

YORK MUSEUM & GALLERY TRUST

England & Wales · Charity number 1092466

Details

Other names	YORK MUSEUMS TRUST
Status	Registered
Legal form	Charitable company
Company number	04381647
Registered	2002-06-14
Register	View on the Charity Commission register

Contact

Address	St Mary's Lodge Marygate York YO30 7DR
Phone	01904687687
Email	accounts@ymt.org.uk
Website	www.yorkmuseumstrust.org.uk

Activities

Objects: 1) THE ADVANCEMENT AND SUPPORT OF SCHOLARSHIP, SCIENTIFIC ENQUIRY, EDUCATION AND ARTS FOR THE BENEFIT OF THE CITIZENS OF YORK AND OF THE PUBLIC IN YORKSHIRE AND ELSEWHERE, ESPECIALLY IN THE FIELDS OF ANTIQUITIES, SOCIAL HISTORY, PAINTING, THE DECORATIVE ARTS AND THE NATURAL SCIENCES; AND/OR2) TO PROVIDE OPPORTUNITIES FOR THE CITIZENS OF YORK AND VISITORS TO THE CITY TO LEARN THE HISTORY OF THE CITY AND ITS REGION IN TERMS OF ITS PEOPLE, CULTURE AND HISTORY TOGETHER WITH ITS SCIENTIFIC, ARTISTIC AND INDUSTRIAL DEVELOPMENT; AND/OR3) THE MAINTENANCE FOR THESE PURPOSES AND THE BENEFIT OF THE PUBLIC OF THE YORKSHIRE MUSEUM AND GARDENS, THE CASTLE MUSEUM, THE YORK CITY GALLERY, ST MARY'S CHURCH AND ANY OTHER PREMISES TOGETHER WITH THE CARE, ENHANCEMENT (BY ACQUISITION OR OTHER MEANS), MANAGEMENT AND DISPLAY OF THE COLLECTIONS WITHIN THESE INSTITUTIONS AND DISPLAY OF COLLECTIONS FROM ANY OTHER BODY WHICH WILL PROMOTE THE OBJECTS OF THE COMPANY; AND/OR4) SUCH OTHER CHARITABLE PURPOSES BENEFICIAL TO THE COMMUNITY CONSISTENT WITH THE OBJECTS ABOVE AS THE TRUSTEES SHALL IN THEIR ABSOLUTE DISCRETION DETERMINE.

Activities: Museum and gallery services for residents of and visitors to York and the surrounding areas.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** YORKSHIRE AND ELSEWHERE
- City Of York
- North Yorkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£9,226,850	£10,134,209	£3,787,869	151
2024-03-31	£7,490,294	£8,367,586	£4,469,228	142
2023-03-31	£7,112,256	£8,946,848	£5,160,520	129
2022-03-31	£5,643,161	£7,243,575	£4,323,112	110
2021-03-31	£4,757,349	£6,591,546	£3,482,526	149

Trustees

Name	Role	Appointed
ANGELA DEAN		2017-09-01
Andrew Scott		2020-11-02
Azra Kirkby		2022-11-01
Cllr Anthony Clarke		2025-07-22
Cllr Jonny Crawshaw		2023-09-19
David Lamb		2023-11-21
Elizabeth Waller		2024-11-26
Justine Andrew		2023-11-21
Keith Nesbitt		2021-11-01
Nicole Fowler		2023-11-21
Robert Newport		2023-11-21
Scott Furlong		2020-06-22

Linked charities

- THE YORKSHIRE MUSEUM AND GARDENS (1092466-1)

Accounts

York Museums and Gallery Trust

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

Year ended 31 March 2025

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

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OFFICERS AND PROFESSIONAL ADVISORS

The Trustees who served during the year and subsequently were:

TRUSTEES

A. Dean (Chair from 30-12-24)
J. Andrew
A. Clarke (Appointed 22-07-25)
J. Crawshaw
N. Fowler
S. Furlong
J. Grierson (Resigned 30-12-24)
A. Kirkby
D. Lamb
M. Lowe (Resigned 22-06-25)
D. Myers (Resigned 22-07-25)
K. Nesbitt
R. Newport
A. Scott
E. Waller (Appointed 26-11-24)

COMPANY SECRETARY

D. Bryan (Appointed 30-06-24)
P. Lambert (Resigned 30-06-24)

PRINCIPAL OFFICERS – KEY MANAGEMENT PERSONNEL

K. Blacker - Chief Executive
D. Bryan - Chief Finance Officer and Director of Corporate Services (Appointed 10-06-24)
P. Lambert – Head of Strategy, Finance and Corporate Services (Resigned 31-05-24)

REGISTERED OFFICE

St Marys' Lodge,
Marygate,
York, YO30 7DR

INDEPENDENT AUDITORS

BHP LLP
Rievaulx House, 1 St Marys Court
York, YO24 1AH

BANKERS

HSBC Bank plc
PO Box 26,
13 Parliament Street,
York, YO1 8XS

SOLICITORS

Browne Jacobson LLP
Mowbray House, Castle Meadow Road,
Nottingham, NG2 1BJ

TRUSTEES' REPORT

Chair's Foreword

Introduction

I am delighted to present York Museums Trust's Annual Report and Accounts for 2024-2025. These are the first accounts since I became Chair in December 2024, succeeding James Grierson. I would like to extend my sincere thanks to James for his committed, calm, and thoughtful leadership over six years - a period that encompassed major change for YMT, including the challenges of Covid and the appointment of our dynamic Chief Executive, Kathryn Blacker.

I feel immensely privileged to serve as Chair of York Museums Trust. It stands as one of the UK's most successful regional museum and gallery organisations, with a reach that extends both nationally and internationally. The Trust's remarkable collections span art, science, social history, and archaeology; all of them are designated collections, reflecting their outstanding quality and significance to both the region and nation. Our creative exhibitions and programmes engage audiences of all ages, inspiring a passion for art, culture, and history and connecting people with the stories of York and North Yorkshire. The Trust's two museums, art gallery, gardens, and heritage buildings play a vital role in the cultural and economic life of York, contributing significantly to the city's vibrancy and identity.

In our financial year to March 2025, we have continued to delight our audiences. We welcomed 393,912 thousand visitors to our museums and gallery, and, in addition, 12,500 children visited as part of organised school trips. Our beautiful and historic gardens attracted approximately 1.3 million free visits, reflecting their enduring appeal as one of York's most accessible and well-loved public spaces.

Our audiences were drawn from local, regional, national, and international communities, highlighting York's reputation as a cultural destination. We are proud that 79,000 visitors came from UK Government-identified *levelling-up* areas that experience higher levels of inequality, and 89,000 were children or young people. These figures demonstrate our continuing commitment to accessibility, inclusion, and the broad public benefit that York Museums Trust provides.

During the year we delivered stand-out exhibitions and programmes ranging from 'William Morris, the Art of Wallpaper', in partnership with Dovecot Studios and Morris & Co, to our ever-popular 'Christmas at the Castle'. Our highlight of the year was 'Monet in York: The Water-Lily Pond' exhibition at York Gallery. We were honoured to be selected by the National Gallery as one of twelve venues across the UK to host a loan of one of its most loved paintings as part of its bicentenary programme. At the heart of the exhibition was Monet's 1899 masterpiece, complemented by 32 loans from national and regional collections and a specially commissioned series of exciting artworks by contemporary artist Michaela Yearwood-Dan. The exhibition connected the Gallery with York Museum Gardens through a free family trail and wildflower garden.

We are most grateful to our sponsors of the Monet exhibition - wealth managers, J M Finn, and Little Greene Paint - for their generous support. Alongside the exhibition, we delivered a rich programme of engagement with schools and the local community. Over its 16-week run, the exhibition attracted almost 71,000 visitors, and around half a million enjoyed the gardens. We were delighted that 'Monet in York: The Water-Lily Pond' won the Visit York Tourism Award for Cultural Experience of the Year 2025 - a testament to the creativity, collaboration, and impact of the project. In March 2025, the gallery opened 'Harland Miller: XXX', a collection of paintings and works on paper from the artist's 'Letter Paintings' series.

At York Castle Museum we continued to recover from the fallout of the discovery of RAAC the previous year. The launch of a new exhibition 'Secrets of Dress', following a successful Christmas season, contributed towards record visitor numbers during February half term. We also began the preparations to reopen the final gallery which was closed in 2023 due to RAAC.

The highpoint for the Yorkshire Museum came at the end of the financial year with the once-in-a-generation announcement of the discovery of the late Iron Age Melsonby Hoard. The hoard was found by a metal detectorist in North Yorkshire. Durham University, Historic England and the British Museum supported the excavation, early conservation and research of the collection. A small selection of these remarkable objects was displayed at the Yorkshire Museum in late March. The hoard was declared treasure, and the Yorkshire Museum launched a campaign to acquire the hoard and to support its further conservation. We are delighted to report that, in the current year, we have achieved our fundraising targets through a combination of crowdfunding, generous individual donations donors, and vital support from the National Heritage Memorial Fund. In addition, the Yorkshire Museum opened 'Star Carr: After the ice' in March 2024. This exhibition explores life in East Yorkshire 11,000 years ago, bringing the Mesolithic period vividly to life.

The Museum Gardens continued to flourish, receiving a platinum award from Yorkshire in Bloom with the Royal Horticultural Society annual awards in the summer of 2024 - a well-deserved recognition of their beauty and high standards of care. The gardens hosted events and activities from Tai Chi to the annual York Proms. For the first time, in partnership with independent music providers, Futuresounds we hosted three sellout evenings of music with artists including Shed Seven and Jack Savoretti. We also collaborated with York Bid to deliver a highly successful 'Ghosts After Dark' programme which brought wire sculptures of ghosts to life in the evening with a light show and storytelling. Income from these events was ploughed back into the work of the Trust, including the purchase of new tractor for the Gardens. In partnership with the University of York, we constructed a Mesolithic style house in the Gardens with a supporting family programme to complement the exhibition 'Star Carr: After the ice'.

Public engagement and community participation were woven into our exhibitions and site activities. We delivered hundreds of events from 'Family Thursdays' to the National Lottery Heritage Fund supported activities with community groups in York Museum Gardens. At York Castle Museum we partnered with MuseumNext and the National Caribbean Heritage Museum to deliver their exhibition 'Objeks & Tings' which celebrated the cultural contribution of the Windrush generation. Elsewhere we collaborated with Dementia Forward, the Cultural Health and Wellbeing Alliance, York Travellers Trust and York Social Prescribers, amongst others. We delivered activities around Black History Month, York LGBT History Month and the International Day for Older Persons. To underpin this work, we created a new Community Participation Framework to help us understand and develop our public engagement activity.

We continued to develop our work with schools throughout 2024-2025, attracting 390 school bookings from the region and beyond. To support our schools work we reintroduced and refurbished classrooms at the Yorkshire Museum to provide a welcoming and useful space and built on our workshop programme. We have continued to partner with Arts Explora through the Time Odyssey programme to support visits from rurally isolated schools. The programme provides transport funding and uses digital activity as part of onsite workshops. Feedback on our workshops has been outstanding: 100% of teachers said that they would recommend a visit.

Our digital initiatives contributed to York's status as a UNESCO Creative City of Media Arts status. We enhanced the visitor experience through our gallery digital interactive work, including the delivery of new VR and AR content in the Jurassic Gallery at the Yorkshire Museum, the delivery of the annual Aesthetica Art Prize at York Art Gallery, the hosting of Reignite creative events and participation in a £1.3m project for Digital in Culture funded by the Arts and Humanities Research Council (AHRC).

We continue to keep our collections and spaces relevant through acquisition and research. We were thrilled to receive the wonderful donation of three Harland Miller 'Bad Weather' paintings to York Art Gallery, to complement the 'Harland Miller: XXX' exhibition. A further highlight was the intriguing Viking archaeological find, 'Thor's Hammer', which went on display in July 2025 in our current 'Viking North' exhibition at the Yorkshire Museum.

We are active partners in research of our collections, collaborating with universities and other cultural organisations. The University of Cambridge and University of Reading worked with the Trust on the completion of a £700,000 AHRC funded project, 'Roman York: Beneath the Streets'. In January 2025 we commenced a major Roman research project, 'Seeing the Dead', in collaboration with the University of York and supported by £900,000 in funding from AHRC.

We are proud of YMT's continued contribution to York's economy and cultural life. In 2024-25 our activities generated an estimated £17.9m (gross) impact on the economy, with 50% of our £3.3m procurement spent with local suppliers. We can only deliver this success through our amazing staff and volunteers. Alongside our 151 staff, 173 volunteers contributed 11,188 hours across our galleries, events and behind-the-scenes activities. This work by staff and volunteers significantly enriches our visitor experience. Our surveys show that nine out of ten visitors felt their visit sparked curiosity, felt more engaged with art at the Gallery and felt more engaged with history and life in the past at our museums.

Our work is only possible thanks to the support we receive from Arts Council England, City of York Council, and increasingly vital support from other funders, donors, patrons, supporters, makers and volunteers. We are grateful to everyone who has supported us over the past year with especial thanks to our dedicated and passionate team of staff. Their generosity, creativity, curiosity and support are at the heart of everything we do.

As we progress through the current year, we continue to rely on all these avenues of support to secure our financial resilience so that York Museums Trust can continue to thrive for generations to come.



Signer ID: QST435ONAO...

Angela Dean, Chair

Date: 8th December 2025

Trustees' Report

The Trustees, who act as directors for the purpose of company law, present the audited consolidated financial statements for the year ended 31 March 2025, which are also prepared to meet the requirements for a directors and strategic report and financial statements for Companies Act 2006 purposes.

The financial statements comply with the Charities Act 2011, Companies Act 2006, the Articles of Association, and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Our purpose and activities

York Museums Trust ('YMT') was set up in 2002 to cherish the collections, building and gardens entrusted to us, presenting and interpreting them as a stimulus for learning, a provocation to curiosity and a source of inspiration and enjoyment for all.

Our vision is:

Connecting and inspiring people with the stories, histories and culture of York and North Yorkshire.

Our mission is:

Championing curiosity, inspiring creativity and creating opportunities for people to flourish as we collaborate to tell stories about our collections and places.

Our priorities are:

Building and sustaining a flourishing organisation by:

- Delivering innovative public programming supporting an audience-focused, inclusive, visitor-first approach;
- Driving visitor income, meeting and exceeding enterprise and fundraising targets, managing expenditure.
- Identifying, developing and delivering a Masterplan and associated capital projects;
- Investing in our people ensuring we recruit, retain and develop a high performing team which celebrates diverse experiences and voices;
- Tackling climate change, understanding our carbon footprint and making incremental changes towards a net-zero future; and,
- Raising our profile through cultural leadership and partnerships working locally, regionally, nationally and internationally.

YMT carries out its mission through a broad range of activities, centred around but not limited to our main sites – York Art Gallery (YAG), York Castle Museum (YCM), Yorkshire Museum (YM) and York Museum Gardens (YMG).

Our Values

We value curiosity, creativity, generosity, responsibility and being supportive equally and together;

- We are curious - We ask questions, we don't assume, we learn and we encourage different perspectives to be heard.
- We are creative - we have fun being creative, driving positive change and exploring potential.
- We are generous - we care for people, collections and places inviting everyone to develop knowledge, to take delight in and enjoy our spaces.
- We are responsible - we make informed decisions today for a better tomorrow and for a sustainable future.
- We are supportive - we collaborate and seek connection to grow a thriving community where we celebrate one another, cheer on progress and are heartfelt with feedback.

Trustees' Report (continued)**Overview of our operating activities**

We were cautious in setting our expectations for the reporting period 2024/25. In the prior year, due to the discovery of Reinforced Autoclaved Aerated Concrete (RAAC) in the female prison roof, York Castle Museum was forced to close parts of the museum, including Kirkgate, the highlight for many visitors. The impact of RAAC carried over into 2024/25, with some areas of the museum only reopening to visitors in the autumn.

Despite this, visitor numbers across YMT, whilst slightly lower than the previous year, were broadly in line with expectations. This was greatly helped by the Monet exhibition, Monet in York, 'The Water-Lily Pond', which welcomed over 70,000 visitors and became the most successful exhibition ever held at York Art Gallery (YAG). Visitor numbers to YAG were almost as high as the prior year, when for most of the year entry was not charged for access to permanent collections.

The fully reopened York Castle Museum recorded one of its most successful Christmas periods ever, followed in February by strong half-term visitor numbers.

