000**
Actuarial (losses)/gains	**(170,000)**
Benefits paid	**20,000**
Closing fair value of scheme assets	**3,310,000**

28. Operating lease commitments

At 31 March 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 **£**	*Group 2021* *£*	**Charity 2022** **£**	*Charity 2021* *£*
Not later than 1 year	**3,710**	*4,403*	**3,710**	*4,403*
Later than 1 year and not later than 5 years	**-**	*693*	**-**	*693*
	3,710	*5,096*	**3,710**	*5,096*

29. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

30. Related party transactions

The Friends of Bowes Museum is a connected charity as it exists to assist The Bowes Museum in its objectives. During the year The Friends of Bowes Museum made donations to The Bowes Museum as shown in note 4. At the year end £497 (2021: £2,934) was due to the Musuem from The Friends of Bowes Museum and creditors of £2,837 (2021: £875) are included for amounts due to The Friends of Bowes Museum for subscriptions collected.

Durham County Council provides core funding for the Museum as shown in note 4. During the year they also provided an additional grant of £nil (2021: £170,000) towards the cost of exhibitions and running costs of the Museum.

P D A Mothersill is a Governor of Barnard Castle School. During the year sales of £85 (2021: £nil) were made for a Museum visit.

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

31. Charges

Heritage Memorial Fund. This charge is dated 24 March 2009 and is a condition of the National Lottery grant funding of the Museum's capital works programme.

THE BOWES MUSEUM

England & Wales - Charity number 1079639

Accounts

Registered number: 03879872
Charity number: 1079639

THE BOWES MUSEUM

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE BOWES
MUSEUM

THE BOWES MUSEUM

(A Company Limited by Guarantee)

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THE BOWES MUSEUM

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Mr Peter Mothersill, Chair Councillor Joy Allen (resigned 20 August 2021) Dr Keith Bartlett Mr Mark Blackett-Ord Professor Stefano Cracolici Mr Christopher Davy Mr Timothy Harrison (resigned 20 August 2021) Mr Stephen Howell Mr Adrian Jenkins (resigned 20 August 2021) Mr Christopher Oughtred Dr Kenneth Partington Mr Jonathan Beauchamp Peacock Mrs Caroline Peacock Mr Michael John Robinson Mr George Stastny (appointed 16 October 2020) Mr Eliot Smith (appointed 20 August 2021) Ms Alison Thain OBE (appointed 20 August 2021) Councillor Elizabeth Elton Scott (appointed 20 August 2021) Ms Rebecca Blackwood (appointed 20 August 2021) Ms Robyn Brown (appointed 20 August 2021) Ms Jennie Collingwood (appointed 20 August 2021) Ms Deborah Corbett (appointed 20 August 2021) Ms Lesley Graham (appointed 20 August 2021)
Company registered number	03879872
Charity registered number	1079639
Registered office	The Bowes Museum Newgate Barnard Castle County Durham DL12 8NP

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Independent auditors	Clive Owen LLP Chartered Accountants and Statutory Auditors 140 Coniscliffe Road Darlington County Durham DL3 7RT
Bankers	Natwest Plc 29 Newgate Street Bishop Auckland County Durham DL14 7ET
Solicitors	Womble Bond Dickinson LLP St Ann's Wharf 112 Quayside Newcastle Upon Tyne NE1 3DX
Investment Managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

THE BOWES MUSEUM

(A Company Limited by Guarantee)

REPORT OF THE BOWES MUSEUM CHAIRMAN AND GENERAL MUSEUM UPDATE FOR THE YEAR ENDED 31 MARCH 2021

In 2020, the Museum boldly set out on a new journey following an unfamiliar path, the benefits of which can clearly be seen in the current year. This began with the creation and adoption of a new Vision and Mission statement which, as its principal intent, provides a strong steer on the direction and emphasis of the Museum's work. Consequently, it is now used in a multitude of settings to galvanise staff, Trustees, partners, and funders in a shared and well-defined purpose; essentially to bring clarity to what the Museum is, why it exists and what it will do to optimise inclusivity and relevance in all aspects of its work.

Our Mission, *to celebrate and build upon the bold vision of John and Josephine Bowes, so that all may thrive through enjoyment of the Building, its Park and its Collections,* together with our nine vision statements, have already provided the essential framework on which our business planning and future programming have been built. Putting such a solid foundation in place has significantly strengthened the Museum's ability to move forward and has been the catalyst and guide to many of the actions and progress reported below. The full Vision and Mission Statement is available to read by following the link https://bit.ly/3DvBz4j

The 20/21 year has been dominated by two overriding factors, both of which will have far-reaching consequences for the Museum; firstly, the commitment to undertake a major transformation of all facets of the Museum's operation and secondly, of course, the Covid pandemic.

In April 2020, a new agreement was finalised with Durham County Council for additional funding spread over the next five years. This ensures that the Museum will have a stable financial platform for the foreseeable future, and provides the breathing space necessary to develop and implement a comprehensive transformation exercise. It was recognised very early on that the Museum did not have sufficient commercial and change management experience to drive this process solely from within. So, with the aid of a resilience grant from the National Lottery Heritage Fund, the Museum engaged the National Trust, with their wide-ranging expertise and objective perspective, to help the Museum to deliver over a period of twelve months the change required.

In the course of the year this has involved detailed analysis of a huge range of the most significant aspects of the Museum's work including defining a new Vision and Mission statement, a full external review of the Museum's NPO status, advice on risk management, a built asset review, a compliance review, GDPR support, development of both a Statement of Significance and a Spirit of Place document to support audience development, spatial reviews, commercial catering and retail reviews, an energy review, a fundraising review and perhaps most importantly, a full review of the Museum's organisational structure and business planning. Each of these reviews was led by a National Trust moderator with the relevant expertise. They then provided reports with recommendations and actions which proved invaluable.

The first phase of this work started in February 2020, followed swiftly by the first Covid lockdown on 23rd March, which lasted until 1st August. To compound matters, the country went back into lockdown on 4th November, this time until the 17th May of this year. It's all the more remarkable, then, that so much has been achieved, despite the Museum being closed for nine of the twelve months and the vast majority of the staff having been furloughed for the whole period. This is particularly so, when one considers that those still able to work were operating remotely for month after month, and having to cope with the shortcomings of Zoom and other platforms.

It is also important to note that the Museum has proactively tried to complete tasks which are easier to achieve during times of complete closure. So, for example, a programme of extensive deep cleaning, conservation and pest control activities within the building was completed, and various public areas in the Museum were updated. The Café Bowes, for instance, underwent a major facelift, with the intention of improving the visitor experience and to encourage the local community to visit the café in its own right as the place of choice to eat in Barnard Castle.

At the same time, staff training was a high priority, including the roll-out of a health and safety programme to all staff members, GDPR training and customer service training to all visitor-facing staff, covering all areas of café, retail and front of house services. In addition, much of the work done with the National Trust required the involvement of either all, or subsets of, the staff body.

REPORT OF THE BOWES MUSEUM CHAIRMAN AND GENERAL MUSEUM UPDATE (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Yet despite all these difficulties, the Museum has managed very successfully to navigate its way through the exceptionally choppy waters and is now markedly picking up speed. The staff have been magnificent and, where required, have stepped up to the plate and really performed with great commitment, calmness and maturity. An opening/closing team was created during the first lock-down which enabled the Museum to operate with no serious issues, either during closure, opening or periods of transition.

Apart from a brief early closure at the time of the first total lock-down, the park was kept open throughout, which was greatly appreciated by the local community, who also enjoyed the Museum's innovative approach to getting around the limitations of lock-down, by providing a number of outdoor events such as a drive-in cinema. Again, the Senior Management Team made the brave decision, despite multifarious logistical difficulties, to run the Christmas market and Santa's grotto. Even though moved entirely outdoors, this flew in the face of cancellations of every other similar event in the region, but it was meticulously planned and went ahead without a hitch and delivered very welcome revenue at a very difficult time for the Museum.