The overall performance across YMT provided strong evidence that there is visitor demand for our exhibitions and programmed activity, despite the challenges the organisation faces. The priority challenge is still the requirement to secure capital investment into YMT's estate, to maintain the heritage buildings and improve the visitor experience. We weren't successful in our application for Arts Council's MEND round 4 funding, which would have funded vital and urgent work on Yorkshire Museum's roof but have submitted an expression of interest for MEND round 5 for the same purpose.

Discussions were begun in 2024/25 and will continue into 2025/26 with City of York Council (CYC) around revenue funding and capital investment.

Our reported visitor numbers for the last three years are:

	2024/25	2023/24	2022/23
York Castle Museum	214,056	209,235	224,557
Yorkshire Museum	63,149	75,749	75,866
York Art Gallery	116,707	121,030	128,849
Total	393,912	406,014	429,272

Fundraising

We have National Portfolio Organisation (NPO) Funding from Arts Council England (ACE) for the five-year period April 2023 to March 2028, providing an annual income of £1.25m each year during this period.

Individual donors have continued their support for YMT's core work, with gifts secured onsite and online. We have in place a Patron giving programme and a regular supporters scheme which was launched in mid-2022. Gift Aid has improved with the new charging models at YCM and YM which give visitors a 12-month admissions pass as part of the entrance fee.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We seek charitable gifts from our visitors and stakeholders to make our ambitious vision for the future possible, in line with the legislative definition of fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." This does not involve widespread solicitation of the general public to acquire new donors. The generous contributions that we receive are presented in our accounts as "Donations and Legacies" and include gifts from individuals, legacies and grants.

Trustees' Report (continued)

All our fundraising activity is managed internally, by a small department of employed fundraising specialists, with occasional involvement of external fundraisers. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Trustees. YMT is not bound by any regulatory scheme but does comply voluntarily with the Fundraising Regulators Code of Practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times. By complying with the Fundraising Regulators Code of Conduct and GDPR we have procedures in place to prevent complaints and address them should they arise.

Financial Review

YMT set a budget for 2024/25 showing a deficit of £208k, recognising the continued impact of the discovery of RAAC at YCM. Reforecasting at the midpoint of the year, the deficit was halved to £111k, driven by the exceptional performance of the Monet exhibition at YAG. Following the far better than expected visitor numbers at YCM over the Christmas and February half-term periods, with higher profits from the trading company, resulted in YMT finishing the 2024/25 financial year with a surplus before transfers of £87k.

The Trustees decided to allocate £206,671 (2024: allocate £134,929) from the general unrestricted fund to designated funds. The net movement in funds for the general unrestricted fund for the year was thus £119,046 (2024: £189,523).

Net movement in funds on designated funds was a decrease of £648,214 (2024: a decrease of £705,970) and net movement in funds on restricted funds was an increase of £85,901 (2024: an increase of £204,201).

The Pension Fund has an actuarial gain for the year of £2,960,000 (2024: gain £1,904,000). In line with FRS 102 requirements York Museums and Gallery Trust has recognised this as an asset on the balance sheet to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan. The scheme's actuary has confirmed that they can demonstrate no economic benefit arising to York Museums and Gallery Trust from an 'asset ceiling' calculation comparing the present value of future service costs to the present value of future contributions. The actuary has also confirmed that any refunds from the plan are contingent on future events. Accordingly, the financial statements do not recognise the pension asset position, restricting the surplus to £nil, and reducing actuarial gains to £226,000 (2024: £186,000).

During the year the charity received restricted donations, grants and income from charitable activities for specific activity and expenditure which resulted in restricted funds of £492,966 held at the end of the year (2024: £407,065).

The unrestricted general funds of the group, excluding fixed assets not represented by matching designated funds, at 31 March 2025 were a surplus of £623,528 (2024: £723,085).

The Trustees are satisfied that the charity's assets are available and adequate to fulfil its obligations for the foreseeable future as described in the going concern section of the report below.

Trustees' Report (continued)**Plans for future periods**

We have produced a one-year business plan for the 2025/26 period and defined the key outcomes and measures and activities we want to achieve in this period. We have also prepared for ACE an Activity Plan and Investment Principles Plan aligned to the #Let's Create strategy. All of these plans align to our priorities.

We are working with the Board, stakeholders and partners on our strategy beyond 2025 to improve our business model to enable it to deal with the future operational and capital needs of the organisation.

Principal Risks and Uncertainties**Risk Management**

Management and the Trustees formally review the risks through the use of a risk register and a risk management process. This includes scrutiny of the risk register by the Audit and Risk Committee and submission of the risk register to the Board each quarter.

Funding risk is always significant for YMT. We receive as a National Portfolio Organisation £1.25m per year for the period 2023 to 2028 from Arts Council England. We also continue to receive £0.3m per annum from City of York Council which has been at this level for 6 years with no inflationary increase.

The balance of our funding we have to generate ourselves through our admissions and Enterprises activities. Trustees have given consideration to the appropriate policies, procedures and systems to mitigate YMT's exposure to the major risks. The key financial risk is the ability to generate sufficient income from visitor numbers, and other external funders, to cover expenditure incurred in fulfilling the obligations and liabilities as well as the vision, mission and priorities of the group. YMT has in its plans for 2025/26 a strategy of investing in public programmes, engagement, visitor experience, income generation, fundraising, digital and capital developments in order to mitigate the future financial risks.

Aside from funding, the principle risks and uncertainties identified and recognised on the organisation's risk register include:

- Continuing to deliver an attractive offer for audiences and grow visitor numbers,
- The costs of maintaining an aged estate and the continued investment into the upkeep of our sites of historic importance,
- The protection of the organisation (its building, collections, employees and visitors) from physical and digital threats,
- The growing threat to the organisation of the impact of climate change and the need to adapt to meet this challenge whilst protecting the estate, collections and people who work and visit our sites,
- Changes in administration or strategic policy at our major funders, including Arts Council England and City of York Council.

Trustees' Report (continued)**Going Concern**

In determining that YMT and its subsidiary are going concerns the Board gives consideration to the risks and uncertainties facing each entity, with particular reference to liquidity and solvency issues that might impact viability. The Board receives management accounts and 12-month forward cash flow forecasts on a regular basis. The Board reviews forecasts for a period not less than the 12 months following the date the financial statements are to be issued. If solvency and liquidity issues present significant and material risks and uncertainties to YMT then the forecast period under review will be extended.

The Board reviews and scrutinises the budget and budget forecasts in a separate meeting each year. In setting the 2025/26 budget the Board looked at a range of scenarios which stress test the robustness of the budget.

Management examine the monthly management accounts each month to ensure YMT is trading to plan and are aware of the measures needed to reduce outgoings if we do not remain on track. In the current financial climate YMT have been unable to set a balanced budget and have forecast a loss for the 2025/26 year of £0.3m. The Board considers future years look equally challenging and are in discussions with CYC over future funding to support capital investment into YMT's estate.

In August 2025, YMT was awarded £1m from the Arts Council's Museum Renewal Fund (MRF). Within this £1m, £600k was earmarked to support YMT's free reserves and £320k was allocated against the budgeted deficit for the year. The awarding of the MRF funding has improved YMT's free reserves position considerably, whilst reducing the in-year deficit.

YMT hold a Letter of Guarantee with City of York Council (CYC) for £1m, and the current iteration of this expires in April 2026. However, CYC have approved to support YMT with an extension to the Letter of Guarantee until December 2027.

In conclusion, with the awarding of the MRF funding and the additional support provided by CYC's Letter of Guarantee, the Board considers York Museums Trust to be a going concern, and as such, the financial statements have been prepared on a going concern basis.

Public Benefit

YMT provides public benefit as a charity by making available its Collections, Buildings and Gardens to all members of the public. Our Trustees have complied with their duty in accordance with the UK Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit. The public has free access to our gardens and, where we charge for access at our other sites we have a range of free entry and substantial discounts for those on lower incomes, younger people, and free entry for York's children.

Structure, Governance and Management**Constitution**

The charity was formed as a company limited by guarantee on 26 February 2002. There are currently 12 Trustees who are also members of the company. Each member has undertaken to pay a contribution to the assets in the event of winding up a sum not exceeding £1. The company registration number is 04381647.

The charity registered with the Charity Commission on 14 June 2002 – registration number 1092466. It is governed by the Memorandum and Articles of Association dated 26 February 2002.

The charity has a trading subsidiary, York Museums and Enterprises Limited, a company limited by shares, registered company number 04466798.

Trustees' Report (continued)**Governance Code**

The Charity Governance Code, endorsed by the Charity Commission and other industry bodies, was launched in 2017. The Trustees have ensured we are compliant with the code. The code asks charities to "apply or explain". We have no matters to report. In 2021 under the chair of the Audit and Risk Committee the board set up a "Good Governance Group". The group consisted of members of the board and there was a work plan that covered the 2022/23 period and regular reports were made back to the board on areas for improvement which the board then adopted. Several task and finish groups worked on the planned activity. The purpose of the group was to ensure that YMT adopts the Governance Code and actively uses its principles.

Organisational Purpose: Trustees reviewed and revised the vision and mission of the organisation in 2019/20. The Board considers and revises the priorities for the organisation in this context as part of the strategic planning conversation each year. Trustees have updated the mission, vision and priorities in 2023 and these are reflected in this report.

Leadership: The Board meets six times each year, four times to examine quarterly performance and twice for workshops / deeper dives into strategic issues. We have an annual strategic Board away day to consider areas of change and to review performance against our objectives and priorities. Communication between board members and the committees, as well as communication across the wider organisation and with key stakeholders has been and remains a priority for the Trustees. In the period under review the Board established a private pre-meeting, in person, at each Board to enable matters of strategic importance to be considered.

Integrity: All trustees complete annual declarations of interest and are required to advise of any changes during the course of the year. The Board receives an annual safeguarding report, and the Audit and Risk Committee reviews risks at each meeting. The Audit and Risk Committee also review the annual health, safety and wellbeing report.

Decision Making, Risk and Control: The terms of reference for the board and the board subgroups are reviewed and updated each year and the work of each is reported to the quarterly board meetings. The board receives a CEO report each quarter which includes the financial position and monitors performance against KPI's. One of the Board members has been appointed as the Senior Independent Board Member and the Audit committee reviews key policies such as Whistleblowing and their effectiveness.

Board Effectiveness: In considering nominations and appointments the People Committee (formerly the nominations committee), ensures that the board has the right skill sets and experience. Training is highlighted and offered to Board members where appropriate. Trustees are appointed for an initial three-year term which is renewable for a further period of three years. The People Committee will also be responsible for undertaking board effectiveness reviews.

Equality, Diversity and Inclusion (EDI): The Board has this area as a standing item at each meeting. It receives regular reports on its own diversity and that of the wider organisation. The opportunity to create a more diverse and inclusive board is included in the brief for all board recruitment activity. EDI training is undertaken by all staff and Trustees and one of the trustees has joined the YMT EDI change group which consists of a cross section of all staff to show visible Board leadership on this important agenda.

Openness and Accountability: Key stakeholders (City of York Council and Yorkshire Philosophical Society) are part of the board constitution. In addition, the board invites representatives from ACE to attend each meeting, and the papers are shared with ACE as part of the funding agreement. The Board receives regular reports on how the organisation is engaging with its audiences and the wider community and how the programme of activity is developed.

Trustees' Report (continued)**Method of election of Trustees**

The Board of Trustees shall consist of two individuals nominated by the Local Authority, one individual nominated by the Yorkshire Philosophical Society and such other persons elected by the Trustees of the charity.

The Trustees have the power to appoint any person to be a Trustee, but so that the total number of Trustees does not exceed the permitted maximum of fifteen at any time.

The Trustees, who are also directors under Company law, who served during the year and subsequently are listed on page 3. None of the Trustees have any financial interest in the company.

All Trustee appointments are advertised externally, and the nominations committee oversees this process and ensures the range of skills, experiences and diversity of the board is appropriate to meet the needs of the charity.

Trustee induction and training

New Trustees undergo a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and recent financial performance of the Charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees administers the charity. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity. The Board meets six times per annum and there are three committees which meet as follows:

Finance Committee

Meets at least four times per year, or as required, with the Chief Executive and Chief Finance Officer to monitor and guide progress against the business plan.

Audit and Risk Committee

Meets at least three times per year to consider reports from external auditors, examines risk management and the internal control environment.

People Committee (formerly the Remuneration and Nominations Committees)

Meets twice annually and sets pay of senior executives and approves annual pay increases for all staff. Also reviews the structure, size and composition of the Board and is responsible for identifying and nominating for approval to the Board, candidates to fill board vacancies.

Pay policy for senior staff, including key management personnel

The Trustees consider that the Board of Trustees, the Chief Executive Officer and the Chief Finance Officer comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 8 to the Financial Statements.

The pay of the senior staff is reviewed annually by the Remuneration Committee and percentage changes are normally the same as for other members of staff, taking into account general inflation and the Trust's financial position.

Trustees' Report (continued)**Investment powers and policy**

The Memorandum and Articles of Association of the charity permit the Trustees to invest the monies of the Trust not immediately required for its purposes in such investments, securities or property as may be thought fit.

Reserves policy

Historically, YMT has sought to hold unrestricted, general reserves equal to two months of YMT's operating costs. Since 2020, as a result of the impact of Covid, YMT has had the support from CYC of a Letter of Guarantee (from 31 March 2024, of £1m), to provide additional reassurance that YMT can continue to trade for the foreseeable future. This Letter of Guarantee has been extended through to November 2027.

In August 2025, YMT was awarded £1m from the Arts Council's Museum Renewal Fund (MRF). Of this £1m, £600k was specifically allocated to boosting YMT's free reserves.

As at 31 March 2025, YMT had free reserves (general reserves less amounts allocated against fixed assets) of £624k. With the addition of £600k of funding from MRF, this increases YMT's free reserves to £1.2m.

These financial statements show that YMT had non-restricted funded charitable expenditure in 2024/25 of £6.5m. Assuming equal distribution of these costs over a 12-month period, 2 months charitable expenditure would equal £1.1m.

On this basis, YMT has enough free reserves to satisfy its reserves policy.

The Pension Reserve is shown as £nil as the pension fund at 31 March 2025 is in surplus by £7.7m. The Pension Fund is not managed or controlled by YMT and after consultation with the scheme's actuary the Trustees have decided that there is insufficient evidence to support the recoverability of the plan's surplus, and therefore have not recognised the actual pension asset position restricting the surplus to £nil and reducing actuarial gains by the same amount. When in deficit, the Fund is shown in unrestricted reserves as a long-term liability under FRS102.

Restricted funds of £492,966 (2024: £407,065) were held at the year end and are held under trust law so can only be used for particular purposes, as specified or agreed with the donor. The majority of the restricted funds are gifted for use in either acquisitions of objects or to develop and produce our programme and offer.

Auditor

The auditors, BHP LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and,
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' Report (continued)**Statement of Trustees' responsibilities**

The Trustees (who are also directors of the charity for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees' report, which includes the Strategic Report, was approved by the Board and signed on its behalf by:

Signature:



Signer ID: QST435ONAO...

Name: Angela Dean, Trustee

Date: 8th December 2025

Independent Auditor's Report to the Members of York Museums and Gallery Trust

For the year ending 31 March 2025

Opinion

We have audited the financial statements of York Museums and Gallery Trust (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 company statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and notes to the financial statements and notes to the financial statements, including 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 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent Auditor's Report to the Members of York Museums and Gallery Trust (continued)

For the year ending 31 March 2025

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 parent 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 and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of York Museums and Gallery Trust (continued)

For the year ending 31 March 2025

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

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the business and museums and gallery sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, employment, museum accreditation, food safety and hygiene and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

Independent Auditor's Report to the Members of York Museums and Gallery Trust (continued)

For the year ending 31 March 2025

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance, where available;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisors, where correspondence has taken place during the period and is available.

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

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

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

Use of our report

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



Signer ID: IPFNE7JEI6...