Two aspects of the transformation project deserve special mention because they will define the successful development of the Museum into a thriving institution which is inclusive and relevant to as wide and diverse a range of visitors as possible.

Firstly, the Trustees and management worked together to create and embed a five-year Business Plan and financial forecast into the Museum. This was researched in detail, created and confidence-tested by the management team and is now fully owned by them, helping to ensure that everyone is working towards a common goal and in the same strategic direction. Aligned with the Business Plan there is a clear commitment to delivering the outcomes indentified in the Arts Council's 'Let's Create' Strategy. Furthermore, the Trustees are working towards embedding the Investment Principles in delivering the Business Plan from 2022.

Next, in the course of the year the Museum has committed to effect a comprehensive review, proposal and implementation of a staff restructure at every level. This is not a cost-cutting exercise but is designed to ensure that the Museum has the right people and expertise in sufficient numbers and in the right places to deliver the Business Plan. This, as ever, is always the most difficult aspect of any board or management's responsibilities and is always unsettling for staff. In the Board's view, however, it is absolutely vital for the future success of the Museum and is currently ongoing.

In the course of this process, Adrian Jenkins decided to step down as Director of the Museum at the end of July 2021. After leading the Museum for over two decades, Adrian felt that the time had come for him to pursue other personal and professional interests and for a new Director to take it forward in a new direction. He presided over many successes during his tenure, such as the first ever UK showing of Yves St Laurent couture, an exhibition which attracted a huge audience and brought the Museum to the attention of organisations and individuals around the globe. The Trustees and staff would want to put on record their appreciation of his long and valued service to the Museum.

As part of this restructure, much work has been undertaken to reinvigorate and reorganise the Trustee body, so as to increase its effectiveness in discharging its three principal responsibilities to provide governance, mentoring and strategic direction. As a result, a significant number of new Trustees with a wide range of skills and expertise have been recruited to the Board to increase constructive scrutiny of the Museum's activities and plans, to widen its ability to mentor across all disciplines and generally to become very significantly more engaged.

Concurrently, sub-committees with specific responsibilities for the critical areas of focus have been created and populated with Trustees with relevant specific expertise. In addition, a Governance Committee has been created which sits as an umbrella committee and is principally tasked with ensuring conformity with statutory obligations together with the efficacy and effectiveness of governance in the Board of Trustees and the Senior Management Team.

Equally importantly, The Governance Committee has clear oversight of the work of all the other committees to ensure co-ordination and common purpose and to reduce duplication and ineffective use of time and effort to the minimum. For this reason, its members are the Chair of the Board and the Chairs of all the other committees.

REPORT OF THE BOWES MUSEUM CHAIRMAN AND GENERAL MUSEUM UPDATE (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

With this structure in place, the Board is confident that all aspects of the external independent reports commissioned in 2019 to review the Museum's business model and operation, together with the recommendations therein, can now be proactively covered within this structure and that the Museum can move forward with a Board that is focussed and informed on the key issues and their potential solutions.

The results of the combined efforts of the Trustees, management and staff, can be seen very clearly both in the Museum's positive financial performance, despite the continuing uncertainties and external challenges, but also in the continuing commitment to support shown by our three principal funding agencies, Durham County Council, Arts Council England and the National Lottery Heritage Fund. Their support, not just financially, but also in respect of their time, provision of expertise, advice and encouragement has been invaluable and critical in defining the Museum's exciting and ambitious aspirations for the future.

Equally, the support of the Friends and our Volunteers has substantially enhanced the Museum's ability to remain positive and steer a course through the lock-downs and the intervening period of opening. This has manifested itself in many different guises, ranging from financial support, through stepping in to provide cover when the requirement to self-isolate has left the Museum below critical mass, to organising a community group of gardening volunteers to help keep the grounds up to the standards our visitors expect. Their practical help has been invaluable and the Museum is extremely fortunate to benefit from such a large and generous group.

As a result of careful control of direct costs while the Museum was closed, together with additional grant funding and the positive impact of the Government Job Retention Scheme, the Museum is showing a significant surplus at year end. It is important to note, however, that the consequences of the pandemic go far beyond just the closure of the Museum, with potential visitors still reluctant to travel, being more selective about how they choose to spend their leisure time and generally preferring to be in open space outside rather than confined in close proximity inside a building. The financial impact of Covid, therefore, will be felt keenly in the coming year and will undoubtedly have a negative impact on income generation.

At the end of March 2021, however, the Museum successfully applied for a grant from the Culture Recovery Fund. It was awarded £703,000, largely to rebuild much eroded reserves, so as to protect the Museum from further loss of income as an ongoing result of Covid, but also to be used in part on audience development to build income, and partly on education projects to benefit the local community and beyond. This will have a profoundly important impact on the future well-being of the Museum. This, together with the transformation project, which will be fully implemented within the next year, underpins the confidence of the Board of Trustees and the Senior Management Team that the Museum will emerge into a post-pandemic world very well equipped to thrive.

PDA Mth

Peter Mothersill
Chair
Date: 10 December 2021

General Museum Update

Exhibition Programme

Despite the enforced closures, the Museum was able to deliver a vibrant and popular exhibitions programme. From August, visitors to the Museum were able to view *'Pre-Raphaelite Knights: Re-inventing the medieval world''*, an exhibition delivered in partnership with Bristol Museum and Art Gallery which presented the welcome opportunity to share costs and give the exhibition a national profile. The exhibition included, inter alia, major works from Tate Britain, The Walker Art Gallery and The Fitzwilliam and featured a number of interactive exhibits, including samples of armour and stained glass that could be handled by the public to gain a different insight into the work on display.

Scheduled to close in July 2020, the visitor experience was re-planned because of Covid and the exhibition extended, focussing attention on making its current displays as engaging, accessible and safe to view as possible. Moves were made towards producing more digital content to be accessed free of charge anywhere. The planned tour of the exhibition had to be cancelled because of the pandemic, but still resulted in excellent national partnerships being forged which will prove very valuable in the future. The exhibition was de-installed during the second lockdown.

The closures impacted significantly on the *Norman Cornish: The Definitive Collection* exhibition which was extended to 17th January 2021. Although the Museum remained closed during the start of 2021, staff were able to de-install work in a planned and safe manner and all works were returned to lenders without issue. In the process of the exhibition planning and project delivery, excellent contacts were made and work is taking place developing a further Cornish exhibition in the summer of 2024.

Alongside this, the Museum worked with local ceramicist Paul Scott on his new exhibition *'New American Scenery'* and worked extensively with him to create digital content that was released in June 2021.

In the course of the year, two major tours were secured of exhibitions that The Bowes Museum has curated. Firstly, *'Catwalking: Fashion Through the Lens of Chris Moore'* is touring to Barnsley Museums Trust in 2023. Secondly, the *'Hockney and Hollywood'* exhibition is touring to the Corn Exchange Newbury in November 2021. Further successes were realised in future programming with a number of workshops held as part of The National Trust transformation project. In the short-term the team were able to focus on planning the successful *North Country Quilts Revisited: 21 Recent Acquisitions* as well as *The Adventures of Clara*. Significant headway was also made in programming for 2022/23 and 2023/24.

Education

The park proved to be one of Bowes' great assets in the summer of 2020. In June, the pedestrian gates were opened for local people to use the grounds as a recreation facility. In July, weekly holiday activities took place for children, young people and families in the form of art and craft workshops, in which 233 children participated on site. They were supported by funding from Teesdale Action Partnership which enabled the Museum to offer free picnics, supplied by Teesdale Community Resources Hub in Barnard Castle, for young people eligible for free school meals.