Laura Masheder (Senior Statutory Auditor)

For and on behalf of BHP LLP, Statutory Auditor

Chartered Accountants

Rievaulx House

1 St Mary's Court

Blossom Street

York

YO24 1AH

Date: 09/12/2025 GMT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

	Note	General Funds 2025 £	Designated Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total funds 2024 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	4,003,199	12,657	125,756	4,141,612	3,286,392
Funding provided by City of York Council	6	306,710	-	200,143	506,853	306,710
Funding provided by Arts Council England	7	1,252,632	-	822,845	2,075,477	1,597,851
Donations, Legacies and General Grants						
Donations and legacies	3	502,297	-	19,039	521,336	417,272
Other grants receivable	5	-	-	286,689	286,689	473,410
Other Trading Activities						
Income generated by subsidiary	13	1,675,787	-	-	1,675,787	1,385,573
Investments						
Interest	4	19,096	-	-	19,096	23,086
TOTAL INCOME		<u>7,759,721</u>	<u>12,657</u>	<u>1,454,472</u>	<u>9,226,850</u>	<u>7,490,294</u>
EXPENDITURE ON:						
Other Trading Activity						
Costs incurred by subsidiary	13	<u>1,219,949</u>	<u>-</u>	<u>-</u>	<u>1,219,949</u>	<u>1,043,909</u>
Charitable expenditure						
Charitable expenditure	10	<u>6,452,147</u>	<u>1,076,235</u>	<u>1,385,878</u>	<u>8,914,260</u>	<u>7,323,677</u>
Total charitable expenditure		<u>6,452,147</u>	<u>1,076,235</u>	<u>1,385,878</u>	<u>8,914,260</u>	<u>7,323,677</u>
TOTAL EXPENDITURE		<u>7,672,096</u>	<u>1,076,235</u>	<u>1,385,878</u>	<u>10,134,209</u>	<u>8,367,586</u>
Net (expenditure) before taxation		87,625	(1,063,578)	68,594	(907,359)	(877,292)
Taxation charge		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (expenditure) after taxation		87,625	(1,063,578)	68,594	(907,359)	(877,292)
Other recognised gains/(losses):						
Actuarial gain on defined benefit scheme	24	-	226,000	-	226,000	186,000
Transfer between funds	20,21	<u>(206,671)</u>	<u>189,364</u>	<u>17,307</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u><u>(119,046)</u></u>	<u><u>(648,214)</u></u>	<u><u>85,901</u></u>	<u><u>(681,359)</u></u>	<u><u>(691,292)</u></u>
RECONCILIATION OF FUNDS:						
Fund balance brought forward		883,799	3,178,364	407,065	4,469,228	5,160,520
Net movement in the year		<u>(119,046)</u>	<u>(648,214)</u>	<u>85,901</u>	<u>(681,359)</u>	<u>(691,292)</u>
Fund balance carried forward		<u><u>764,753</u></u>	<u><u>2,530,150</u></u>	<u><u>492,966</u></u>	<u><u>3,787,869</u></u>	<u><u>4,469,228</u></u>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. A fully detailed Statement of Financial Activities for the year ended 31 March 2024 is shown in note 27. The notes on pages 25 to 46 form part of the Financial Statements.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

For the year ended 31 March 2025

	Note	General Funds 2025 £	Designated Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total funds 2024 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	4,462,046	12,657	125,756	4,600,459	3,630,019
Funding provided by City of York Council	6	306,710	-	200,143	506,853	306,710
Funding provided by Arts Council England	7	1,252,632	-	822,845	2,075,477	1,597,851
Donations, Legacies and General Grants						
Donations and legacies	3	502,297	-	19,039	521,336	417,272
Other grants receivable	5	-	-	286,689	286,689	473,410
Investments						
Interest	4	16,087	-	-	16,087	21,123
TOTAL INCOME		<u>6,539,772</u>	<u>12,657</u>	<u>1,454,472</u>	<u>8,006,901</u>	<u>6,446,385</u>
EXPENDITURE ON:						
Charitable expenditure						
Charitable expenditure	10	<u>6,452,147</u>	<u>1,076,235</u>	<u>1,385,878</u>	<u>8,914,260</u>	<u>7,323,677</u>
Total charitable expenditure		<u>6,452,147</u>	<u>1,076,235</u>	<u>1,385,878</u>	<u>8,914,260</u>	<u>7,323,677</u>
TOTAL EXPENDITURE		<u>6,452,147</u>	<u>1,076,235</u>	<u>1,385,878</u>	<u>8,914,260</u>	<u>7,323,677</u>
Net (expenditure) before taxation		87,625	(1,063,578)	68,594	(907,359)	(877,292)
Taxation charge		-	-	-	-	-
Net (expenditure) after taxation		87,625	(1,063,578)	68,594	(907,359)	(877,292)
Other recognised gains/(losses):						
Actuarial gain on defined benefit scheme	24	-	226,000	-	226,000	186,000
Transfer between funds	20,21	(206,671)	189,364	17,307	-	-
NET MOVEMENT IN FUNDS		<u>(119,046)</u>	<u>(648,214)</u>	<u>85,901</u>	<u>(681,359)</u>	<u>(691,292)</u>
RECONCILIATION OF FUNDS:						
Fund balance brought forward		883,773	3,178,364	407,065	4,469,202	5,160,494
Net movement in the year		(119,046)	(648,214)	85,901	(681,359)	(691,292)
Fund balance carried forward		<u>764,727</u>	<u>2,530,150</u>	<u>492,966</u>	<u>3,787,843</u>	<u>4,469,202</u>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

A fully detailed Statement of Financial Activities for the year ended 31 March 2024 is shown in note 27.

The notes on pages 25 to 46 form part of the Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

BALANCE SHEET - Consolidated

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible fixed assets	12	2,625,147	3,170,069
		<u>2,625,147</u>	<u>3,170,069</u>
CURRENT ASSETS			
Stock	14	137,513	139,934
Debtors	15	1,314,925	904,205
Cash at bank and in hand	16	1,760,154	1,925,035
		<u>3,212,592</u>	<u>2,969,174</u>
CREDITORS: falling due <1 year	17	(1,985,333)	(1,609,522)
NET CURRENT ASSETS		<u>1,227,259</u>	<u>1,359,652</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,852,406	4,529,721
CREDITORS: falling due >1 year	18	(64,537)	(60,493)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>3,787,869</u>	<u>4,469,228</u>
Defined benefit pension scheme liability	24	-	-
NET ASSETS		<u>3,787,869</u>	<u>4,469,228</u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	20	764,753	883,799
Designated Funds	20		
Pension Fund		-	-
Programme Funds		2,189	2,189
Strategic Fund		21,192	50,983
Infrastructure Fund		62,671	115,839
Property Fund		<u>2,444,098</u>	<u>3,009,353</u>
Total Designated Funds		2,530,150	3,178,364
Restricted Funds	21	<u>492,966</u>	<u>407,065</u>
		<u>3,787,869</u>	<u>4,469,228</u>

The notes on pages 25 to 46 form part of the Financial Statements.

These financial statements of York Museums and Gallery Trust, company registered number 04381647, were approved and authorised for issue by the Board of Trustees on 8th December 2025 and were signed on its behalf by:

Signed: 
 Signer ID: QST435ONAO...

Name: Angela Dean, Trustee

CHARITY STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

BALANCE SHEET - Charity

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible fixed assets	12	2,613,526	3,154,377
Investments	13	<u>1</u>	<u>1</u>
		<u>2,613,527</u>	<u>3,154,378</u>
CURRENT ASSETS			
Stock	14	-	-
Debtors	15	1,579,969	1,043,260
Cash at bank and in hand	16	<u>1,297,621</u>	<u>1,629,608</u>
		<u>2,877,590</u>	<u>2,672,868</u>
CREDITORS: falling due <1 year	17	(1,672,963)	(1,358,044)
NET CURRENT ASSETS		<u>1,204,627</u>	<u>1,314,824</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,818,154	4,469,202
CREDITORS: falling due >1 year	18	(30,311)	-
NET ASSETS EXCLUDING PENSION LIABILITY		<u>3,787,843</u>	<u>4,469,202</u>
Defined benefit pension scheme liability	24	-	-
NET ASSETS		<u><u>3,787,843</u></u>	<u><u>4,469,202</u></u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	20	764,727	883,773
Designated Funds	20		
Pension Fund		-	-
Programme Funds		2,189	2,189
Strategic Reserve		21,192	50,983
Infrastructure Fund		62,671	115,839
Property Fund		<u>2,444,098</u>	<u>3,009,353</u>
Total Designated Funds		2,530,150	3,178,364
Restricted Funds	21	<u>492,966</u>	<u>407,065</u>
		<u><u>3,787,843</u></u>	<u><u>4,469,202</u></u>

The notes on pages 25 to 46 form part of the Financial Statements.

These financial statements of York Museums and Gallery Trust, company registered number 04381647, were approved and authorised for issue by the Board of Trustees on 8th December 2025 and were signed on its behalf by:

Signed: 
 Signer ID: QST435ONAO...

Name: Angela Dean, Trustee

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2025

Consolidated cash flow statement

	2025 £	2024 £
Net (expenditure) after taxation	(907,359)	(877,292)
Interest Received (note 4)	(19,096)	(23,088)
Depreciation (note 12)	779,659	824,619
Pension scheme current service costs (note 24)	550,000	511,000
Contributions paid (note 24)	(324,000)	(325,000)
Decrease/(Increase) in stocks	2,421	(43,786)
(Increase) in Debtors	(410,720)	(152,585)
Increase in Creditors	340,031	164,619
Net Cash Inflow from Operating Activities	<u>10,936</u>	<u>78,487</u>

CASH FLOWS FROM INVESTING ACTIVITIES

	2025 £	2024 £
Interest Receivable	19,096	23,088
Purchase of tangible fixed assets	<u>(187,171)</u>	<u>(275,834)</u>
Net cash (used in) financing activities	<u>(168,075)</u>	<u>(252,746)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

	2025 £	2024 £
Finance lease	<u>(7,742)</u>	<u>-</u>
	<u>(7,742)</u>	<u>-</u>
(Decrease) in cash and cash equivalents	(164,881)	(174,257)
Cash and cash equivalents at the start of the year	1,925,035	2,099,292
Cash and cash equivalents at the end of the year	<u>1,760,154</u>	<u>1,925,035</u>

16,25

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1

ACCOUNTING POLICIES

York Museums and Gallery Trust, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital. There are currently 12 Trustees who are also members of the company. Each member has undertaken to pay a contribution to the assets in the event of winding up a sum not exceeding £1. York Museums and Gallery Trust is a registered charity. The registered office is shown on page 3.

Basis of accounting

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS102)), the Financial Reporting Standard application in the UK and Ireland (FRS102) and the Companies Act 2006. The particular accounting policies adopted are described below.

The Financial Statements are prepared under the historical cost convention. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

On the grounds that the Subsidiary's reserves are consolidated into the Charitable Company's group accounts the Charitable Company has taken advantage of certain exemptions covered by Section 1.11 of FRS 102 as follows:

- Exemptions from presenting a statement of cash flows as a primary statement to the financial statements
- Exemption from disclosing the carrying amounts of each category of Financial Assets and Financial Liabilities at the reporting date as required by Section 14.41 of FRS 102

Preparation of accounts – going concern basis

The principal financial risk facing the charity and its trading subsidiary (together “the group”) is the ability to generate sufficient income from visitor numbers and external funding to cover expenditure incurred in fulfilling the objectives of the group. The Trustees have reviewed the cash position of the group and cash forecasts at the date of signing the financial statements for at least one year and are satisfied that the group will be able to meet all of its financial commitments.

In setting a budget for 2025/26 management and trustees have run through different options and visitor scenarios. This has resulted in a prudent assessment of the likely income and therefore of the financial needs for the year which predict a manageable loss in 2025/26, recognising the importance of ongoing discussions with City of York Council (CYC) around future support.

We continue to operate tight financial controls over each item of expenditure in the Trust as well as a pay and recruitment freeze. We have put together cash flows and budgets to cover the subsequent financial year 2026/27. The awarding of £1m from the Arts Council MRF funding in financial year 2025/26 provides a significant positive impact to the Trusts reserves and the financial guarantee given by CYC that extends to March 2026 provides the Trust with a large amount of financial headroom and security and CYC have approved extending this financial guarantee through to December 2027. This has enabled management and Trustees to conclude that the going concern basis is appropriate.

As a consequence, the Trustees believe that the group is well placed to manage its financial risks successfully despite the current uncertain economic outlook. After making enquiries, the Trustees have a reasonable expectation that the group has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly-owned subsidiary undertaking, York Museums and Enterprises Limited, drawn up to 31 March each year and consolidated on a line by line basis. The results of the subsidiary undertaking are disclosed in note 13.

Income

Income is recognised in the statement of financial activities when there is evidence of entitlement, receipt is probable and its amount can be measured reliably. Income from admission fees, commercial activities and interest receivable is included in the period in which the group is entitled to receipt.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

Income from donations, legacies and grants, including capital grants, is included in income when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when received.

Gift Aid from Subsidiary

Gift aid income received from York Museums and Enterprises Limited is recorded on an accrual basis, under the agreed deed of covenant in place between the two entities.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure and support cost comprise direct expenditure including direct staff costs attributable to the activity. When support costs cannot be directly attributable they have been allocated to activities on a basis consistent with use of the resource. Fundraising costs are those incurred in seeking voluntary contributions for the Trust. Management and administration costs (support costs) are those incurred in connection with the management of the Trust's assets, organisational administration and governance costs regarding compliance with constitutional and statutory requirements.

The method used in the analysis of support costs is allocation by head count.

Collections

York Museums and Gallery Trust are the Managing Trustees of the collections. However, City of York Council are the Custodian Trustees and so none of the collections are included in fixed assets.

Tangible fixed assets

When purchased, tangible fixed assets are initially included at the cost of acquisition, including costs that are directly attributable to bringing the asset into working condition for their intended use. Individual fixed assets costing £5,000 or more are capitalised.

Donated, functional fixed assets are included at a valuation made by the Trustees. When the use of these assets is unrestricted they are included in a designated fund reflecting their book value. The relevant fund is reduced over the useful economic life of the asset in line with its depreciation.

No value is shown in the accounts for assets occupied and used by the Trust under license from the City of York Council.

Long term exhibition equipment is capitalised as a fixed asset. Temporary exhibition costs are written off as expenditure in the year it is incurred.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives and depreciation is charged monthly. A full month's depreciation is charged in the month of acquisition, none in the month of disposal. Depreciation is charged at the following rates:

Freehold Property	:	4% per annum
Leasehold Property Improvements	:	4% - 24% per annum
Displays	:	20% per annum
Vehicles and other equipment	:	10% - 24% per annum
Including:		
IT equipment	:	36% per annum
Fixtures and Fittings	:	20% per annum

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

Depreciation is not provided on assets in the course of construction until the asset is available for use in the business and has been transferred to the appropriate asset category.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price. Provision is made for obsolete, slow moving or defective items where appropriate.

Financial Instruments

The Charity and group only have financial assets and financial liabilities of a kind that qualify as a basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Staff Costs Accounting Policy

Employee benefits – staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee benefits – pension costs

The charity contributes to the North Yorkshire Pension Fund, a multi-employer defined benefit scheme. For defined benefit schemes the amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately within other recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme 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 method and discounted at a rate equivalent to the current rate of return on high quality corporate bond of currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each statement of financial position date. The resulting defined asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the statement of financial position.

Funds accounting

Funds held by the charity are either:

- Unrestricted general funds – these are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.
- Designated property fund – this is the net book value of assets purchased using restricted funds. These assets are not subject to restrictions on use, however there may be recourse to funders upon sale or disposal.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Designated pension fund – this represents the actuarial deficit of YMT's section of the North Yorkshire Pension Fund.
- Designated other funds – these are funds designated by the Trustees for specific purposes from unrestricted reserves. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

Operating leases

Rentals applicable to operating leases when substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities.

The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Critical Accounting Estimates and Judgments

In the application of the group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Defined benefit pension scheme

The charity is a member of a multi-employer defined benefit scheme. The Trustees use the scheme actuary to determine both the present value of the obligation under the scheme, and also the fair value of assets owned, to determine the overall deficit in the scheme attributable to the charity. The actuary uses certain critical assumptions, such as discount rate, mortality and expected rates of return when setting the deficit recovery plan for the scheme at each triennial review. Full disclosure of the assumptions used by the independent third party is provided in note 25.

FRS 102 requires that defined benefit plan surpluses are recognised only to the extent that they are recoverable either through reduced contributions in the future or through refunds from the plan. The accounting valuation of the North Yorkshire Pension Fund at 31 March 2025 identified an accounting surplus of £7.7m (2024: £4.7m).

The scheme's actuary has confirmed that they can demonstrate no economic benefit arising to York Museums and Gallery Trust from an 'asset ceiling' calculation comparing the present value of future service costs to the present value of future contributions. The actuary has also confirmed that any refunds from the plan are contingent on future events. Accordingly, York Museums and Gallery Trust judges that there is insufficient evidence to support the recoverability of the plan's surplus and therefore has not recognised the pension asset position, restricting the surplus to £nil, and reducing actuarial gains by the same amount.