This year also marked the end of a five-year activity plan which was funded by the National Lottery Heritage Fund. This focused on the fifteenth century Netherlandish painting by Dieric Bouts, St Luke Drawing the Virgin and Child, which was saved for the nation by the Museum in 2016. The Museum appointed a Young People's Engagement Officer to deliver a series of workshops and activities to engage young people aged between 13 and 25 with the painting. In connection with the Bouts activity programme and in association with Teesdale Community Resources Hub, a total of 700 art packs were distributed over six weeks to children in isolated rural communities. During the October half term, nine drop-in craft workshops were offered inside the Museum, and an online video activity on pumpkin printing was offered on social media which proved very popular.

REPORT OF THE BOWES MUSEUM CHAIRMAN AND GENERAL MUSEUM UPDATE (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

As ever, due to Covid, much of this activity had to be conducted virtually, but despite this, the resulting work undertaken with artists and participants proved outstanding. It testified both to the value of cultural engagement in this challenging period and to the creativity and imagination of the free-lance artists and staff in developing opportunities to inspire so many young people. Activities in the park included an exhibition of winning entries of artworks submitted by young people for the Bouts Art Competition.

In October, the Education department delivered eight workshops to schools, four of them inside the Museum, three online and one as an outreach activity. The education co-ordinator continued to deliver twenty-one online and outreach workshops to schools in November and December 2020, including three in February 2021.

From December 2020 to March 2021 eight online workshops sessions were delivered to care homes as part of the Creative Age programme in collaboration with Equal Arts. These were very well received and their success led to the innovative development of intergenerational workshops from schools to care homes as part of the Kindness Quilt project. These were delivered in spring 2021, in conjunction with the Museum's North Country Quilts exhibition.

Digital activity increased in the form of videos posted online to engage families in craft activities at home. Sixteen were posted from March 2020 and for the February half term in 2021 a webinar was offered in the form of a virtual family fun day, for which art materials were posted out for each booking. Again, feedback to this was very positive and we hope to repeat this format during future school holidays.

Conservation

A Conservator and two interns undertook deep cleaning in a number of galleries on the first floor in preparation for re-opening the Museum on 1st August 2020.

Following her return from furlough in August 2020, the Textile Conservator completed a large commission, begun in 2019 but interrupted by the pandemic, to clean, conserve and mount over twenty historic costumes for Tullie House Museum's new Costume Gallery which opened in 2021. She also completed a number of other small commissions for external clients. In addition, she has condition-checked 21 quilts from the collection, repairing and cleaning them where necessary and mounting them for display in the North Country Quilts exhibition which opened in May.

The five-year Skills for the Future programme, funded by the National Lottery Heritage Fund, has enabled fifteen people at the start of their career to undertake a one-year internship at the Museum in either paintings or textiles conservation. This was due to end in September 2020, but was granted an extension to April 2021 to allow two interns to complete their training opportunities which had been delayed because of Covid. The programme has been an outstanding success and its impact on the participants, as well as on the Museum, has been invaluable. A full evaluation report was produced for the National Lottery Heritage Fund by a freelance heritage consultant and is available on request.

Conservators' work has always proved fascinating for visitors and has generated considerable interest whenever conservators have been working in the galleries. Consequently, we will channel this interest in our future public programming through a 'Conservation in Action' initiative, whereby conservation activity in public spaces will include sessions aimed at visitors, to encourage wider understanding of collections management and conservation in the Museum.

Acquisitions

The Museum acquired the following items:

Donation: A original cartoon drawing by Martin Rowson, first shown in The Guardian on 7th July 2020, depicting Boris Johnson as Hamlet and Dominic Cummings as the Silver Swan. Accession no: TBM 2020.7

Purchase: An entry ticket to James Cox's Museum, 1772 Accession no: TBM 2020.8

Gift, allocated to The Bowes Museum by the Art Fund: Portable Triptych with scenes from the life of Christ, with carved angels, Northern Netherlandish, c. 1510-1515 Accession No: TBM 2020.9

Donation (presented to The Bowes Museum by the Friends, purchased at auction with funds from the Bright bequest): Henry Alken Snr (1785-1851), *John Scott at an early morning trial between Cotherstone and Princess,* oil on canvas Accession No: TBM 2020.10

Purchased at auction with support from donors and the Friends of The Bowes Museum: Four rare French furnishing textiles, late 18th century.
Accession Nos: TBM 2020.11.1-4

Friends
Covid restrictions precluded the Volunteer Guides from offering tours around the Museum, resulting in their proactive development of an outdoor tour for up to 12 visitors, which took in the natural, built and historic features of The Bowes Museum grounds. These well-attended tours took place through the autumn and winter months, carrying on the momentum gained by the three-month opening of the Museum from 31st July until the end of October 2020. Similar tours are in development and will be on offer in future.

Partnerships
Partnership with the Centre for Visual Arts and Culture at Durham University continues through shared research activity and twice yearly meetings at which collaborative opportunities are discussed.

Bowes' partnership with the National Gallery as part of the Collaborative Doctoral Consortium has resulted in a further doctoral award with Northumbria University. Harriette Moore started her doctoral research on the prints and drawings in the Museum collections in October 2020 on the subject of *Caricatures and Cut-Outs: Collecting Graphic Satire in the Nineteenth-Century*

Bowes is a partner in the County Durham Cultural Partnership and has contributed towards strategic direction and development planning of this pivotal regional forum, through quarterly meetings.

Fundraising
The Trustees and staff are grateful to all financial supporters of the Museum, which in the twelve months include, in alphabetical order:
Arts Council England
Durham County Council
Friends of the Bowes Museum
National Lottery Heritage Fund
Teesdale Area Action Partnership

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of The Bowes Museum for the 1 April 2020 to 31 March 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objects and aims

The Bowes Museum's charitable objectives are the provision of:

(a) a public museum
(b) a public park

In these objects:
'public museum' has the same meaning as it has in the Public Parks Schools and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes; and 'public park' has the same meaning as it has in the Public Parks Schools and Museums Act 1871 construed in the context of the Will and Codicil of Josephine Bowes.

The Museum's objects and aims have been achieved through an attractive programme of permanent and temporary displays and exhibitions, educational events, family activities and outreach work, as detailed in the report from the Museum's Director and Chairman.

Significant activities

Significant activities are included in the Report of Chairman and the General Museum Update.

Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the charity's charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

Volunteers

Volunteer guides continue to be invaluable in helping The Bowes Museum to engage visitors in the Museum through guided tours and educational events. The Bowes Museum has approximately ninety volunteers and conveys its gratitude for their continued support for the Museum and library, without which it would be unable to offer visitors the high quality experience and facilities they have come to expect.

Strategic report

Achievements and performance

Five year summary

A five year summary is given to show recent performance of the museum:

	2021 £	2020 £	2019 £	2018 £	2017 £
MOVEMENT IN FUNDS FOR THE YEAR					
Total income resources excluding donated assets	2,085,666	2,794,297	2,804,843	2,188,386	5,046,478
Value of donated heritage assets	-	-	-	-	17,000
Total self generated income	351,463	1,429,860	1,279,361	1,195,208	1,281,774
Total operating expenditure	1,911,096	2,482,560	2,828,743	2,525,496	2,521,435
SURPLUS / (DEFICIT) IN FUNDS	**720,734**	**75,928**	**356,823**	**(297,412)**	**3,083,505**
BALANCE SHEET TOTAL	**13,105,621**	**12,384,887**	**12,308,959**	**11,952,136**	**12,249,548**
Total visitor numbers *	15,615	103,136	86,322	78,399	92,708
Total website visitors	128,240	176,354	154,897	193,385	177,415
Average staff numbers	69	86	75	74	65

* Visitor numbers do not include visitors to the park, educational outreach users or bowls and tennis players.

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Principal funding sources

The principal sources of revenue funding during the period were:

- Core funding from Durham County Council;
- Self generated income from the visiting public;
- Funding through the Arts Council England's Major Portfolio Museums Programme.

Investment powers and restrictions

The Trustees may invest funds as they see fit, subject to any laws in place at the time.

Reserves policy

The Trustees have set a reserves policy which requires that:

- Reserves will be maintained at a level which ensures that the Bowes Museum's core activity could continue during a period of unforeseen difficulty and the Museum is able to take advantage of strategic development opportunities;
- A proportion of reserves be maintained in a readily realisable form.

In setting the overall minimum level of reserves to be held of £770,000, the Trustees have established three levels of reserves to reflect the different risks it must respond to:

- The Museum will keep two months worth of total expenditure to cover any short term setbacks in funding or cash flow difficulties. This equates to £220,000;
- The Museum will set aside £100,000 to enable the charity to take advantage of strategic opportunities;
- The Museum will keep 50% of the annual income it assesses to be of high risk and 10% of the annual income it assesses to be of medium risk to cover the risk of significant changes in the environment in which it operates. This equates to £450,000.

The current level of free reserves is £386,654 (2020: £(77,419)). The Trustees intend that the Museum generates a surplus income each year of £100,000 so that the level of reserves set in its reserves policy is met over time.

The reserves policy will be reviewed by Trustees annually when annual budgets are set to ensure the level of reserves in the policy are reasonable and that any budget surplus or deficit is set with regard to actual reserves and the reserves policy.

The Bowes Museum has a specific endowment fund, John and Josephine Bowes Fund, of £1,456,583 (2020: £1,199,143). The trust has a requirement to retain the capital sum in the specific endowment fund and only spend the income to assist in covering the current expenditure (£44,881 income in the year to 31 March 2021 (2020: £41,603)).

In the long term the trust intends to add to the specific endowment fund. The fundraising committee is considering how best to achieve this alongside other fundraising priorities.

The Bowes Museum also has a Catalyst Endowment Fund of £2,198,724 (2020: £2,247,165). Donations to the Museum were matched up to June 2016 by a grant from the Heritage Lottery Fund with the intention to provide future income for the Museum.

The two endowment funds made a combined unrealised gain of £206,164 during the year (2020: loss of £65,809).

Plans for future periods

Along with all similar institutions in the UK, The Bowes Museum was forced to close as a result of the Covid-19 pandemic. Our staff were furloughed or worked from home on new presentations intended for the website (www.thebowesmuseum.org.uk) or for social media. Our primary funders continued to support us in the lead up to the reopening as part of the UK's Coronavirus roadmap, and we were able to carry out various refurbishment projects.

The Museum will maintain a level budget and continue to deliver its corporate objectives while looking to further increase revenue and efficiencies. The Museum anticipates that, following the granting of grants for recovery projects, it will have had the chance to implement further efficiency savings and increased income generation opportunities which will enable it to begin to taper funding requests from DCC. Going forward, it is imperative that the Museum grows its sustainable income through increased visitor figures. This will enable the Museum to incrementally build reserves.

The focus of our priorities in 2021-22, as well as income generation and improved financial planning, monitoring and stability, will be to review and improve the Museum's strategy and business planning capability. We have conducted detailed audience research to underpin an audience development strategy, are conducting a training needs analysis and offer appropriate training to staff and volunteers across the entire organisation, all leading to the development and the production of a robust, realistic and achievable long-term business plan.

Structure, governance and management

Governing document

The Charity is regulated by (1) a scheme made by the Charity Commission on 12 September 2014 and (2) a company limited by guarantee, The Bowes Museum Limited (Company Registration 03879872) established for charitable purposes only.

The Bowes Museum Limited is a charitable company limited by guarantee incorporated 18 November 1999. The Charity is governed by the memorandum and articles of association, last amended October 2014.

Recruitment and appointment of new Trustees

Each year, at the Annual General Meeting, one third of the Trustees retire and may seek re-election.

New Trustees are appointed when vacancies become available. A Trustee's skills matrix is maintained and the appointment process takes account of skills gaps.

Induction and training of new Trustees

New Trustees receive an induction to the Museum which consists of a file of governing documents, recent reports and minutes of meetings, and a familiarisation of the work of the Museum. External training for new Trustees in matters of governance is available.

Pay policy for senior staff

The Trustees consider the Senior Management Team to form the key management personnel of the Museum, in charge of directing and controlling, running and operating the Museum on a day to day basis. The pay of the senior staff is reviewed annually and normally increased in accordance with inflation. In view of the nature of the Museum, the Trustees benchmark against pay levels in other similar Charities.

Structure, governance and management (continued)

Organisational structure

The Trustees meet quarterly. Decisions at Trustees meetings are made by majority vote with the Chairman having the casting vote on split decisions.

The Board is supported by Audit, Finance and Operations, Fundraising, Nominations, and Remuneration subcommittees. Each sub-committee has its own Terms of Reference and their reports are a standing item for the full Board meetings. The Board also receives a report from the Director of the Museum.

The Trustees have delegated day to day management of the charity to the Director of the Museum who reports on performance against the Museum's strategic and operational plans. Financial reports are received quarterly by the Board.

Staff are involved in major decision making and policy formulation wherever possible. Staff briefings led by Directorate take place monthly, along with various internal working groups, staff team meetings and diary meetings.

Related party relationships

Durham County Council provides core funding for the Museum.

The Friends of The Bowes Museum exists to assist The Bowes Museum in meeting its objectives. The Friends were the largest overall contributor to the success of the Catalyst Endowment Fund reaching its target, and they have contributed annually to the Museum over a number of years.

During the year both the Barnard Castle Tennis Club and the Barnard Castle Bowling Club have continued to enjoy use of the facilities within the grounds of The Bowes Museum. Both clubs are well supported, and the use of the green and courts by members, visiting players, and the general public is extensive.

The trading subsidiary, Bowes Museum (Enterprises) Limited, operates the café, shop and function facilities of The Bowes Museum. The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Risk management

Trustees regularly analyse risks to the charity. Risks are mitigated by a well-advanced development planning programme, by close scrutiny of key performance indicators, and by early negotiation of funding with core funders.

Governance risks are offset by the fact that Trustees are recruited with the appropriate skill-sets, new Trustees receive induction which includes all relevant documentation, meetings with key staff, understanding of the collections and knowledge of the Museum's programme of exhibitions, events and activities. In addition, the full board meet quarterly and there is a system of rotation.

Audit, remuneration and nominations sub-committees are in place to ensure organisational risks are managed appropriately.

Uniting direction

A uniting direction has been made under s96(5) of the Charities Act 1993 with respect to The Bowes Museum (charity no. 1079639-1). The financial statements for The Bowes Museum (charity no. 1079639) therefore also include the assets held by this charity.

A uniting direction has also been made with respect to the Heritage Lottery Fund & Department for Culture, Media and Sport Bowes Museum Catalyst Endowment Fund (charity no. 1079639-2) and the financial statements for The Bowes Museum (charity no. 1079639) include the assets held by this fund.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic 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. 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

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

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 group'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 relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Clive Owen LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 10 December 2021 and signed on their behalf by:

P D A Mothersill

Mr Peter Mothersill
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM

Opinion

We have audited the financial statements of The Bowes Museum (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 2021 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

Opinion 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have 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 including the Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOWES MUSEUM (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, to detect material misstatements in respect of irregularities, including fraud. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Group. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of noncompliance throughout the audit. We determined the most significant of these to be around employment law, charity law, company law, health and safety law, taxation law and GDPR.

- Enquiry of directors and management as to policies and procedures to ensure compliance and any known instances of non-compliance

- Review of Board minutes and correspondence with regulators

- Enquiry of directors and management as to areas of the financial statements susceptible to fraud and how these risks are managed

- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies

- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect noncompliance with all laws and regulations.

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. This description forms part of our Auditors' Report.