Useful economic lives of tangible assets

Depreciation policies have been set according to experience of the useful lives of the assets in each category and are reviewed annually.

Support costs

Support costs are allocated across the activities of the museums. Support costs are allocated on a basis consistent with salary expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

NOTE 2

INCOME FROM CHARITABLE ACTIVITIES

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2025 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2024 £
Admission Income	3,740,653	-	-	3,740,653	2,834,317	-	-	2,834,317
Museums and Galleries Exhibition Tax Relief	186,288	-	-	186,288	181,930	-	-	181,930
Miscellaneous	76,258	12,657	125,756	214,671	196,397	6,983	66,765	270,145
Consolidated	<u>4,003,199</u>	<u>12,657</u>	<u>125,756</u>	<u>4,141,612</u>	<u>3,212,644</u>	<u>6,983</u>	<u>66,765</u>	<u>3,286,392</u>
Gift Aided Donation from Subsidiary	401,141	-	-	401,141	288,052	-	-	288,052
Management Charge	57,706	-	-	57,706	55,575	-	-	55,575
Charity	<u>4,462,046</u>	<u>12,657</u>	<u>125,756</u>	<u>4,600,459</u>	<u>3,556,271</u>	<u>6,983</u>	<u>66,765</u>	<u>3,630,019</u>

NOTE 3

DONATIONS AND LEGACIES
GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2025 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2024 £
Gift Aid Donations	362,326	-	639	362,965	300,648	-	750	301,398
Donations and Legacies	139,971	-	18,400	158,371	54,374	20,000	41,500	115,874
	<u>502,297</u>	<u>-</u>	<u>19,039</u>	<u>521,336</u>	<u>355,022</u>	<u>20,000</u>	<u>42,250</u>	<u>417,272</u>

NOTE 4

GROUP INTEREST RECEIVABLE

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2025 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2024 £
Bank interest	19,096	-	-	19,096	23,088	-	-	23,088
	<u>19,096</u>	<u>-</u>	<u>-</u>	<u>19,096</u>	<u>23,088</u>	<u>-</u>	<u>-</u>	<u>23,088</u>

CHARITY
INTEREST
RECEIVABLE

	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2025 £	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2024 £
Bank interest	16,087	-	-	16,087	21,123	-	-	21,123
	<u>16,087</u>	<u>-</u>	<u>-</u>	<u>16,087</u>	<u>21,123</u>	<u>-</u>	<u>-</u>	<u>21,123</u>

NOTE 5

GRANTS RECEIVABLE
GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2025 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2024 £
Art Fund	-	-	-	-	-	-	395,801	395,801
British Museum (PAS)	-	-	29,996	29,996	-	-	45,692	45,692
CHWA	-	-	-	-	-	-	15,000	15,000
Friends Art Gallery	-	-	8,500	8,500	-	-	-	-
Historic England	-	-	(24,500)	(24,500)	-	-	-	-
National Gallery	-	-	-	-	-	-	-	-
National Lottery Heritage Fund	-	-	242,038	242,038	-	-	-	-
North East Museums	-	-	19,269	19,269	-	-	-	-
Pilgrims Trust	-	-	2,500	2,500	-	-	10,000	10,000
Shears Foundation	-	-	-	-	-	-	5,500	5,500
Time Odyssey	-	-	5,164	5,164	-	-	1,417	1,417
YH Federation of Museums	-	-	3,722	3,722	-	-	-	-
	<u>-</u>	<u>-</u>	<u>286,689</u>	<u>286,689</u>	<u>-</u>	<u>-</u>	<u>473,410</u>	<u>473,410</u>

The (£24,500) is the release of an accrual for a COVID recovery grant awarded by Historic England for St Marys Church but was not required.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

NOTE 6

FUNDING PROVIDED BY CITY OF YORK COUNCIL
GROUP AND
CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2025 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2024 £
Core funding	306,710	-	-	306,710	306,710	-	-	306,710
RAAC Funding	-	-	200,143	200,143	-	-	-	-
	<u>306,710</u>	<u>-</u>	<u>200,143</u>	<u>506,853</u>	<u>306,710</u>	<u>-</u>	<u>-</u>	<u>306,710</u>

NOTE 7

FUNDING PROVIDED BY ARTS COUNCIL
GROUP AND
CHARITY

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2025 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2024 £
NPO Funding	1,252,632	-	-	1,252,632	-	-	1,252,632	1,252,632
Museum Development North	-	-	822,845	822,845	-	-	345,219	345,219
	<u>1,252,632</u>	<u>-</u>	<u>822,845</u>	<u>2,075,477</u>	<u>-</u>	<u>-</u>	<u>1,597,851</u>	<u>1,597,851</u>

The NPO funding has been moved over from restricted to unrestricted in the year to reflect the ACE agreement

NOTE 8

INFORMATION REGARDING TRUSTEES AND EMPLOYEES

Average number of
persons employed

	2025 No.	2024 No.
Curatorial	27	27
Education	7	5
Gardens	6	6
Marketing	6	6
Facilities	3	3
Visitor Services	66	61
Directors and Administrative Staff	22	21
Trading Subsidiary	14	13
	<u>151</u>	<u>142</u>

Staff Costs During the Year

	2025 £	2024 £
Wages and Salaries	3,680,765	3,048,253
Social Security Costs	<u>318,057</u>	<u>250,350</u>
	3,998,822	3,298,603
Defined benefit pension scheme costs (Note 24)	556,822	515,368
Pension scheme finance costs (Note 24)	<u>(8,000)</u>	<u>(7,000)</u>
	<u>4,547,644</u>	<u>3,806,971</u>

Included in the above wages & salary costs are the following redundancy/Ex Gratia payments:

2025 £	2024 £
-	2,402

There was a Redundancy and Ex Gratia amount of (£2,195) in the year which relates to previous years costs that have now been released. The payment made in 2023-24 was in relation to 1 employee.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 (2023: £60,000) in the year was as follows:

	2025	2024
	No.	No.
£60,000 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1
	<u>2</u>	<u>2</u>

The key management personnel of the parent charity and the group comprise of the Chief Executive and the Chief Finance Officer and Director of Corporate Services. The total employee benefits (including pension contributions but excluding social security costs) of the key management personnel of the charity and the group were £184,924 (2024: £159,165). The total social security costs of the key management personnel of the charity and group totalled £20,692 (2024: £17,520).

No Trustee received remuneration or benefits during either year. 1 Trustees claimed expenses of £1,102 (2024: 2 Trustees claimed £2,513) in the year.

NOTE 9
NET INCOME FOR THE YEAR

Net income/(expenditure) for the year is stated after charging:

	2025	2024
	£	£
Depreciation of Owned Assets	779,659	824,619
Rentals Under Operating Leases - Land and Buildings	89,931	89,569
Auditors Remuneration:		
Fees payable for the audit of the Charity's Annual Accounts	16,500	15,875
Fees payable for the audit of the Charity's Subsidiary	7,300	7,025
Fees payable to the Charity's auditor for other services	9,850	3,200

NOTE 10
ANALYSIS OF TOTAL EXPENDITURE
GROUP AND CHARITY

	Activities Undertaken Directly 2025	Support Costs 2025	Total 2025	Activities Undertaken Directly 2024	Support Costs 2024	Total 2024
Activity	£	£	£	£	£	£
Curatorial	757,797	367,582	1,125,379	638,531	289,037	927,568
Education	271,175	71,218	342,393	199,346	38,266	237,612
Exhibitions and Events	233,243	1,595	234,838	337,520	1,051	338,571
Gardens	342,645	161,826	504,471	301,267	128,691	429,958
Marketing	496,594	253,455	750,049	362,056	188,949	551,005
Premises	2,031,475	191,633	2,223,108	1,644,120	153,555	1,797,675
Visitor Services	1,744,668	1,111,137	2,855,805	1,523,471	930,852	2,454,323
Admissions	227	144	371	-	-	-
Museum Development	877,846	-	877,846	586,965	-	586,965
	<u>6,755,670</u>	<u>2,158,590</u>	<u>8,914,260</u>	<u>5,593,276</u>	<u>1,730,401</u>	<u>7,323,677</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

The Museum Development expenditure includes grants made to the following organisations:

Organisation	Grants awarded 2025 £	Grants awarded 2024 £
Norfolk County Council	36,597	16,425
Bristol City Council	34,727	22,500
Ironbridge Gorge Museum Trust	29,925	12,825
Museums Galleries Scotland	28,389	26,360
Royal Pavillion and Museums Trust	-	24,300
Tyne and Wear Archives & Museums Development	-	17,138
Museum of London	14,250	12,825
Leicestershire County Council	-	12,825
University Of Manchester	-	12,825
Connect-Conserve Cymru Community Interest Co	8,550	8,550
Burnley Borough Council	7,773	-
Westmorland and Furness Council	6,750	-
Silk Heritage Trust	5,537	-
NI Museums Council	5,370	-
Lady Waterford Hall Trust	5,000	-
Malton Museum	5,000	-
Rural Museums Network		5,000
Various small grants under £5,000	92,651	42,666
	<u>280,518</u>	<u>214,239</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

NOTE 11

ANALYSIS OF SUPPORT COSTS

GROUP AND CHARITY

For the year ended 31 March 2025

	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	105,672	20,473	459	46,522	72,863	55,090	319,428	41	620,548
IT Costs	68,707	13,312	298	30,248	47,375	35,819	207,690	27	403,476
Staffing and HR	74,216	14,379	322	32,673	51,173	38,691	224,343	29	435,826
Senior Management	72,605	14,067	315	31,964	50,063	37,852	219,474	29	426,369
Admin Costs	29,207	5,659	127	12,858	20,139	15,226	88,286	11	171,513
Cleaning and Hygiene	1,956	379	8	861	1,348	1,020	5,911	1	11,484
Other Costs	9,960	1,930	43	4,385	6,868	5,193	30,107	4	58,490
Governance Costs	5,259	1,019	23	2,315	3,626	2,742	15,898	2	30,884
	367,582	71,218	1,595	161,826	253,455	191,633	1,111,137	144	2,158,590

For the year ended 31 March 2024	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	93,269	12,348	339	41,527	60,972	49,551	300,377	-	558,383
IT Costs	50,813	6,727	185	22,624	33,217	26,995	163,643	-	304,204
Staffing and HR	63,206	8,368	230	28,142	41,319	33,579	203,557	-	378,401
Senior Management	58,913	7,800	214	26,230	38,512	31,298	189,729	-	352,696
Admin Costs	8,084	1,070	29	3,599	5,285	4,295	26,036	-	48,398
Cleaning and Hygiene	1,603	212	6	714	1,048	852	5,164	-	9,599
Other Costs	6,564	869	24	2,923	4,291	3,487	21,141	-	39,299
Governance Costs	6,585	872	24	2,932	4,305	3,498	21,205	-	39,421
	289,037	38,266	1,051	128,691	188,949	153,555	930,852	-	1,730,401

The basis of allocation for all expenditure is as a percentage of salary expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

NOTE 12

TANGIBLE FIXED ASSETS

Group & Charity	Assets under Construction £	Displays £	Property £	Vehicles and Other Equipment £	Total £
Cost					
At 1st April 2024	-	1,012,113	10,903,420	595,728	12,511,261
Additions	94,804	-	-	139,933	234,737
Disposals	-	-	-	(33,610)	(33,610)
Transfers	194,891	-	(194,891)	-	-
At 31st March 2025	289,695	1,012,113	10,708,529	702,051	12,712,388
Accumulated depreciation					
At 1st April 2024	-	1,012,113	7,843,551	485,528	9,341,192
Charge for year	-	-	723,052	56,607	779,659
Disposals	-	-	-	(33,610)	(33,610)
At 31st March 2025	-	1,012,113	8,566,603	508,525	10,087,241
Net book value					
At 31st March 2025	289,695	-	2,141,926	193,526	2,625,147
At 1st April 2024	-	-	3,059,869	110,200	3,170,069

TANGIBLE FIXED ASSETS

Charity	Assets under Construction £	Displays £	Property £	Vehicles and Other Equipment £	Total £
Cost					
At 1st April 2024	-	1,012,113	10,903,420	491,099	12,406,632
Additions	94,804	-	-	139,933	234,737
Disposals	-	-	-	(33,610)	(33,610)
Transfers	194,891	-	(194,891)	-	-
At 31st March 2025	289,695	1,012,113	10,708,529	597,422	12,607,759
Accumulated depreciation					
At 1st April 2024	-	1,012,113	7,843,551	396,591	9,252,255
Charge for year	-	-	723,052	52,536	775,588
Disposals	-	-	-	(33,610)	(33,610)
At 31st March 2025	-	1,012,113	8,566,603	415,517	9,994,233
Net book value					
At 31st March 2025	289,695	-	2,141,926	181,905	2,613,526
At 1st April 2024	-	-	3,059,869	94,508	3,154,377

All tangible assets owned by the Charity were used for charitable purposes.

Assets Under Construction include costs of £289,695 incurred on the planning phases for major works to the Yorkshire Museum roof. The amount shown under transfers relates to costs incurred in 2023-24 which have been reallocated to Assets under construction.

The split of freehold property and leasehold property improvements net book value as at 31 March 2025 is: Freehold property £336,334 (2024: £358,504); leasehold property improvements £2,064,638 (2024: £2,665,535). The City of York Council has granted the charity a 35 year lease, at a peppercorn rental, over the land and buildings comprising the York Museums and Art Gallery activities.

Leasehold property improvements to the Art Gallery have been funded by grants from Arts Council England and the agreement carries various covenants, the key one being that the Art Gallery property may only be used for the purposes of an Art Gallery. The charity has granted Arts Council England first legal charge in respect of the leasehold property known as the City Art Gallery and Archive, in the event that the covenants are not complied with.

The net book value of assets held under finance leases is £41,495 (2024: £nil). The depreciation charge for the period was £5,621 (2024: £nil)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

NOTE 13**INVESTMENTS HELD AS FIXED ASSETS**

The charity owns 100% of the ordinary share capital of York Museums and Enterprises Limited (Company registration no. 04466798), a company registered in England and Wales. The investment in the subsidiary is £1 (2024: £1)

The registered address of York Museums and Enterprises Limited is: St Mary's Lodge, Marygate, York, YO30 7DR

The income and expenditure of York Museums and Enterprises Limited for the year ended 31 March 2025 is summarised below:

	2025	2024
	£	£
Turnover	1,657,787	1,367,573
Cost of Sales	<u>(678,864)</u>	<u>(555,323)</u>
Gross Profit	978,923	812,250
Other Operating Income	18,000	18,000
Administrative Expenses	(541,085)	(488,586)
Management Charge	<u>(57,706)</u>	<u>(55,575)</u>
Operating Profit	398,132	286,089
Interest Receivable and Similar Income	<u>3,009</u>	<u>1,963</u>
Profit on ordinary activities before tax	<u>401,141</u>	<u>288,052</u>
Taxation	-	-
Profit after tax	401,141	288,052
Gift aid distribution	<u>(401,141)</u>	<u>(288,052)</u>
Profit Retained for the Financial Year	<u><u>-</u></u>	<u><u>-</u></u>

The aggregate of the assets, liabilities and funds was:

	2025	2024
Assets	716,042	528,920
Liabilities	<u>(716,008)</u>	<u>(528,886)</u>
	<u><u>34</u></u>	<u><u>34</u></u>
Represented by:		
Called Up Share Capital	1	1
Profit & Loss account	<u>33</u>	<u>33</u>
	<u><u>34</u></u>	<u><u>34</u></u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

**NOTE 14
STOCK**

	2025 Group £	2025 Charity £	2024 Group £	2024 Charity £
Goods for resale	137,513	-	139,934	-
	<u>137,513</u>	<u>-</u>	<u>139,934</u>	<u>-</u>

**NOTE 15
DEBTORS**

	2025 Group £	2025 Charity £	2024 Group £	2024 Charity £
Trade debtors	103,265	77,787	77,879	59,565
Amounts owed by subsidiary	-	369,432	-	216,935
Accrued income and other debtors	579,454	562,969	430,961	418,186
Museums and Galleries Exhibition Tax Relief	371,843	371,843	185,555	185,555
Prepayments	199,293	136,868	145,091	98,300
VAT recoverable	34,783	34,783	39,179	39,179
Other Debtors	26,287	26,287	25,540	25,540
	<u>1,314,925</u>	<u>1,579,969</u>	<u>904,205</u>	<u>1,043,260</u>

**NOTE 16
CASH AND CASH EQUIVALENTS**

	2025 Group £	2025 Charity £	2024 Group £	2024 Charity £
Cash at bank and in hand	<u>1,760,154</u>	<u>1,297,621</u>	<u>1,925,035</u>	<u>1,629,608</u>