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Clive Owen LLP

Antony Luckett BCom BFP FCA DChA (Senior Statutory Auditor)
for and on behalf of
Clive Owen LLP
Chartered Accountants and Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date: 10 December 2021

THE BOWES MUSEUM

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income and endowments from:						
Donations and legacies	4	**424,732**	**16,860**	**1,850**	**443,442**	*591,620*
Charitable activities	5	**474,773**	**304,900**	**-**	**779,673**	*602,418*
Other trading activities	6	**348,384**	**3,079**	**-**	**351,463**	*1,429,860*
Investments	7	**-**	**-**	**142,453**	**142,453**	*161,550*
Other income	8	**368,635**	**-**	**-**	**368,635**	*8,849*
Total income and endowments		**1,616,524**	**324,839**	**144,303**	**2,085,666**	*2,794,297*
Expenditure on:						
Raising funds	10	**601,389**	**-**	**-**	**601,389**	*930,631*
Charitable activities		**1,019,277**	**290,415**	**15**	**1,309,707**	*1,551,929*
Total expenditure		**1,620,666**	**290,415**	**15**	**1,911,096**	*2,482,560*
Net gains/(losses) on investments		**-**	**-**	**206,164**	**206,164**	*(65,809)*
Net (expenditure)/income		**(4,142)**	**34,424**	**350,452**	**380,734**	*245,928*
Transfers between funds	21	**141,453**	**-**	**(141,453)**	**-**	*-*
Net movement in funds before other recognised gains/(losses)		**137,311**	**34,424**	**208,999**	**380,734**	*245,928*
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	27	**340,000**	**-**	**-**	**340,000**	*(170,000)*
Net movement in funds		**477,311**	**34,424**	**208,999**	**720,734**	*75,928*
Reconciliation of funds:						
Total funds brought forward		**6,386,310**	**2,552,269**	**3,446,308**	**12,384,887**	*12,308,959*
Net movement in funds		**477,311**	**34,424**	**208,999**	**720,734**	*75,928*
Total funds carried forward		**6,863,621**	**2,586,693**	**3,655,307**	**13,105,621**	*12,384,887*

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	15		**98,396**		*127,288*
Heritage assets	16		**8,785,229**		*8,766,633*
Investments	17		**3,634,566**		*3,428,402*
			12,518,191		*12,322,323*
Current assets					
Stocks	18	**34,892**		*46,729*	
Debtors	19	**460,317**		*481,082*	
Cash at bank and in hand		**328,104**		*185,127*	
		823,313		*712,938*	
Creditors: amounts falling due within one year	20	**(285,883)**		*(400,374)*	
Net current assets			**537,430**		*312,564*
Total assets less current liabilities			**13,055,621**		*12,634,887*
Net assets excluding pension asset / liability			**13,055,621**		*12,634,887*
Defined benefit pension scheme asset / liability	27		**50,000**		*(250,000)*
Total net assets			**13,105,621**		*12,384,887*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Charity funds					
Endowment funds	21		**3,655,307**		*3,446,308*
Restricted funds	21		**2,586,693**		*2,552,269*
Unrestricted funds					
Unrestricted funds excluding pension liability / asset	21	**6,813,621**		*6,636,310*	
Pension reserve	21	**50,000**		*(250,000)*	
Total unrestricted funds	21		**6,863,621**		*6,386,310*
Total funds			**13,105,621**		*12,384,887*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 10 December 2021 and signed on their behalf by: PDA MLH

The notes on pages 26 to 50 form part of these financial statements.

THE BOWES MUSEUM

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03879872

CHARITY BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	15		**98,396**		*127,288*
Heritage assets	16		**8,785,229**		*8,766,633*
Investments	17		**3,634,576**		*3,428,412*
			12,518,201		*12,322,333*
Current assets					
Debtors	19	**566,357**		*566,740*	
Cash at bank and in hand		**300,954**		*87,835*	
		867,311		*654,575*	
Creditors: amounts falling due within one year	20	**(275,051)**		*(342,021)*	
Net current assets			**592,260**		*312,554*
Total assets less current liabilities			**13,110,461**		*12,634,887*
Net assets excluding pension asset / liability			**13,110,461**		*12,634,887*
Defined benefit pension scheme asset / liability	27		**50,000**		*(250,000)*
Total net assets			**13,160,461**		*12,384,887*

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Charity funds					
Endowment funds	21		**3,655,307**		*3,446,308*
Restricted funds	21		**2,586,693**		*2,552,269*
Unrestricted funds					
Unrestricted funds excluding pension asset / liability	21	-		*6,636,310*	
Pension reserve	21	**50,000**		*(250,000)*	
Total unrestricted funds	21		**6,918,461**		*6,386,310*
Total funds			**13,160,461**		*12,384,887*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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The notes on pages 26 to 50 form part of these financial statements.

THE BOWES MUSEUM

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	*2020 £*
Cash flows from operating activities		
Net cash used in operating activities	**(12,715)**	*(138,563)*
Cash flows from investing activities		
Sales and purchases of listed investments	**30,000**	*(110,005)*
Purchase of tangible fixed assets	**-**	*(500)*
Purchase of heritage assets	**(18,596)**	*(8,375)*
Net cash provided by/(used in) investing activities	**11,404**	**(118,880)**
Cash flows from financing activities		
Endowment income	**144,303**	*162,857*
Endowment expenditure	**(15)**	*(60)*
Net cash provided by financing activities	**144,288**	**162,797**
Change in cash and cash equivalents in the year	**142,977**	**(94,646)**
Cash and cash equivalents at the beginning of the year	**185,127**	*279,773*
Cash and cash equivalents at the end of the year	**328,104**	*185,127*

The notes on pages 26 to 50 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The Bowes Museum is a charitable company limited by guarantee registered in England and Wales. The company and charity registered numbers and registered office address can be found on page 1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Bowes Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies (continued)

2.3 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Museum to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date the financial statements are approved. The Museum's situation is now much improved, and while good fiscal management is, of course, still required, the trustees are confident that the future is secure, in spite of continuing Covid-19 threats.

1. Core funders have continued to be supportive throughout the Covid-19 period, and with their commitment to on-going support the Museum is in a healthy financial position; and

2. There are a significant number of assets owned by the Museum which are not included on its balance sheet.

3. Support from government and others in response to Covid-19.

On the basis of the above the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. Whilst in the current environment there can never be any certainty over the level of profitability and continuing financial support, having made appropriate enquiries, the Trustees do not believe there to be any material uncertainty and they therefore believe it is appropriate to have prepared the financial statements on a going concern basis. No adjustments have been made to reflect any writedown or writeup of assets to net realisable value, to provide for any further liabilities which may arise or to reclassify fixed assets and long term liabilities as current assets and liabilities, as might be necessary were continuing financial support not be available or the sale of assets on a timely basis and the going concern basis found not to be valid.

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2. Accounting policies (continued)

2.6 Government grants

Government grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 5% -25% on cost
Office equipment	- 25% on cost
Computer equipment	- 25% on cost
Other fixed assets	- 25% on cost

2.9 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

2.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at market value at the Balance Sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.11 Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell after making due allowance for obsolete and slow-moving stocks.

2. Accounting policies (continued)

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and 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.

2.14 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.15 Financial instruments

The Group 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 bank loans which are subsequently measured at amortised cost using the effective interest method.

2.16 Pensions

Retirement benefits to employees of the Group are provided by the Local Government Pension Scheme ("LGPS"). This is a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2019.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

2. Accounting policies (continued)

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent the permanent funds of the charity. All income generated by the funds are unrestricted and used for the purpose of the charity.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

In the application of the charity's and the group's accounting policies the Trustees are required to make judgments, estimates and assumptions about the carrying amounts of certain assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These include the valuation of donated heritage assets which are based on advice from the Arts Council in the case of assets received via the organisation for example if received by HM treasury in lieu of tax or on the estimate of the Museum's own curatorial staff in the case of smaller donations. Estimates also include the depreciation rate applied to the various categories of the various tangible fixed assets.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26 will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	**Total funds 2021 £**	*Total funds 2020 £*
Friends of the Bowes Museum	-	10,000	-	**10,000**	*50,000*
Donations	10,605	6,860	1,850	**19,315**	*21,612*
Additional support from DCC	170,000	-	-	**170,000**	*200,000*
Core funding from DCC	244,127	-	-	**244,127**	*244,508*
Viscount Eccles funding	-	-	-	**-**	*75,500*
	424,732	16,860	1,850	**443,442**	*591,620*
Total 2020	*530,771*	*59,549*	*1,300*	*591,620*	

5. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	**Total funds 2021 £**	*Total funds 2020 £*
Grants - note 9	474,575	304,900	**779,475**	*587,994*
Crowdfunding	-	-	**-**	*2,473*
Education income	198	-	**198**	*11,951*
Total 2021	474,773	304,900	**779,673**	*602,418*
Total 2020	*381,948*	*220,470*	*602,418*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

6. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Entrance income	125,554	-	-	**125,554**	*481,557*
Gift aid rebate	24,710	3,079	-	**27,789**	*69,721*
Sundry income	11,789	-	-	**11,789**	*69,017*
Exhibitions tax relief	-	-	-	**-**	*7,350*
Trading company income	186,331	-	-	**186,331**	*802,215*
Total 2021	348,384	3,079	-	**351,463**	*1,429,860*
Total 2020	*1,410,953*	*18,900*	*7*	*1,429,860*	

7. Investment income

	Endowment funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Dividends receivable on endowment funds	142,453	**142,453**	*161,550*
Total 2020	*161,550*	*161,550*	

8. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Coronavirus job retention scheme	368,635	**368,635**	*8,849*
Total 2020	*8,849*	*8,849*	

Included within the above is £117,272 (2020: £5,121) which relates to the trading company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

9. Analysis of grants

	2021 £	2020 £
Arts Council England	374,575	367,807
Durham County Council	203,827	5,000
NLHF Emergency Fund	103,300	19,700
Heritage Lottery Fund	55,809	69,240
Skills for the Future	11,122	-
Together Middlesbrough & Cleveland	5,000	-
Christopher Wilson-Tate	5,000	-
Creative Age Challenge Partnership	4,752	-
EMS Sheppard Trust	4,000	-
Tavolozza Foundation	4,000	4,000
Global Radio	1,300	-
Stevenson Family's Charitable Trust	1,000	-
The Foyle Foundation	-	90,000
Darlington Building Society	-	16,000
Guido Reni Fund	-	5,750
Arms & Armour Heritage Trust	-	4,000
Durham University Innovation Pilot	-	2,766
The Art Fund	-	2,360
Other	5,790	1,371
	779,475	587,994

10. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020* £
Admissions	244,683	**244,683**	*217,225*
Total 2020	*217,225*	*217,225*	

10. Expenditure on raising funds (continued)

Trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Trading company	356,706	**356,706**	*713,406*
Total 2020	*713,406*	*713,406*	

11. Analysis of charitable expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total 2021 £	*Total 2020 £*
Exhibitions	177,913	311,616	**489,529**	*741,241*
Education	46,007	81,375	**127,382**	*146,264*
Collections	250,216	442,580	**692,796**	*664,424*
Total 2021	474,136	835,571	**1,309,707**	*1,551,929*
Total 2020	*710,297*	*841,632*	*1,551,929*	

Support costs directly attributable to an activity have been allocated to that activity. Where support costs cannot be directly attributed to any activity they have been allocated in proportion to direct expenditure.

Trading costs relate to total expenditure incurred attributed to admissions with the Museum.

In 2021, of the total expenditure, £1,620,666 (2020 - £2,189,876) was to unrestricted funds, £15 (2020 - £60) was to endowment funds and £290,415 (2020 - £292,624) was to restricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. Analysis of charitable expenditure by activities (continued)

Analysis of direct costs

	Total 2021 £	*Total 2020 £*
Staff costs	**336,942**	*377,299*
Rates and water	**5,044**	*21,690*
Postage and stationery	**440**	*10,691*
Sundries	**464**	*10,476*
Staff services	**28,541**	*36,489*
Public programme	**80,304**	*206,471*
Conservation	**22,401**	*47,181*
Total 2021	**474,136**	*710,297*

Analysis of support costs

	Total 2021 £	*Total 2020 £*
Pension finance costs	**10,000**	*10,000*
Staff costs	**348,542**	*234,493*
Depreciation	**28,892**	*57,162*
Postage and stationery	**49,444**	*53,396*
Sundries	**11,803**	*14,757*
Insurance	**58,926**	*60,136*
Light and heat	**51,365**	*107,499*
Telephone	**11,532**	*10,668*
Advertising	**27,728**	*83,717*
Repairs and renewals	**117,247**	*124,381*
Bank charges	**7,704**	*13,063*
Auditors remuneration	**14,744**	*14,013*
Legal and professional fees	**95,265**	*58,347*
Bad debts	**2,379**	-
Total 2021	**835,571**	*841,632*

Governance costs included above amount to £110,009 (2020: £72,360).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

12. Net income/expenditure

	2021 £	2020 £
Depreciation of tangible fixed assets:		
- owned by the Charity	**28,892**	*57,162*
Auditors' remuneration - audit		
- Charity	**14,744**	*14,013*
- Subsidiary	**5,970**	*9,785*
Auditors' remuneration - other services to the group	**7,337**	*7,413*
Auditors' remuneration - provision of staff to the group	**-**	*14,337*

13. Staff costs

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	**1,048,364**	*1,117,239*	**817,180**	*802,711*
Social security costs	**66,124**	*62,787*	**56,684**	*51,281*
Pension costs	**32,185**	*32,154*	**26,303**	*25,025*
Other pension costs (note 26)	**30,000**	*(50,000)*	**30,000**	*(50,000)*
	1,176,673	*1,162,180*	**930,167**	*829,017*

Other pension costs relate to the current and past service costs as detailed in note 26

The average number of persons employed by the Charity during the year was as follows:

	Group 2021 No.	Group 2020 No.
Charity	**46**	*50*
Subsidiary	**23**	*36*
	69	*86*

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	*Group 2020 No.*
In the band £80,001 - £90,000	**1**	*1*

Remuneration of key management personnel (including employer national insurance and employer pension contributions) was £125,860 (2020 - £127,302).

14. Trustees' remuneration and expenses

A Jenkins is a Trustee and receives remuneration as Museum Director. During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 March 2021, no Trustee expenses have been incurred *(2020 - £NIL)*.

15. Tangible fixed assets

Group and Charity

	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 April 2020	**1,319,009**	**19,159**	**118,725**	**180,099**	**1,636,992**
At 31 March 2021	**1,319,009**	**19,159**	**118,725**	**180,099**	**1,636,992**
Depreciation					
At 1 April 2020	**1,196,743**	**19,159**	**115,021**	**178,781**	**1,509,704**
Charge for the year	**25,580**	**-**	**2,674**	**638**	**28,892**
At 31 March 2021	**1,222,323**	**19,159**	**117,695**	**179,419**	**1,538,596**
Net book value					
At 31 March 2021	**96,686**	**-**	**1,030**	**680**	**98,396**
At 31 March 2020	*122,266*	*-*	*3,704*	*1,318*	*127,288*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

16. Heritage assets

Group and Charity

Assets recognised at cost

	Heritage assets 2021 £
Carrying value at 1 April 2020	8,766,633
Additions	18,596
Carrying value at 31 March 2021	8,785,229

The charity's heritage assets comprise the building and grounds together with the collection. The museum building is a Grade I listed building and is located in a landscaped park listed as Grade II on the Register of Parks and Gardens of special historic interest in England. The grounds also contain a bowling green and tennis courts and entrance lodges. Nursery grounds and buildings are located to the north side of the park. The collection is made up of a diverse range of pictures, textiles, ceramics, metalwork, sculpture and items of historical interest based around the original collection of the founders John and Josephine Bowes.