**NOTE 17
CREDITORS: DUE <1 YR**

	2025 Group £	2025 Charity £	2024 Group £	2024 Charity £
Trade creditors	1,194,946	1,134,527	1,095,265	1,024,131
Other creditors	41,096	-	30,342	1,081
Amounts owed to subsidiary	-	-	-	-
Accruals and deferred income	739,778	528,923	483,915	332,832
Finance Lease	9,513	9,513	-	-
	<u>1,985,333</u>	<u>1,672,963</u>	<u>1,609,522</u>	<u>1,358,044</u>

**NOTE 18
CREDITORS: DUE >1 YR**

	2025 Group £	2025 Charity £	2024 Group £	2024 Charity £
Deferred Income	34,226	-	60,493	-
Finance Lease	30,311	30,311	-	-
	<u>64,537</u>	<u>30,311</u>	<u>60,493</u>	<u>-</u>

HSBC Bank has a fixed and floating charge over all the assets in respect of operational facilities in place with the bank, no amounts are due to HSBC at either year end

**NOTE 19
Deferred Income**

	2025 Group £	2025 Charity £	2024 Group £	2024 Charity £
Opening Balance	197,642	9,785	247,279	22,789
Deferred Income Additions during the year	234,067	12,178	195,394	9,785
Deferred Income Release during the year	(195,394)	(9,785)	(245,031)	(22,789)
Closing Balance	<u>236,315</u>	<u>12,178</u>	<u>197,642</u>	<u>9,785</u>

The deferred income relates to future events and the Patrons Scheme

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

NOTE 20
MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2024 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2025 £
General Unrestricted funds	883,799	7,759,721	(7,672,096)	-	(206,671)	764,753
Total General Funds	883,799	7,759,721	(7,672,096)	-	(206,671)	764,753
Designated Pension Fund	-	-	(226,000)	226,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	50,983	6,657	(46,696)	-	10,248	21,192
Designated Infrastructure Fund	115,839	-	(43,370)	-	(9,798)	62,671
Designated Property Fund	3,009,353	6,000	(760,170)	-	188,914	2,444,098
Total Designated Funds	3,178,364	12,657	(1,076,235)	226,000	189,364	2,530,150
Total Unrestricted Funds	<u>4,062,163</u>	<u>7,772,378</u>	<u>(8,748,331)</u>	<u>226,000</u>	<u>(17,307)</u>	<u>3,294,903</u>

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2024 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2025 £
General Unrestricted funds	883,773	6,539,772	(6,452,147)	-	(206,671)	764,727
Total General Funds	883,773	6,539,772	(6,452,147)	-	(206,671)	764,727
Designated Pension Fund	-	-	(226,000)	226,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	50,983	6,657	(46,696)	-	10,248	21,192
Designated Infrastructure Fund	115,839	-	(43,370)	-	(9,798)	62,671
Designated Property Fund	3,009,353	6,000	(760,170)	-	188,914	2,444,098
Total Designated Funds	3,178,364	12,657	(1,076,235)	226,000	189,364	2,530,150
Total Unrestricted Funds	<u>4,062,137</u>	<u>6,552,429</u>	<u>(7,528,382)</u>	<u>226,000</u>	<u>(17,307)</u>	<u>3,294,877</u>

The £206,671 transfer from the General Fund includes £25,248 which the Trustees have allocated towards the Estates Masterplan, Garden projects (£13,415), and £144,883 allocated to the designated Infrastructure fund to go towards future capital expenditure, plus £23,125 to top up various small restricted activities.

The Designated Property Fund relates to the net book value of assets purchased using restricted funds.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

Prior Year Comparison

MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2023 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2024 £
General Unrestricted funds	1,073,322	5,283,035	(5,337,629)	-	(134,929)	883,799
Total General Funds	1,073,322	5,283,035	(5,337,629)	-	(134,929)	883,799
Designated Pension Fund	-	-	(186,000)	186,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	24,500	26,983	(26,750)	-	26,250	50,983
Designated Infrastructure Fund	349,311	-	(10,325)	-	(223,147)	115,839
Designated Property Fund	3,508,334	-	(863,163)	-	364,182	3,009,353
Total Designated Funds	3,884,334	26,983	(1,086,238)	186,000	167,285	3,178,364
Total Unrestricted Funds	4,957,656	5,310,018	(6,423,867)	186,000	32,356	4,062,163

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2023 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2024 £
General Unrestricted funds	1,073,296	4,239,126	(4,293,720)	-	(134,929)	883,773
Total General Funds	1,073,296	4,239,126	(4,293,720)	-	(134,929)	883,773
Designated Pension Fund	-	-	(186,000)	186,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Restructure Fund	24,500	26,983	(26,750)	-	26,250	50,983
Designated Infrastructure Fund	349,311	-	(10,325)	-	(223,147)	115,839
Designated Property Fund	3,508,334	-	(863,163)	-	364,182	3,009,353
Total Designated Funds	3,884,334	26,983	(1,086,238)	186,000	167,285	3,178,364
Total Unrestricted Funds	4,957,630	4,266,109	(5,379,958)	186,000	32,356	4,062,137

The £134,929 transfer from the General Fund includes £84,785 which the Trustees have allocated towards the Castle RAAC (£58,035) and Estates Masterplan (£26,750) projects, and £50,000 allocated to the designated Infrastructure fund to go towards future capital expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

NOTE 21**MOVEMENT IN RESTRICTED FUNDS**

Restricted funds comprise grants and donations given towards expenditure on the Trust's charitable aims

Group and charity	1st April 2024	Income	Expenditure	Transfers	31st Mar 2025
	£	£	£	£	£
Friends Art Gallery	10,976	12,345	(3,695)	-	19,626
Ceramics SSN	2,453	-	-	-	2,453
Bouts	-	(9,902)	-	9,902	-
Archaeology Archives	27,954	3,450	(593)	-	30,811
Portable Antiquities	645	29,996	(54,878)	24,237	-
MDY Projects	328	-	367	-	695
COCA - Restricted	14,713	6,600	(2,351)	-	18,962
Richard III	1,762	-	-	-	1,762
Ryedale Hoard	-	-	-	-	-
Starr Carr	-	-	-	-	-
Gardens Restricted	20,209	1,283	(3,494)	(16,205)	1,793
Curatorial Restrict	15,468	58,500	(2,240)	-	71,728
Children's Play	-	-	-	-	-
Working Together	15,000	-	(8,612)	(56)	6,332
Collecting Award P.	3,606	-	-	-	3,606
Headley Art Fund	5,428	-	-	-	5,428
Pilgrim Trust	10,000	-	(10,000)	-	-
Melsonby Hoard	-	7,582	-	-	7,582
MD Network Grant	-	-	-	-	-
TA Redevelopment	1,607	-	-	-	1,607
Wild Escape MDY	6,241	-	-	(6,241)	-
MDUK Art Fund Grants	218,087	-	(169,428)	-	48,659
MDN Projects	-	916,575	(708,785)	4,000	211,790
NLHF Masterplan	-	242,038	(219,488)	-	22,550
Castle RAC project	-	200,143	(195,530)	(4,613)	-
Other Small Grants	38,496	(24,500)	-	-	13,996
Other Restricted Funds	14,092	10,362	(7,151)	6,283	23,586
	407,065	1,454,472	(1,385,878)	17,307	492,966

The £16,205 transfer from Gardens Restricted to designated was for a Garden Buggy and Tractor which was purchased out of the designated infrastructure fund. The transfers in of £9,902, £24,327 and £6,283 were all from the General Fund to cover expenditure made during the year. £6,241 was transferred out of the completed Wild Escape programme to MDN Projects, £4k and £2.2k to the General Fund to cover costs incurred in administering the programme.

Purpose of Restricted Funds

Friends Art Gallery are funds given by the Friends of York Art Gallery for acquisitions and conservation at the Art Gallery

Ceramics SSN fund is used to host a Symposium for the Subject Specialist Network funding from ACE

Archaeology Archives fund is to receive archaeological finds

Portable Antiquities is funding the salary of the British Museum's PAS representative

MDY Projects fund is for the Museum Development Yorkshire funding from Art Council England which is administered by York Museums Trust

COCA comprises donations towards the interpretation and delivery of the Centre of Ceramic Arts projects

Richard III fund is to produce a Richard III exhibition

Gardens Restricted comprises of recharges specifically for the repairs and maintenance of the Museum Gardens

Curatorial Restricted comprises various grants and donations for collections development

Working Together – a grant received from the NHLF funded Culture, Health and Wellbeing Alliance for training, planning and delivery of the Working Together Creative Health project

Art Fund provided support for the Curator of Archaeology in the "Collecting Award Project"

Headley Art Fund is a grant received from the Art Fund to support the Unwrapping York's Stories project at the Castle Museum

Pilgrim Trust - £10,000 grant towards conserving and sharing the Oulston Roman Villa mosaic

Melsonby Hoard – grants and donations received towards the acquisition and initial conservation of the Melsonby Hoard for display in the Yorkshire Museum

TA Redevelopment are funds received from the Yorkshire Philosophical Society for repairs and improvements to the Tempest Anderson Hall

Wild Escape. Funding from the Art Fund distributed by Museum Development Yorkshire to enable museums and arts organisations in the north of England to provide activity for schools and families, celebrating the diversity of British wildlife through heritage and art

MDUK Art Fund Grant – funds towards the Museum Development UK Grants programme 2023-25

MDN Projects -Year 1 funding from the Arts Council for the Museum Development North 2024-26 programme

NLHF -a grant received from the National Lottery Heritage Fund for the York Museum Trust Masterplan

Castle RAAC project -funding was received from CYC to complete the repairs required to the roof at the Caste Museum

Other small grants and restricted funds are from various sources and have been restricted for specific purposes as requested by the funder/donor

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

Prior Year Comparison

Group and charity	1st April 2023	Income	Expenditure	Transfers	31st Mar 2024
	£	£	£	£	£
Friends Art Gallery	7,401	35,195	(1,620)	(30,000)	10,976
Ceramics SSN	2,453	-	-	-	2,453
Bloom	-	5,000	(5,000)	-	-
Shears Foundation	-	5,500	(5,500)	-	-
Archaeology Archives	37,835	4,340	(14,221)	-	27,954
Portable Antiquities	645	45,692	(45,692)	-	645
Arts Council NPO Funding	-	1,252,632	(1,252,632)	-	-
MDY Projects	19,488	383,649	(420,486)	17,677	328
COCA - Restricted	14,795	-	(82)	-	14,713
Richard III	1,762	-	-	-	1,762
Ryedale Hoard	2,935	-	(2,935)	-	-
Star Carr	-	6,750	(6,750)	-	-
Gardens Restricted	16,254	7,600	(3,645)	-	20,209
Curatorial Restricted	12,071	11,700	(5,303)	(3,000)	15,468
Children's Play	1,244	-	(1,944)	700	-
Cultural Wellbeing	56	15,000	-	(56)	15,000
Art Fund	8,035	(4,329)	(100)	-	3,606
Headley Art Fund	5,428	-	-	-	5,428
Pilgrim trust	-	10,000	-	-	10,000
MD Network Grant	3,216	-	(974)	(2,242)	-
TA Redevelopment	1,517	-	90	-	1,607
Wild Escape MDY	16,282	130	(10,171)	-	6,241
MDUK Art Fund Grants	-	400,000	(166,478)	(15,435)	218,087
Other Small Grants	38,496	-	-	-	38,496
Other Restricted Funds	12,951	1,417	(276)	-	14,092
	<u>202,864</u>	<u>2,180,276</u>	<u>(1,943,719)</u>	<u>(32,356)</u>	<u>407,065</u>

NOTE 22

ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS

Group	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	141,225	2,483,922	-	2,625,147
Current Assets	2,673,398	46,228	492,966	3,212,592
Current Liabilities	(1,985,333)	-	-	(1,985,333)
Long Term Liabilities	(64,537)	-	-	(64,537)
Pension Asset	-	-	-	-
As 31st March 2025	<u>764,753</u>	<u>2,530,150</u>	<u>492,966</u>	<u>3,787,869</u>
As 31st March 2024	<u>883,799</u>	<u>3,178,364</u>	<u>407,065</u>	<u>4,469,228</u>

Charity	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	129,605	2,483,922	-	2,613,527
Current Assets	2,338,396	46,228	492,966	2,877,590
Current Liabilities	(1,672,963)	-	-	(1,672,963)
Long Term Liabilities	(30,311)	-	-	(30,311)
Pension Asset	-	-	-	-
As 31st March 2025	<u>764,727</u>	<u>2,530,150</u>	<u>492,966</u>	<u>3,787,843</u>
As 31st March 2024	<u>883,773</u>	<u>3,178,364</u>	<u>407,065</u>	<u>4,469,202</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

Prior Year Comparison**ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS**

Group	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	160,714	3,009,355	-	3,170,069
Current Assets	2,393,100	169,009	407,065	2,969,174
Current Liabilities	(1,609,522)	-	-	(1,609,522)
Long Term Liabilities	(60,493)	-	-	(60,493)
Pension Asset	-	-	-	-
As 31st March 2024	<u>883,799</u>	<u>3,178,364</u>	<u>407,065</u>	<u>4,469,228</u>
As 31st March 2023	<u>1,073,322</u>	<u>3,884,334</u>	<u>202,864</u>	<u>5,160,520</u>

Charity	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	145,023	3,009,355	-	3,154,378
Current Assets	2,096,794	169,009	407,065	2,672,868
Current Liabilities	(1,358,044)	-	-	(1,358,044)
Long Term Liabilities	-	-	-	-
Pension Asset	-	-	-	-
As 31st March 2024	<u>883,773</u>	<u>3,178,364</u>	<u>407,065</u>	<u>4,469,202</u>
As 31st March 2023	<u>1,073,296</u>	<u>3,884,334</u>	<u>202,864</u>	<u>5,160,494</u>

NOTE 23**COMMITMENTS**

The group and charity had future minimum lease payments under non-cancellable operating leases as follows:

Group and charity**Operating Lease Commitments**

	2025		2024	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Leases which expire				
Within one year	89,750	1,585	89,750	1,585
Two and five years	192,346	5,152	282,096	6,340
Six and ten years	-	-	-	396
	<u>282,096</u>	<u>6,737</u>	<u>371,846</u>	<u>8,321</u>

NOTE 24**PENSION SCHEME**

The Group contributes to the North Yorkshire Pension Fund. The scheme is a defined benefit scheme for the benefit of the employees. The assets of the scheme are fully administered by North Yorkshire County Council in a fund independent from that of the Group. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 31 March 2022 and updated on an approximate basis to 31 March 2025.

The plan has a gross accounting surplus at the reporting date of £7.7m (23-24 £4.7m). In line with FRS 102 requirements York Museums and Gallery Trust has recognised as an asset on the balance sheet to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan. The scheme's actuary has confirmed that they can demonstrate no economic benefit arising to York Museums and Gallery Trust from an 'asset ceiling' calculation comparing the present value of future service costs to the present value of future contributions. The actuary has also confirmed that any refunds from the plan are contingent on future events. Accordingly, York Museums and Gallery Trust has not recognised the pension asset position, restricting the surplus to £nil, and reducing actuarial gains by the same amount.

The contributions made by the employer over the financial year have been £323,000 (2024 - £325,000).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

Assumptions

The assets of the Scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2025	2024
Financial:		
Rate of increase in salaries	3.75%	3.85%
Pension in payment increases	2.50%	2.60%
Discount rate	5.80%	4.80%
Inflation assumption	2.50%	2.60%

	2025 Years	2024 Years
Life expectancy:		
Male future pensioner aged 65 in 20 years' time	22.5	23.0
Female future pensioner aged 65 in 20 years' time	25.2	25.6
Male current pensioner aged 65	21.9	22.1
Female current pensioner aged 65	24.5	24.6

The amounts recognised in the statement of financial position are as follows:

	2025 £'000	2024 £'000
Present value of scheme liabilities	(14,331)	(16,894)
Fair value of scheme assets	22,050	21,651
Surplus not recognised	(7,719)	(4,757)
Surplus/ (Deficit) in the scheme	-	-

The assets in the scheme and the expected rate or return were:

	Fair value 2025 £'000	Fair value 2024 £'000
Equities	13,362	10,218
Government Bonds	3,263	2,663
Other bonds	1,676	1,581
Property	1,301	1,321
Multi Asset Credit	1,169	1,126
Cash Asset Credit	331	1,018
Other	948	3,724
Total fair value of assets	22,050	21,651
Actuarial value of liability	(14,331)	(16,894)
Surplus not recognised	(7,719)	(4,757)
Net pension surplus	-	-

Movement in the deficit during the year were as follows:

	2025 £'000	2024 £'000
Deficit in scheme at 1 April	-	-
Movement in the year:	-	-
Current service costs	(558)	(516)
Past service cost	-	(2)
Settlement cost	-	-
Net (loss) on assets	8	7
Contributions	324	325
Actuarial gain/(loss)	2,960	1,904
Surplus not recognised	(2,734)	(1,718)
Surplus in the scheme at 31 March	-	-

Analysis of the amount charged to net finance charge for the year under FRS102 in relation to the scheme:

	2025 £'000	2024 £'000
Expected return on pension scheme assets	-	-
Interest on pension scheme liabilities	(8)	(7)
Net finance loss	(8)	(7)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

The amount recognised in the income and expenditure account are:

	2025 £'000	2024 £'000
Current service costs	558	516
Past service costs	-	2
Net Interest cost	(8)	(7)
Total charge to income and expenditure account	<u>550</u>	<u>511</u>

Allowance for administration expenses of £22,000 is included in current service cost.

The amount recognised in the statement of financial activities are as follows:

	2025 £'000	2024 £'000
Amount recognised during the period	2,960	1,904
Gain adjusted as fund surplus not recognised	(2,734)	(1,718)
Total amount recognised	<u>226</u>	<u>186</u>

Asset and liability reconciliation

Reconciliation of assets	2025 £'000	2024 £'000
Assets at the start of the year	21,651	19,550
Expected return on plan assets	1,036	920
Actuarial (loss)/gain on assets	(470)	1,128
Employer contributions	324	325
Member contributions	224	187
Benefits Paid	(715)	(459)
Fair value of scheme assets	<u>22,050</u>	<u>21,651</u>
Actual return on plan assets	<u>566</u>	<u>2,048</u>

Reconciliation of liabilities	2025 £'000	2024 £'000
Liabilities at the start of the year	16,894	16,647
Current service costs	558	516
Past service costs	-	2
Interest on pension liabilities	800	777
Employee contributions	224	187
Actuarial (gains)/losses due to changes in financial assumptions	(3,339)	(675)
Actuarial (gains)/losses due to changes in demographic assumptions	(125)	(255)
Actuarial (gains)/losses due to liability experience	34	154
Benefits paid	(715)	(459)
Fair value of scheme liabilities	<u>14,331</u>	<u>16,894</u>
Net pension scheme asset not recognised	<u>7,719</u>	<u>4,757</u>

Net Interest costs include £228,000 in respect of the unrecognised scheme asset brought forward

The history of experience adjustments is as follows:

	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Scheme liabilities	(14,331)	(16,894)	(16,647)	(23,608)	(24,858)
Scheme assets	<u>22,050</u>	<u>21,651</u>	<u>19,550</u>	<u>21,765</u>	<u>21,467</u>
	<u>7,719</u>	<u>4,757</u>	<u>2,903</u>	<u>(1,843)</u>	<u>(3,391)</u>
Experience adjustments on scheme liabilities	(3,430)	(776)	(2,667)	5,121	(1,298)
Percentage of scheme liabilities	23.9%	4.6%	11.3%	7.0%	-0.2%
Experience adjustments on scheme assets	(470)	1,128	(226)	4,511	(453)
Percentage of scheme assets	-2.1%	5.2%	-1.0%	-2.7%	5.5%

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

NOTE 25**NET DEBT RECONCILIATION**

	1st April 2024 £	Finance lease entered into £	Cash Flows £	31st Mar 2025 £
Cash at bank and in hand	1,925,035	-	(164,881)	1,760,154
Finance leases	-	(47,566)	7,742	(39,824)
Net Debt	<u>1,925,035</u>	<u>(47,566)</u>	<u>(157,139)</u>	<u>1,720,330</u>

The Charitable Group had no debt in the previous year. The inception of the Finance Lease represents a non-cash transaction in the year.

NOTE 26**RELATED PARTY TRANSACTIONS**

During the year, the Trust conducted the following transactions with its subsidiary, York Museums and Enterprises Limited.

The Trust levied a management charge on York Museums and Enterprises Limited amounting to £57,706 (2024: £55,575).

The subsidiary, York Museums and Enterprises Limited, made a gift aid donation under a deed of covenant to the Trust of £401,141 in the year ended 31 March 2025 (2024: £288,052)

At 31 March 2025, York Museums and Enterprises Limited owed £369,432 to the Trust (2024: £216,935)

The amounts owed by the subsidiary comprise of the Gift Aid donation and management charge described above plus salary and other costs that have been paid from the York Museums Trust bank account and have been recharged to the subsidiary. Both were not yet transferred from the York Museums and Enterprises Limited account as at 31 March 2025

During the year Trustees have donated £5,097 to the Trust via the Patrons Scheme (2024: £7,636)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

NOTE 27

2023-24 Consolidated Statement of Financial Activities

	General Funds 2024 £	Designated Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	3,212,644	6,983	66,765	3,286,392
Funding provided by City of York Council	306,710	-	-	306,710
Funding provided by Arts Council England	-	-	1,597,851	1,597,851
Donations, Legacies and General Grants				
Donations and legacies	355,022	20,000	42,250	417,272
Other grants receivable	-	-	473,410	473,410
Other Trading Activities				
Income generated from subsidiary	1,385,573	-	-	1,385,573
Investments				
Interest	23,086	-	-	23,086
TOTAL INCOME	<u>5,283,035</u>	<u>26,983</u>	<u>2,180,276</u>	<u>7,490,294</u>
EXPENDITURE ON:				
Other Trading Activity				
Costs incurred by subsidiary	1,043,909	-	-	1,043,909
Charitable expenditure				
Charitable expenditure	<u>4,293,720</u>	<u>1,086,238</u>	<u>1,943,719</u>	<u>7,323,677</u>
Total charitable expenditure	<u>4,293,720</u>	<u>1,086,238</u>	<u>1,943,719</u>	<u>7,323,677</u>
TOTAL EXPENDITURE	<u>5,337,629</u>	<u>1,086,238</u>	<u>1,943,719</u>	<u>8,367,586</u>
Net income/(expenditure) before taxation	(54,594)	(1,059,255)	236,557	(877,292)
Taxation charge	-	-	-	-
Net income/(expenditure) after taxation	(54,594)	(1,059,255)	236,557	(877,292)
Other recognised gains/(losses):				
Actuarial (loss)/gain on defined benefit scheme	-	186,000	-	186,000
Transfer between funds	<u>(134,929)</u>	<u>167,285</u>	<u>(32,356)</u>	-
NET MOVEMENT IN FUNDS	<u>(189,523)</u>	<u>(705,970)</u>	<u>204,201</u>	<u>(691,292)</u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,073,322	3,884,334	202,864	5,160,520
Net movement in the year	<u>(189,523)</u>	<u>(705,970)</u>	<u>204,201</u>	<u>(691,292)</u>
Fund balance carried forward	<u>883,799</u>	<u>3,178,364</u>	<u>407,065</u>	<u>4,469,228</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2025

2023-24 Charity Statement of Financial Activities

	General Funds 2024 £	Designated Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	3,556,271	6,983	66,765	3,630,019
Funding provided by City of York Council	306,710	-	-	306,710
Funding provided by Arts Council England	-	-	1,597,851	1,597,851
Donations, Legacies and General Grants				
Donations and legacies	355,022	20,000	42,250	417,272
Other grants receivable	-	-	473,410	473,410
Investments				
Interest	21,123	-	-	21,123
TOTAL INCOME	<u>4,239,126</u>	<u>26,983</u>	<u>2,180,276</u>	<u>6,446,385</u>
EXPENDITURE ON:				
Charitable expenditure				
Charitable expenditure	<u>4,293,720</u>	<u>1,086,238</u>	<u>1,943,719</u>	<u>7,323,677</u>
Total charitable expenditure	<u>4,293,720</u>	<u>1,086,238</u>	<u>1,943,719</u>	<u>7,323,677</u>
TOTAL EXPENDITURE	<u>4,293,720</u>	<u>1,086,238</u>	<u>1,943,719</u>	<u>7,323,677</u>
Net income/(expenditure) before taxation	(54,594)	(1,059,255)	236,557	(877,292)
Taxation charge	-	-	-	-
Net income/(expenditure) after taxation	<u>(54,594)</u>	<u>(1,059,255)</u>	<u>236,557</u>	<u>(877,292)</u>
Other recognised gains/(losses):				
Actuarial (loss)/gain on defined benefit scheme	-	186,000	-	186,000
Transfer between funds	<u>(134,929)</u>	<u>167,285</u>	<u>(32,356)</u>	<u>-</u>
NET MOVEMENT IN FUNDS	<u><u>(189,523)</u></u>	<u><u>(705,970)</u></u>	<u><u>204,201</u></u>	<u><u>(691,292)</u></u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,073,296	3,884,334	202,864	5,160,494
Net movement in the year	<u>(189,523)</u>	<u>(705,970)</u>	<u>204,201</u>	<u>(691,292)</u>
Fund balance carried forward	<u><u>883,773</u></u>	<u><u>3,178,364</u></u>	<u><u>407,065</u></u>	<u><u>4,469,202</u></u>

Accounts

York Museums and Gallery Trust

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

Year ended 31 March 2024

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

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OFFICERS AND PROFESSIONAL ADVISORS

The Trustees who served during the year and subsequently were:

TRUSTEES

J. Grierson (Chair)
P. Ashton (Resigned 21-11-23)
J. Crawshaw (Appointed 19-09-23)
A. Dean
S. Daubeney (Resigned 21-11-23)
N. Fowler (Appointed 21-11-23)
S. Furlong
A. Justine (Appointed 21-11-23)
A. Kirkby
D. Lamb (Appointed 21-11-23)
M. Lowe
A. Malik (Resigned 02-05-23)
D. Myers
K. Nesbitt
R. Newport (Appointed 21-11-23)
S. Orr (Resigned 21-11-23)
A. Scott
D. Willcocks (Resigned 21-11-23)

COMPANY SECRETARY

P. Lambert (Resigned 30-06-24)
D. Bryan (Appointed 30-06-24)

PRINCIPAL OFFICERS – KEY MANAGEMENT PERSONNEL

K. Blacker -Chief Executive
P. Lambert – Head of Strategy, Finance and Corporate Services (Resigned 31-05-24)
D. Bryan -Chief Finance Officer and Director of Corporate Services (Appointed 10-06-24)

REGISTERED OFFICE

St Marys' Lodge,
Marygate,
York, YO30 7DR

INDEPENDENT AUDITORS

BHP LLP
Rievaulx House, 1 St Marys Ct
York, YO24 1AH

BANKERS

HSBC Bank plc
PO Box 26,
13 Parliament Street,
York, YO1 8XS

SOLICITORS

Browne Jacobson LLP
Mowbray House, Castle Meadow Road,
Nottingham, NG2 1BJ

TRUSTEES' REPORT

Chair's Foreword

Introduction

In my final full year as Chair of Trustees for York Museums Trust it gives me great pleasure to present the 2023-24 annual report and accounts. It has been a privilege to work with trustees, staff, volunteers and our many partners to ensure that our collections and places are at the heart of York's and North Yorkshire's rich cultural life.

Our Chief Executive, Kathryn Blacker completed her first year at York Museums trust. Under her leadership Kathryn has built a strong and effective working relationship with stakeholders both regionally and nationally. Over the past twelve months we have started to reshape our Senior Leadership Team and worked with staff, volunteers and stakeholders to introduce a vision, update our mission and redefine our business priorities. In the latter part of the financial year, we were also awarded external funding support to enable us to develop a new masterplan. This plan will help us to thrive in the long-term and deliver on our vision to connect and inspire people with the stories, history and culture of the city and North Yorkshire through our collections, activities, museums, gallery and gardens.

As with many other cultural organisations across the UK the effects of a complex economic situation with rising supply costs and a squeeze on the cost of living have been felt by everyone. An additional challenge for York Museums Trust was the discovery of RAAC (reinforced autoclaved aerated concrete) in the roof of the Female Prison at York Castle Museum which highlighted the complexities involved in caring for an historic estate. Significant parts of the museum were closed between September and early December, whilst we dealt with the issue, and this impacted on both visitor numbers and operations. Thanks to the agility and responsiveness of our staff, contractors, and volunteers, we reopened Kirkgate, the popular recreated Victorian Street, on 8 December, complete with our festive offering.

During the year we welcomed 406,000 visitors to our museums and galleries and over a million people enjoyed our gardens. Better than expected ticket yields and tight cost controls have helped us to manage our end of year outturn. We welcomed Arts Council England's announcement for the extension of its NPO funding support from 2026 until March 2027. This additional year of funding will help us to plan for and deliver on our activities.

In February 2024 we made the decision to revert to our pre-pandemic position of charging for York Art Gallery's entry with continued free entry for York resident children, refugees and those on benefits. A diverse and innovative programme of exhibitions and events attracted a loyal following of over 121,000 visitors. Supported by local and national partnerships our programme delivered the British Library's touring exhibition, 'Marvellous & Mischievous: Literature's Young Rebels' and 'Bloom', an exhibition which brought together botanical art from the gallery's collection and extended its footprint into the Museum Gardens with a trail. In the autumn we delivered a 'Season of Drawing', which encompassed the British Museum's touring exhibition 'Drawing Attention: emerging artists in dialogue' with work from up-and-coming artists sitting alongside works from the British Museum's collection. The season included a new drawing commission created by Ugonna Hosten titled 'chi; Altarpieces, Liturgy & Devotion', a display of works created by participants in our Teenage Art School, and a generous and welcoming drawing studio space for visitors to create, learn and share.

Chair's Foreword (continued)

As part of our commitment to supporting York's status as a UNESCO Creative City of Media Arts, we bookended the year at York Art Gallery with Aesthetica Art Prize 2023 and 2024 exhibitions. We were also delighted to partner with York Bid and the talented Double Take Productions, who brought the front of the gallery to life during February with a vibrant digital art and music projection which showcased our collections and the city's culture for free to 35,000 spectators.

In York Museum Gardens we continue to work on increasing our biodiversity and supporting sustainability. We bedded in a new planting scheme for a riverside walk with plants which can cope with flooding and introduced a new bird feeding station and wildlife area. We animated the gardens with a pilot play offer for young families which was supported by City of York Council, hosted the popular York Proms, an outdoor cinema, and a silent disco, as well as delivering a summer Roman Festival. Once again, we welcomed the hugely popular wire sculptures which make up York Bid's 'Ghosts in the Garden' and a character from Visit York's Spring family 'Snook Trail'.

In the centre of the gardens sits the Yorkshire Museum, one of the oldest purpose-built museums in the UK, with collections of national and international significance. Over the course of the year, we launched two new exhibitions. 'Mary Anning Rocks!', a family-friendly new display opened in July which celebrated the inspiring story of the renowned palaeontologist and drew on our own collections from Yorkshire's Jurassic coast. In collaboration with University of York we developed a temporary exhibition, 'Star Carr: life after the ice', which opened in March. The display showcases remarkable and unique objects dating back 11,000 years from Star Carr, a site of outstanding archaeological importance which is sometimes referred to as the 'Stonehenge of the Mesolithic'.

York Museums Trust is committed to expressing Arts Council England's "Let's Create" strategy by deepening our role with the local communities we serve to encourage both creativity and participation. As part of this work York Castle Museum presented a community exhibition developed with York Travellers Trust which celebrated the rich history of the Gypsy and Traveller Communities in York. The display created by the communities highlighted their connections to the city. We also completed our second Heritage Hunters project partnering with Explore Library, the Groves Association, We Are The Groves and York St John University which supported residents of the area to discover more about their own neighbourhood.

The achievements over the last year reflect the support of trustees, staff, funders, partners, visitors, patrons and donors. We have ended the financial year with an exciting programme of exhibitions and activities to look forward to over the next 12 months. The Trust will continue to build on its resilience to deliver social, cultural and economic impact through its inspiring spaces, collections and activities. I would also like to thank the Board of Trustees and to all those trustees who have retired for their support over my time as Chair.



Signer ID: YCAZ3PDXKQ...

James Grierson, Chair

Date: 24 September 2024

Trustees' Report

The Trustees, who act as directors for the purpose of company law, present the audited consolidated financial statements for the year ended 31 March 2024, which are also prepared to meet the requirements for a directors and strategic report and financial statements for Companies Act 2006 purposes.