Under the current Statement of Recommended Practice (SORP) and FRS 102 items purchased for the collection are capitalised and included at cost in the balance sheet. Items acquired prior to the 2005 SORP are not included in the financial statements.

The Museum maintains its collection for its historical and artistic value. Any valuation is completed within the confines of the requirements of the management and preservation of the collection and for no other purpose. In accordance with the provisions of both the SORP and the FRS, no value has been attributed to items acquired prior to the implementation of the SORP 2005 due to the lack of reliable information regarding cost or valuation.

Access to the collection is promoted through educational workshops, tours as well as through general admissions to the museum. More information about the Museum's activities and collection can be found at the museum's website.

Heritage assets reported in the balance sheet during the last five years were as follows:

Analysis of heritage asset transactions

Group

	2021 £	2020 £	2019 £	2018 £	2017 £
Purchases					
Heritage asset	18,596	8,375	24,683	7,018	2,144,114
Total additions	18,596	8,375	24,683	7,018	2,144,114

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

17. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2020	**3,428,402**
Revaluations	**206,164**
At 31 March 2021	**3,634,566**
Net book value	
At 31 March 2021	**3,634,566**
At 31 March 2020	*3,428,402*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

17. Fixed asset investments (continued)

Charity	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2020	**10**	**3,428,402**	**3,428,412**
Revaluations	**-**	**206,164**	**206,164**
At 31 March 2021	**10**	**3,634,566**	**3,634,576**
Net book value			
At 31 March 2021	**10**	**3,634,566**	**3,634,576**
At 31 March 2020	*10*	*3,428,402*	*3,428,412*

The listed investments relate to the following:

80,602 shares in the COIF Charities Investment Fund. These investments are held by the Bowes Museum (charity no 1071630).

The historical cost of these investments at 31 March 2021 was £953,941 (2020: £953,941).

1,906,902 shares in the COIF Charities Property Fund. These investments are held by the Catalyst Endowment Fund (charity no 1079639-2).

The historical cost of these investments as 31 March 2021 was £2,312,183 (2020: £2,312,183).

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets	Holding
The Bowes Museum (Enterprises) Limited	06864117	186,331	(239,434)	(53,103)	10	100%

18. Stocks

	Group 2021 £	*Group 2020 £*
Café stock	-	*5,883*
Shop goods for resale	**34,892**	*40,846*
	34,892	*46,729*

19. Debtors

	Group 2021 £	*Group 2020 £*	Charity 2021 £	*Charity 2020 £*
Due within one year				
Trade debtors	**9,600**	*15,872*	**9,448**	*13,523*
Amounts owed by group undertakings	-	-	**121,599**	*93,308*
Other debtors	**31,201**	*5,865*	**28,701**	*5,865*
Prepayments and accrued income	**419,516**	*459,345*	**406,609**	*454,044*
	460,317	*481,082*	**566,357**	*566,740*

20. Creditors: Amounts falling due within one year

	Group 2021 £	*Group 2020 £*	Charity 2021 £	*Charity 2020 £*
Trade creditors	**147,829**	*190,514*	**144,654**	*161,198*
Other taxation and social security	-	*32,175*	-	*11,707*
Other creditors	**3,125**	*1,071*	**3,125**	*1,071*
Accruals and deferred income	**134,929**	*176,614*	**127,272**	*168,045*
	285,883	*400,374*	**275,051**	*342,021*

	Group 2021 £	*Group 2020 £*	Charity 2021 £	*Charity 2020 £*
Deferred Income				
Deferred income at 1 April	**107,885**	*133,493*	**107,372**	*113,753*
Resources deferred during the year	**21,801**	*7,885*	**21,801**	*7,372*
Amounts released from previous periods	**(107,372)**	*(33,493)*	**(107,372)**	*(13,753)*
Deferred income at 31 March	**22,314**	*107,885*	**21,801**	*107,372*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

21. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General	6,636,310	1,616,524	(1,580,666)	141,453	-	6,813,621
Pension reserve	(250,000)	-	(40,000)	-	340,000	50,000
	6,386,310	1,616,524	(1,620,666)	141,453	340,000	6,863,621
Endowment funds						
John & Josephine Bowes	1,199,143	44,881	-	(42,231)	254,790	1,456,583
Catalyst Endowment	2,247,165	99,422	(15)	(99,222)	(48,626)	2,198,724
	3,446,308	144,303	(15)	(141,453)	206,164	3,655,307
Restricted funds						
Acquisitions & Conservation	2,375,972	174,893	(195,952)	-	-	2,354,913
Education	20,772	128,824	(20,906)	-	-	128,690
Capital Improvement	138,207	-	(54,877)	-	-	83,330
Skills for the Future	17,318	11,122	(8,680)	-	-	19,760
Friends of Bowes Museum	-	10,000	(10,000)	-	-	-
	2,552,269	324,839	(290,415)	-	-	2,586,693
Total of funds	12,384,887	2,085,666	(1,911,096)	-	546,164	13,105,621

21. **Statement of funds (continued)**

Statement of funds - prior year

	Balance at 1 April 2019 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2020* £
Unrestricted funds						
General	*6,224,878*	*2,332,521*	*(2,179,876)*	*258,787*	-	*6,636,310*
Acquisitions	*97,239*	-	-	*(97,239)*	-	-
Pension reserve	*(120,000)*	-	*40,000*	-	*(170,000)*	*(250,000)*
	6,202,117	2,332,521	(2,139,876)	*161,548*	*(170,000)*	*6,386,310*
Endowment funds						
John & Josephine Bowes	*1,229,987*	*41,603*	-	*(41,603)*	*(30,844)*	*1,199,143*
Catalyst Endowment	*2,280,881*	*121,254*	*(60)*	*(119,945)*	*(34,965)*	*2,247,165*
	3,510,868	162,857	(60)	*(161,548)*	*(65,809)*	*3,446,308*
Restricted funds						
Acquisitions & Conservation	*2,368,989*	*158,306*	*(151,323)*	-	-	*2,375,972*
Education	*31,187*	*21,373*	*(31,788)*	-	-	*20,772*
Capital Improvement	*187,107*	-	*(48,900)*	-	-	*138,207*
Skills for the Future	*8,691*	*69,240*	*(60,613)*	-	-	*17,318*
Friends of Bowes Museum	-	*50,000*	*(50,000)*	-	-	-
	2,595,974	298,919	(342,624)	-	-	*2,552,269*
Total of funds	*12,308,959*	*2,794,297*	*(2,482,560)*	-	*(235,809)*	*12,384,887*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	**6,386,310**	**1,616,524**	**(1,620,666)**	**141,453**	**340,000**	**6,863,621**
Endowment funds	**3,446,308**	**144,303**	**(15)**	**(141,453)**	**206,164**	**3,655,307**
Restricted funds	**2,552,269**	**324,839**	**(290,415)**	**-**	**-**	**2,586,693**
	12,384,887	**2,085,666**	**(1,911,096)**	**-**	**546,164**	**13,105,621**

Summary of funds - prior year

	Balance at 1 April 2019 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 March 2020 £*
General funds	*6,202,117*	*2,332,521*	*(2,139,876)*	*161,548*	*(170,000)*	*6,386,310*
Endowment funds	*3,510,868*	*162,857*	*(60)*	*(161,548)*	*(65,809)*	*3,446,308*
Restricted funds	*2,595,974*	*298,919*	*(342,624)*	-	-	*2,552,269*
	12,308,959	*2,794,297*	*(2,482,560)*	-	*(235,809)*	*12,384,887*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22. Summary of funds (continued)

Unrestricted funds represent resources available for the general work of the charity:

The Acquisitions fund is a designated fund within unrestricted funds and represents a legacy received by the museum to be used by the Trustees to fund future acquisitions.