The financial statements comply with the Charities Act 2011, Companies Act 2006, the Articles of Association, and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Our purpose and activities

York Museums Trust's ('YMT') was set up in 2002 to cherish the collections, building and gardens entrusted to us, presenting and interpreting them as a stimulus for learning, a provocation to curiosity and a source of inspiration and enjoyment for all.

Our vision is:

Connecting and inspiring people with the stories, histories and culture of York and North Yorkshire.

Our mission is:

Championing curiosity, inspiring creativity and creating opportunities for people to flourish as we collaborate to tell stories about our collections and places.

Our priorities are:

Building and sustaining a flourishing organisation by:

- Delivering innovative public programming supporting an audience-focused, inclusive, visitor-first approach;
- Driving visitor income, meeting and exceeding enterprise and fundraising targets, managing expenditure;
- Identifying, developing and delivering a Masterplan and associated capital projects;
- Investing in our people ensuring we recruit, retain and develop a high performing team which celebrates diverse experiences and voices;
- Tackling climate change, understanding our carbon footprint and making incremental changes towards a net-zero future; and
- Raising our profile through cultural leadership and partnerships working locally, regionally, nationally and internationally.

YMT carries out its mission through a broad range of activities, centred around but not limited to our main sites – York Art Gallery (YAG), York Castle Museum (YCM), Yorkshire Museum (YM) and York Museum Gardens (YMG).

Our Values

We value curiosity, creativity, generosity, responsibility and being supportive equally and together.

- We are curious - We ask questions, we don't assume, we learn and we encourage different perspectives to be heard.
- We are creative - We have fun being creative, driving positive change and exploring potential.
- We are generous - We care for people, collections and places inviting everyone to develop knowledge, to take delight in and enjoy our spaces.
- We are responsible - We make informed decisions today for a better tomorrow and for a sustainable future.
- We are supportive - We collaborate and seek connection to grow a thriving community where we celebrate one another, cheer on progress and are heartfelt with feedback.

Trustees' Report (continued)

Overview of our operating activities

In setting our expectations for the reporting period of 2023/24 we were concerned about the impact of inflation and the cost of living on visitor behaviour. We did not achieve our visitor numbers and expected income for the year, but this was because in September 2023 we discovered that the female prison roof at YCM contained Reinforced

Aerated Concrete (RAAC), which did not conform to the latest updated safety guidance issued by government in March 2023. We had to close the Female Prison for 10 weeks from September to December 2023 whilst we undertook repairs to make the RAAC safe and meet the latest guidance. The Female Prison contains Kirkgate, the Victorian street experience which is the highlight for our YCM visitors. The loss of visitor numbers and revenues had a significant negative impact on our financial outturn and explains why the Trust made a financial loss in the period.

In the longer term we expect our current financial model to be able to cover our operating costs with the help from the grants from ACE and CYC. However, we will not be able to afford to maintain the heritage properties we occupy without substantial capital funding being raised to safeguard and improve these buildings.

Because of our financial position and need to recover our running costs we reintroduced charging for entry at YAG in February 2024. This is a model we had previously used prior to the pandemic. From August 2020 to February 2024 we operated a free general admission to the gallery's permanent collection and charged for our temporary exhibitions.

In 2023/24 we put on four such exhibitions: *Marvellous and Mischievous: Literature's Young Rebels*; *Bloom*; *Drawing Attention: emerging artists in dialogue*; and *Aesthetica Art Prize 2024*.

Our reported visitor numbers for the last three years in the context of reduced numbers because of Covid-19 in 2021/22 are:

	2023/24	2022/23	2021/22
York Castle Museum	209,235	224,557	108,807
Yorkshire Museum	75,749	75,866	26,859
York Art Gallery	121,030	128,849	85,947
Total	406,014	429,272	221,613

Fundraising

We have National Portfolio Organisation (NPO) Funding from Arts Council England (ACE) for the five year period April 2023 to March 2026, providing an annual income of £1.25m each year during this period.

Individual donors have continued their support for YMT's core work, with gifts secured onsite and online. We have in place a Patron giving programme and a regular supporters scheme which was launched in mid 2022. Gift Aid has improved with the new charging models at YCM and YM which give visitors a 12 month admissions pass as part of the entrance fee.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We seek charitable gifts from our visitors and stakeholders to make our ambitious vision for the future possible, in line with the legislative definition of fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." This does not involve widespread solicitation of the general public to acquire new donors. The generous contributions that we receive are presented in our accounts as "Donations and Legacies" and include gifts from individuals, legacies and grants.

Trustees' Report (continued)

All our fundraising activity is managed internally, by a small department of employed fundraising specialists, without involvement of commercial participators, external fundraisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the Trustees. YMT is not bound by any regulatory scheme but does comply voluntarily with the Fundraising Regulators Code of Practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times. By complying with the Fundraising Regulators Code of Conduct and GDPR we have procedures in place to prevent complaints and address them should they arise.

Financial Review

YMT had expected to make a small financial deficit in 2023/24 because of the uncertainty of visitor numbers and visitor behaviours being different from before the pandemic. During the year following the discovery of RAAC at the Castle Museum we revised this forecast downwards. The financial performance however proved better than predicted and we ended the year making a small financial deficit. The reasons for a better than forecast financial position were:

- Visitor numbers appear to have stabilised and we are earning higher yields per visitor;
- The introduction of charging at YAG from February 2024;
- Tight controls on expenditure and lower than expected inflationary pressures;
and
- Further profitability improvements from our Enterprises business exceeding budget.

The net deficit for the year on general unrestricted funds (before transfers between funds) was £54,594 (2023: net deficit of £78,767). The Trustees decided to allocate £134,929 (2023: allocate £47,526) from the general unrestricted fund to designated funds. The net movement in funds for the general unrestricted fund for the year was thus £189,523 (2023: £126,293).

Net movement in funds on designated funds was a decrease of £705,970 (2023: an increase of £1,007,412) and net movement in funds on restricted funds was an increase of £204,201 (2023: a decrease of £43,711).

The Pension Fund has an actuarial gain for the year of £1,904,000 (2023: gain £5,575,000). In line with FRS 102 requirements York Museums and Gallery Trust has recognised as an asset on the balance sheet to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan. The scheme's actuary has confirmed that they can demonstrate no economic benefit arising to York Museums and Gallery Trust from an 'asset ceiling' calculation comparing the present value of future service costs to the present value of future contributions. The actuary has also confirmed that any refunds from the plan are contingent on future events. Accordingly, the financial statements do not recognise the pension asset position, restricting the surplus to £nil, and reducing actuarial gains to £186,000.

During the year the charity received restricted donations, grants and income from charitable activities for specific activity and expenditure which resulted in restricted funds of £407,065 held at the end of the year (2023: £202,864).

The unrestricted general funds of the group, excluding fixed assets not represented by matching designated funds, at 31 March 2024 were a surplus of £723,085 (2023: £893,116).

The Trustees are satisfied that the charity's assets are available and adequate to fulfil its obligations for the foreseeable future as described in the going concern section of the report below.

Trustees' Report (continued)**Plans for future periods**

We have produced a one year business plan for the 2024/25 period and defined the key outcomes and measures and activities we want to achieve in this period. We have also prepared for ACE an Activity Plan and Investment Principles Plan aligned to the #Let's Create strategy. All of these plans align to our priorities.

We are working with the Board, stakeholders and partners on our strategy beyond 2025 to improve our business model which can deal with the future capital needs of the organisation.

Principal Risks and Uncertainties**Risk Management**

Management and the Trustees formally review the risks through the use of a risk register and a risk management process. This includes scrutiny of the risk register by the Audit and Risk Committee and submission of the risk register to the Board each quarter.

Funding risk is always significant for YMT. We receive as a National Portfolio Organisation £1.25m per year for the period 2023 to 2026 from Arts Council England. We also continue to receive £0.3m per annum from City of York Council which has been at this level for 6 years with no inflationary increase.

The balance of our funding we have to generate ourselves through our admissions and Enterprises activities. Trustees have given consideration to the appropriate policies, procedures and systems to mitigate the YMT's exposure to the major risks. The key financial risk is the ability to generate sufficient income from visitor numbers, and other external funders, to cover expenditure incurred in fulfilling the obligations and liabilities as well as the vision, mission and priorities of the group. YMT has in its plans for 2024/25 its strategy of investing in public programmes, engagement, visitor experience, income generation, fundraising, digital and capital developments in order to mitigate the future financial risks.

Aside from funding, the principle risks and uncertainties identified and recognised on the organisation's risk register include:

- Continuing to deliver an attractive offer for audiences and grow visitor numbers following the impact of Covid-19 and the cost of living crisis,
- The costs of maintaining an aged estate and the continued investment into the upkeep of our sites of historic importance,
- The protection of the organisation (its building, collections, employees and visitors) from physical and digital threats,
- The growing threat to the organisation of the impact of climate change and the need to adapt to meet this challenge whilst protecting the estate, collections and people who work and visit our sites,
- Changes in administration or strategic policy at our major funders, including Arts Council England and City of York Council.

Going Concern

In determining that YMT and its subsidiary are going concerns the Board gives consideration to the risks and uncertainties facing each entity, with particular reference to liquidity and solvency issues that might impact viability. The Board receives management accounts and 12 month forward cash flow forecasts on a regular basis. The Board reviews forecasts for a period not less than the 12 months following the date the financial statements are to be issued. If solvency and liquidity issues present significant and material risks and uncertainties to YMT then the forecast period under review will be extended.

The Board reviews and scrutinises the budget and budget forecasts in a separate meeting each year. In setting the 2024/25 budget the Board looked at a range of scenarios which stress test the robustness of the budget.

Trustees' Report (continued)

Management examine the monthly management accounts each month to ensure YMT is trading to plan and are aware of the measures needed to reduce outgoings if we do not remain on track. In the current financial climate YMT have been unable to set a balanced budget and have forecast a loss for the year of £0.2m. The Board considers future years look equally challenging and have commissioned a review of YMT's business model to improve its sustainability in the longer term.

In order to ensure that YMT maintains a positive reserves position YMT has in place a Letter of Credit from City of York Council dated 29 August 2024 for £1m which expires on 31 March 2026.

In conclusion the Board considers York Museums Trust to be a going concern, and as such, the financial statements have been prepared on a going concern basis.

Public Benefit

YMT provides public benefit as a charity by making available its Collections, Buildings and Gardens to all members of the public. Our Trustees have complied with their duty in accordance with the UK Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit. YMT has free access to our gardens and, where we charge for access at our other sites we have a range of free entry and substantial discounts for those on lower incomes, younger people, and free entry for York's children.

Structure, Governance and Management**Constitution**

The charity was formed as a company limited by guarantee on 26 February 2002. There are currently 13 Trustees who are also members of the company. Each member has undertaken to pay a contribution to the assets in the event of winding up a sum not exceeding £1. The company registration number is 04381647.

The charity registered with the Charity Commission on 14 June 2002 – registration number 1092466.

It is governed by the Memorandum and Articles of Association dated 26 February 2002.

The charity has a trading subsidiary, York Museums and Enterprises Limited, a company limited by shares, registered company number 04466798.

Governance Code

The Charity Governance Code, endorsed by the Charity Commission and other industry bodies, was launched in 2017. The Trustees have ensured we are compliant with the code. The code asks charities to "apply or explain". We have no matters to report. In 2021 under the chair of the Audit and Risk Committee the board set up a "Good Governance Group". The group consisted of members of the board and there was a work plan that covered the 2022/23 period and regular reports were made back to the board on areas for improvement which the board then adopted. Several task and finish groups worked on the planned activity. The purpose of the group was to ensure that YMT adopts the Governance Code and actively uses its principles.

Organisational Purpose: Trustees reviewed and revised the vision and mission of the organisation in 2019/20. The Board considers and revises the priorities for the organisation in this context as part of the strategic planning conversation each year. The Board met in November 2021 to consider the outcomes to be achieved and these were identified in the 2022/23 Business Plan. Trustees have updated the mission, vision and priorities in 2023 and these are reflected in this report.

Leadership: The Board meets six times each year, four times to examine quarterly performance and twice for workshops / deeper dives into strategic issues. We have an annual strategic Board away day to consider areas of change and to review performance against our objectives and priorities. Communication between board members and the committees, as well as communication across the wider organisation and with key stakeholders has been

Trustees' Report (continued)

and remains a priority for the Trustees. In the period under review the Board established a private pre meeting, in person, at each Board to enable matters of strategic importance to be considered.

Integrity: All trustees complete annual declarations of interest and are required to advise of any changes during the course of the year. The Board receives an annual safeguarding report, and the Audit and Risk Committee reviews risks at each meeting. The Audit and Risk Committee also reviews the annual health, safety and wellbeing report.

Decision Making, Risk and Control: The terms of reference for the board and the board sub groups are reviewed and updated each year and the work of each is reported to the quarterly board meetings. The board receives a CEO report each quarter which includes the financial position and monitors performance against KPI's. One of the Board members has been appointed as the Senior Independent Board Member and the Audit committee reviews key policies such as Whistleblowing and their effectiveness.

Board Effectiveness: In considering nominations and appointments the nominations committee ensures that the board has the right skill sets and experience. Training is highlighted and offered to Board members where appropriate. Trustees are appointed for an initial three year term which is renewable for a further period of three years. In September 2022 led by the Good Governance Group the Board agreed to undertake a Board Effectiveness Review programme. In the year under review of the board a questionnaire was completed by each Board member and the findings have been addressed and inform the Board activity for subsequent periods.

Equality, Diversity and Inclusion: The Board has this area as a standing item at each meeting. It receives regular reports on its own diversity and that of the wider organisation. The opportunity to create a more diverse and inclusive board is included in the brief for all board recruitment activity. The Good Governance Group has ensured that the YMT EDI roadmap includes trustees. EDI training offered to all staff and Trustees in 2022/23 and this included active bystander training. Trustees have also developed their own EDI Charter. One of the trustees has joined the

YMT EDI change group which consists of a cross section of all staff to show visible Board leadership on this important agenda.

Openness and Accountability: Key stakeholders (City of York Council and Yorkshire Philosophical Society) are part of the board constitution. In addition the board invites representatives from ACE to attend each meeting and the papers are shared with ACE as part of the funding agreement. The Board receives regular reports on how the organisation is engaging with its audiences and the wider community and how the programme of activity is developed.

Method of election of Trustees

The Board of Trustees shall consist of two individuals nominated by the Local Authority, one individual nominated by the Yorkshire Philosophical Society and such other persons elected by the Trustees of the charity.

The Trustees have the power to appoint any person to be a Trustee, but so that the total number of Trustees does not exceed the permitted maximum of fifteen at any time.

The Trustees, who are also directors under Company law, who served during the year and subsequently are listed on page 3. None of the Trustees have any financial interest in the company.

All Trustee appointments are advertised externally and the nominations committee oversees this process and ensures the range of skills, experiences and diversity of the board is appropriate to meet the needs of the charity.

Trustees' Report (continued)**Trustee induction and training**

New Trustees undergo a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and recent financial performance of the Charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees administers the charity. A Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. The Board meets six times per annum and there are four committees which meet as follows:

Finance and General Purposes Committee

Meets approximately six times per year, or as required, with the Chief Executive and Head of Strategy, Finance and Corporate Services to monitor and guide progress against the business plan.

Audit and Risk Committee

Meets four times per year to consider reports from external auditors, examines risk management and the internal control environment.

Remuneration Committee

Meets at least annually and sets pay of senior executives and approves annual pay increases for all staff.

Nominations Committee

Meets annually and as required. The Nominations Committee reviews the structure, size and composition of the Board and is responsible for identifying and nominating for approval to the Board, candidates to fill board vacancies.

Pay policy for senior staff, including key management personnel

The Trustees consider that the Board of Trustees, the Chief Executive Officer and the Head of Strategy, Finance and Corporate Services comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give of their time freely and no

Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 8 to the Financial Statements.

The pay of the senior staff is reviewed annually by the Remuneration Committee and percentage changes are normally the same as for other members of staff, taking into account general inflation and the Trust's financial position.

Investment powers and policy

The Memorandum and Articles of Association of the charity permit the Trustees to invest the monies of the Trust not immediately required for its purposes in such investments, securities or property as may be thought fit.

The Trust's investments are presently limited to group companies and UK Banks with a credit rating of A or better.

Reserves policy

The financial impact of the discovery of RAAC as well as the continuing cost of living crisis on the Trust is discussed on page 6. The general reserve at 31 March 2024 of £883,799 (2023: £1,073,322) represents approximately two months of YMT's operating costs. The Trustees accept that at the current time it is still not appropriate to set a reserves target and that the Letter of Guarantee from CYC gives additional assurance to draw the confidence that YMT can continue to trade for the foreseeable future.