The Pension Fund is a designated fund within unrestricted funds and represents the liability of the museum under its defined benefit pension scheme, the details of which are set out in note 26.

Restricted funds relate to grants and donations for specific purposes:

Capital Improvements Fund - funding to enable the redevelopment of the reception, cafe and shop areas on the ground floor, new textile galleries and silver and metal galleries on the first floor and the installation of new service and passenger lifts. This funding comprises grants from the Heritage Lottery Fund itself together with additional funding from other sources towards the same project.

Skills for the Future is funding from the Heritage Lottery Fund toward the Museum's painting and textiles conservation skills project and will help to extend and formalise conservation training delivered by the Museum.

Acquisitions and Conservation fund - funding towards objects purchased and major conservation work to be undertaken.

Friends of The Bowes Museum is set up by its Articles of Association to support the Museum. It is written into their constitution that the donations may not support the building or maintenance.

Education Fund is funding received for various community and art education projects.

The Catalyst Endowment Fund is an endowment fund whereby donations were matched by a grant from the Heritage Lottery Fund. The intention of the fund is to provide future income for the Museum.

The John and Josephine Bowes Endowment fund represents the original endowment left by the founders of the museum.

Transfers between funds

£141,453 has been transferred between Endowment Fund and general funds relating to unrestricted investment income (2020: £161,548).

£Nil has been transferred between unrestricted acquisitions and general funds to represent the amounts spent since the period of receipt (2020: £97,239).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,189	96,207	-	**98,396**
Fixed asset investments	-	-	3,634,566	**3,634,566**
Heritage assets	6,475,088	2,310,141	-	**8,785,229**
Current assets	622,227	180,345	20,741	**823,313**
Creditors due within one year	(285,883)	-	-	**(285,883)**
Provisions for liabilities and charges	50,000	-	-	**50,000**
Total	6,863,621	2,586,693	3,655,307	**13,105,621**

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Restricted funds 2020* £	*Endowment funds 2020* £	*Total funds 2020* £
Tangible fixed assets	7,237	120,051	-	*127,288*
Fixed asset investments	-	-	3,428,402	*3,428,402*
Heritage assets	6,456,492	2,310,141	-	*8,766,633*
Current assets	572,955	122,077	17,906	*712,938*
Creditors due within one year	(400,374)	-	-	*(400,374)*
Provisions for liabilities and charges	(250,000)	-	-	*(250,000)*
Total	6,386,310	2,552,269	3,446,308	*12,384,887*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

24. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	*Group 2020 £*
Net income for the year (as per Statement of Financial Activities)	**380,734**	*245,928*
Adjustments for:		
Depreciation charges	**28,892**	*57,162*
Gains/(losses) on investments	**(206,164)**	*65,809*
Endownment income	**(144,303)**	*(162,857)*
Decrease in stocks	**11,837**	*36,733*
Decrease/(increase) in debtors	**20,765**	*(216,075)*
Decrease in creditors	**(114,491)**	*(125,323)*
Other finance costs	**10,000**	*10,000*
Pension adjustment	**-**	*(50,000)*
Costs attritable to endownment	**15**	*60*
Net cash used in operating activities	**(12,715)**	*(138,563)*

25. Analysis of cash and cash equivalents

	Group 2021 £	*Group 2020 £*
Cash in hand	**328,104**	*185,127*
Total cash and cash equivalents	**328,104**	*185,127*

26. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	**185,127**	**142,977**	**328,104**
	185,127	**142,977**	**328,104**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

27. Pension commitments

The Group operates a Local Government Pension Scheme ("LGPS") which is a funded defined benefit pension scheme, with the assets held in separate Trustee administered funds. The total contribution made for the year ended 31 March 2021 was £10,000 (2020 - £10,000), of which employer's contributions totalled £nil (2020 - £nil) and employees' contributions totalled £ 10,000 (2020 - £10,000). The agreed contribution rates for future years are 5.5 to 12.5% per cent for employees.

The latest actuarial valuation of the LGPS related to the period ended 31 March 2019.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2021	*At 31 March 2020*
	%	*%*
Discount rate	**2.1**	*2.30*
Future salary increases	**3.7**	*3.10*
Future pension increases	**2.7**	*2.10*
CPI inflation	**2.7**	*2.10*
Pension accounts revaluation rate	**2.7**	*2.10*

Sensitivity analysis

	At 31 March 2021	*At 31 March 2020*
	£	*£*
Discount rate +0.1%	**(30,000)**	*(40,000)*
Discount rate -0.1%	**30,000**	*(40,000)*
Mortality assumption - 1 year increase	**(100,000)**	*(100,000)*
Mortality assumption - 1 year decrease	**100,000**	*100,000*
CPI rate +0.1%	**30,000**	*40,000*
CPI rate -0.1%	**(30,000)**	*(40,000)*

The Group's share of the assets in the scheme was:

	At 31 March 2021	*At 31 March 2020*
	£	*£*
Equities	**1,870,000**	*1,323,510*
Government bonds	**540,000**	*800,850*
Corporate bonds	**610,000**	*345,630*
Property	**210,000**	*227,610*
Cash	**160,000**	*112,400*
Total fair value of assets	**3,390,000**	*2,810,000*

27. Pension commitments (continued)

The actual return on scheme assets was £340,000 *(2020 - £220,000)*.

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2021 £	*2020* *£*
Current service cost	**30,000**	*30,000*
Past service cost	**-**	*(80,000)*
Interest income	**(60,000)**	*(70,000)*
Interest cost	**70,000**	*80,000*
Total amount recognised in the Consolidated Statement of Financial Activities	**40,000**	*(40,000)*

Movements in the present value of the defined benefit obligation were as follows:

	2021 £
Opening defined benefit obligation	**3,060,000**
Current service cost	**30,000**
Interest cost	**70,000**
Actuarial losses/(gains)	**290,000**
Benefits paid	**(110,000)**
Closing defined benefit obligation	**3,340,000**

Movements in the fair value of the Group's share of scheme assets were as follows:

	2021 £
Opening fair value of scheme assets	**2,810,000**
Expected return on assets	**60,000**
Actuarial gains/(losses)	**630,000**
Benefits paid	**(110,000)**
Closing fair value of scheme assets	**3,390,000**

28. Operating lease commitments

At 31 March 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	*Group 2020 £*	**Charity 2021 £**	*Charity 2020 £*
Not later than 1 year	**4,403**	*4,403*	**4,403**	*4,403*
Later than 1 year and not later than 5 years	**693**	*2,079*	**693**	*2,079*
	5,096	*6,482*	**5,096**	*6,482*

29. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

30. Related party transactions

The Friends of Bowes Museum is a connected charity as it exists to assist The Bowes Museum in its objectives. During the year The Friends of Bowes Museum made donations to The Bowes Museum as shown in note 4 At the year end £2,934 (2020: £4,051) was due to the Musuem from The Friends of Bowes Museum and creditors of £875 (2020: £7.331) are included for amounts due to The Friends of Bowes Museum for subscriptions collected.

Durham County Council provides core funding for the museum as shown in note 4. During the year they also provided an additional grant of £170,000 (2020: £200,000) towards the cost of exhibitions and running costs of the museum. £100,000 received in 2018 is for the cost of future exhibitions and the income was therefore deferred at the end of the previous year and was released to income during this year.

Councillor J Allen is a director of Visit County Durham. During the year payments have been made of £Nil (2020 £3,840) for annual strategic partner fees and heritage campaign.

P D A Mothersill is a Governor of Barnard Castle School. During the year sales of £Nil (2020: £104) were made for Museum visits and workshops.

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

31. Charges

Heritage Memorial Fund. This charge is dated 24 March 2009 and is a condition of the National Lottery grant funding of the Museum's capital works programme.