Trustees' Report (continued)

The Pension Reserve is shown as £nil as the pension fund at 31 March 2024 is in surplus by £4.7m. The Pension Fund is not managed or controlled by YMT and after consultation with the scheme's actuary the Trustees have decided that there is insufficient evidence to support the recoverability of the plan's surplus, and therefore have not recognised the actual pension asset position restricting the surplus to £nil and reducing actuarial gains by the same amount. When in deficit, the Fund is shown in unrestricted reserves as a long term liability under FRS102.

Restricted funds of £407,065 (2023: £202,864) were held at the year end and are held under trust law so can only be used for particular purposes, as specified or agreed with the donor. The majority of the restricted funds are gifted for use in either acquisitions of objects or to develop and produce our programme and offer.

Auditor

The Board appointed BHP to conduct the 2023/24 audit in accordance with section 485 of the Companies Act 2006, on the outcome of a competitive audit tender. BHP succeed our previous auditors Beever and Struthers who completed the 2022/23 audit.

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the charity for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' Report (continued)

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

The Trustees' report, which includes the Strategic Report, was approved by the Board and signed on its behalf by:

Signature: James Grierson
Signer ID: YCAZ3PDXKQ...

Name: James Grierson, Trustee

Date: 24 September 2024

Independent Auditor's Report to the Members of York Museums and Gallery Trust**Opinion**

We have audited the financial statements of York Museums and Gallery Trust (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 company statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and notes to the financial statements and notes to the financial statements, including 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 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of York Museums and Gallery Trust

Continued

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 parent 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 and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

Independent Auditor's Report to the Members of York Museums and Gallery Trust

Continued

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the business and museums and gallery sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, employment, museum accreditation, food safety and hygiene and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance, where available;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisors, where correspondence has taken place during the period and is available.

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

Independent Auditor's Report to the Members of York Museums and Gallery Trust
Continued

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

Use of our report

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



Signer ID: IPFNE7JE16...
Laura Masheder (Senior Statutory Auditor)

For and on behalf of

BHP LLP

Chartered Accountants

Statutory Auditors

Rievaulx House

1 St Mary's Court

Blossom Street

York

YO24 1AH

Date: 25/09/2024 GMT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

	Note	General Funds 2024 £	Designated Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total funds 2023 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	3,212,644	6,983	66,765	3,286,392	3,276,074
Funding provided by City of York Council	6	306,710	-	-	306,710	306,710
Funding provided by Arts Council England	7	-	-	1,597,851	1,597,851	1,597,851
Donations, Legacies and General Grants						
Donations and legacies	3	355,022	20,000	42,250	417,272	327,873
Other grants receivable	5	-	-	473,410	473,410	370,386
Other Trading Activities						
Income generated by subsidiary	13	1,385,573	-	-	1,385,573	1,231,423
Investments						
Interest receivable	4	23,086	-	-	23,086	1,940
TOTAL INCOME		<u>5,283,035</u>	<u>26,983</u>	<u>2,180,276</u>	<u>7,490,294</u>	<u>7,112,257</u>
EXPENDITURE ON:						
Raising Funds						
Costs incurred by subsidiary	13	<u>1,043,909</u>	<u>-</u>	<u>-</u>	<u>1,043,909</u>	<u>980,052</u>
Charitable expenditure						
Charitable expenditure	10	<u>4,293,720</u>	<u>1,086,238</u>	<u>1,943,719</u>	<u>7,323,677</u>	<u>7,966,796</u>
Total charitable expenditure		<u>4,293,720</u>	<u>1,086,238</u>	<u>1,943,719</u>	<u>7,323,677</u>	<u>7,966,796</u>
TOTAL EXPENDITURE		<u>5,337,629</u>	<u>1,086,238</u>	<u>1,943,719</u>	<u>8,367,586</u>	<u>8,946,848</u>
Net gains on Investments		-	-	-	-	-
Net (expenditure) before taxation		(54,594)	(1,059,255)	236,557	(877,292)	(1,834,591)
Taxation charge		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (expenditure) after taxation		(54,594)	(1,059,255)	236,557	(877,292)	(1,834,591)
Other recognised gains/(losses):						
Actuarial gain on defined benefit scheme	24	-	186,000	-	186,000	2,672,000
Transfer between funds	20,21	<u>(134,929)</u>	<u>167,285</u>	<u>(32,356)</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u>(189,523)</u>	<u>(705,970)</u>	<u>204,201</u>	<u>(691,292)</u>	<u>837,409</u>
RECONCILIATION OF FUNDS:						
Fund balance brought forward		1,073,322	3,884,334	202,864	5,160,520	4,323,112
Net movement in the year		(189,523)	(705,970)	204,201	(691,292)	837,408
Fund balance carried forward		<u>883,799</u>	<u>3,178,364</u>	<u>407,065</u>	<u>4,469,228</u>	<u>5,160,520</u>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. A fully detailed Statement of Financial Activities for the year ended 31 March 2023 is shown in note 28. The notes on pages 24 to 44 form part of the accounts.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

For the year ended 31 March 2024

	Note	General Funds 2024 £	Designated Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total funds 2023 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	3,556,271	6,983	66,765	3,630,019	3,527,880
Funding provided by City of York Council	6	306,710	-	-	306,710	306,710
Funding provided by Arts Council England	7	-	-	1,597,851	1,597,851	1,597,851
Donations, Legacies and General Grants						
Donations and legacies	3	355,022	20,000	42,250	417,272	327,873
Other grants receivable	5	-	-	473,410	473,410	370,386
Investments						
Interest receivable	4	21,123	-	-	21,123	1,506
TOTAL INCOME		4,239,126	26,983	2,180,276	6,446,385	6,132,206
EXPENDITURE ON:						
Charitable expenditure						
Charitable expenditure	10	4,293,720	1,086,238	1,943,719	7,323,677	7,966,796
Total charitable expenditure		4,293,720	1,086,238	1,943,719	7,323,677	7,966,796
TOTAL EXPENDITURE		4,293,720	1,086,238	1,943,719	7,323,677	7,966,796
Net gains on Investments		-	-	-	-	-
Net (expenditure) before taxation		(54,594)	(1,059,255)	236,557	(877,292)	(1,834,590)
Taxation charge		-	-	-	-	-
Net (expenditure) after taxation		(54,594)	(1,059,255)	236,557	(877,291)	(1,834,590)
Other recognised gains/(losses):						
Actuarial gain on defined benefit scheme	24	-	186,000	-	186,000	2,672,000
Transfer between funds	20,21	(134,929)	167,285	(32,356)	-	-
NET MOVEMENT IN FUNDS		(189,523)	(705,970)	204,201	(691,292)	837,410
RECONCILIATION OF FUNDS:						
Fund balance brought forward		1,073,296	3,884,334	202,864	5,160,494	4,323,084
Net movement in the year		(189,523)	(705,970)	204,201	(691,292)	837,410
Fund balance carried forward		883,773	3,178,364	407,065	4,469,202	5,160,494

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

A fully detailed Statement of Financial Activities for the year ended 31 March 2023 is shown in note 28.

The notes on pages 24 to 44 form part of the accounts.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

BALANCE SHEET - Consolidated

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible fixed assets	12	3,170,069	3,688,541
		<u>3,170,069</u>	<u>3,688,541</u>
CURRENT ASSETS			
Stock	14	139,934	96,148
Debtors	15	904,205	751,620
Cash at bank and in hand	16	1,925,035	2,099,292
		<u>2,969,174</u>	<u>2,947,060</u>
CREDITORS: falling due <1 year	17	(1,609,522)	(1,401,755)
		<u>1,359,652</u>	<u>1,545,305</u>
NET CURRENT ASSETS			
		<u>1,359,652</u>	<u>1,545,305</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		4,529,721	5,233,846
CREDITORS: falling due >1 year	18	(60,493)	(73,326)
NET ASSETS EXCLUDING PENSION LIABILITY			
		<u>4,469,228</u>	<u>5,160,520</u>
Defined benefit pension scheme liability	24	-	-
NET ASSETS			
		<u><u>4,469,228</u></u>	<u><u>5,160,520</u></u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	20	883,799	1,073,322
Designated Funds			
Pension Fund	20	-	-
Programme Funds		2,189	2,189
Strategic Fund		50,983	24,500
Infrastructure Fund		115,839	349,311
Property Fund		<u>3,009,353</u>	<u>3,508,334</u>
Total Designated Funds		3,178,364	3,884,334
Restricted Funds			
	21	<u>407,065</u>	<u>202,864</u>
		<u><u>4,469,228</u></u>	<u><u>5,160,520</u></u>

The notes on pages 24 to 44 form part of the accounts.

These financial statements of York Museums and Gallery Trust, company registered number 04381647, were approved and authorised for issue by the Board of Trustees on 24th September 2024 and were signed on its behalf by:

Signed: James Grierson
 Signer ID: YCAZ3PDXKQ...

Name: _James Grierson, Trustee

CHARITY STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

BALANCE SHEET - CHARITY

	Note	2024 £	As Restated 2023 £
FIXED ASSETS			
Tangible fixed assets	12	3,154,377	3,668,777
Investments	13	<u>1</u>	<u>1</u>
		<u>3,154,378</u>	<u>3,668,778</u>
CURRENT ASSETS			
Stock	14	-	-
Debtors	15	1,043,260	1,376,598
Cash at bank and in hand	16	<u>1,629,608</u>	<u>1,306,738</u>
		<u>2,672,868</u>	<u>2,683,336</u>
CREDITORS: falling due <1 year	17	(1,358,044)	(1,191,622)
NET CURRENT ASSETS		<u>1,314,824</u>	<u>1,491,714</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,469,202	5,160,494
NET ASSETS EXCLUDING PENSION LIABILITY		<u>4,469,202</u>	<u>5,160,494</u>
Defined benefit pension scheme liability	24	-	-
NET ASSETS		<u><u>4,469,202</u></u>	<u><u>5,160,494</u></u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	20	883,773	1,073,296
Designated Funds	20		
Pension Fund		-	-
Programme Funds		2,189	2,189
Strategic Reserve		50,983	24,500
Infrastructure Fund		115,839	349,311
Property Fund		<u>3,009,353</u>	<u>3,508,334</u>
Total Designated Funds		3,178,364	3,884,334
Restricted Funds	21	<u>407,065</u>	<u>202,864</u>
		<u><u>4,469,202</u></u>	<u><u>5,160,494</u></u>

The notes on pages 24 to 44 form part of the accounts.

These financial statements of York Museums and Gallery Trust, company registered number 04381647, were approved and authorised for issue by the Board of Trustees on 24th September 2024 and were signed on its behalf by:

Signed: James Grierson
Signer ID: YCAZ3PDXKQ...

Name: _James Grierson, Trustee

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2024

	2024 £	2023 £
Net (expenditure) after taxation	(877,292)	(1,834,592)
Interest Receivable	(23,088)	(1,940)
Depreciation	824,619	877,878
Pension scheme current service costs	511,000	1,152,000
Contributions paid	(325,000)	(323,000)
(Increase) in stocks	(43,786)	(19,236)
(Increase) in Debtors	(152,585)	(21,956)
Increase in Creditors	164,620	185,208
Net Cash Inflow from Operating Activities	<u>78,487</u>	<u>14,362</u>

CASH FLOWS FROM INVESTING ACTIVITIES

	2024 £	2023 £
Interest Receivable	23,088	1,940
Purchase of tangible fixed assets	<u>(275,834)</u>	<u>(36,020)</u>
Net cash (used in) financing activities	<u>(252,746)</u>	<u>(34,080)</u>
(Decrease)/ increase in cash and cash equivalents	(174,256)	(19,720)
Cash and cash equivalents at the start of the year	<u>2,099,291</u>	<u>2,119,012</u>
Cash and cash equivalents at the end of the year	<u>1,925,035</u>	<u>2,099,292</u>

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 ACCOUNTING POLICIES

York Museums and Gallery Trust, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital. There are currently 13 Trustees who are also members of the company. Each member has undertaken to pay a contribution to the assets in the event of winding up a sum not exceeding £1. York Museums and Gallery Trust is a registered charity. The registered office is shown on page 3.

Basis of accounting

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS102)), the Financial Reporting Standard application in the UK and Ireland (FRS102) and the Companies Act 2006. The particular accounting policies adopted are described below.

The Financial Statements are prepared under the historical cost convention. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

On the grounds that the Subsidiary's reserves are consolidated into the Charitable Company's group accounts the Charitable Company has taken advantage of certain exemptions covered by Section 1.11 of FRS 102 as follows:

- Exemptions from presenting a statement of cash flows as a primary statement to the financial statements
- Exemption from disclosing the carrying amounts of each category of Financial Assets and Financial Liabilities at the reporting date as required by Section 14.41 of FRS 102

Preparation of accounts – going concern basis

The principal financial risk facing the charity and its trading subsidiary (together “the group”) is the ability to generate sufficient income from visitor numbers and external funding to cover expenditure incurred in fulfilling the objectives of the group. The Trustees have reviewed the cash position of the group and cash forecasts at the date of signing the financial statements for at least one year and are satisfied that the group will be able to meet all of its financial commitments.

In setting a budget for 2024/25 management and trustees have run through different options and visitor scenarios. This has resulted in a prudent assessment of the likely income and therefore of the financial needs for the year which predict a small but affordable loss in 2024/25.

We continue to operate tight financial controls over each item of expenditure in the Trust as well as a pay and recruitment freeze. We have put together cash flows and budgets to cover the subsequent financial years 2025/26 and 2026/27. The financial guarantee given by CYC that extends to March 2026 provides the trust with a large amount of financial headroom and security. This has enabled management and Trustees to conclude that the going concern basis is appropriate.

As a consequence, the Trustees believe that the group is well placed to manage its financial risks successfully despite the current uncertain economic outlook. After making enquiries, the Trustees have a reasonable expectation that the group has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly-owned subsidiary undertaking, York Museums and Enterprises Limited, drawn up to 31 March each year and consolidated on a line by line basis. The results of the subsidiary undertaking are disclosed in note 13.

Income

Income is recognised in the statement of financial activities when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Income from admission fees, commercial activities and interest receivable is included in the period in which the group is entitled to receipt.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

Income from donations, legacies and grants, including capital grants, is included in income when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when received.

Gift Aid from Subsidiary

Gift aid income received from York Museums and Enterprises Limited is recorded on an accrual basis, under the agreed deed of covenant in place between the two entities.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure and support cost comprise direct expenditure including direct staff costs attributable to the activity. When support costs cannot be directly attributable they have been allocated to activities on a basis consistent with use of the resource. Fundraising costs are those incurred in seeking voluntary contributions for the Trust. Management and administration costs (support costs) are those incurred in connection with the management of the Trust's assets, organisational administration and governance costs regarding compliance with constitutional and statutory requirements.

The method used in the analysis of support costs is allocation by head count.

Collections

York Museums and Gallery Trust are the Managing Trustees of the collections. However, City of York Council are the Custodian Trustees and so none of the collections are included in fixed assets.

Tangible fixed assets

When purchased, tangible fixed assets are initially included at the cost of acquisition, including costs that are directly attributable to bringing the asset into working condition for their intended use. Individual fixed assets costing £5,000 or more are capitalised.

Donated, functional fixed assets are included at a valuation made by the Trustees. When the use of these assets is unrestricted they are included in a designated fund reflecting their book value. The relevant fund is reduced over the useful economic life of the asset in line with its depreciation.

No value is shown in the accounts for assets occupied and used by the Trust under license from the City of York Council.

Long term exhibition equipment is capitalised as a fixed asset. Temporary exhibition costs are written off as expenditure in the year it is incurred.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives and depreciation is charged monthly. A full month's depreciation is charged in the month of acquisition, none in the month of disposal. Depreciation is charged at the following rates:

Freehold Property	:	4% per annum
Leasehold Property Improvements	:	4% - 24% per annum
Displays	:	20% per annum
Vehicles and other equipment	:	10% - 24% per annum
Including:		
IT equipment	:	36% per annum
Fixtures and Fittings	:	20% per annum

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

Depreciation is not provided on assets in the course of construction until the asset is available for use in the business and has been transferred to the appropriate asset category.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price. Provision is made for obsolete, slow moving or defective items where appropriate.

Financial Instruments

The Charity and group only have financial assets and financial liabilities of a kind that qualify as a basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Staff Costs Accounting PolicyEmployee benefits – staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee benefits – pension costs

The charity contributes to the North Yorkshire Pension Fund, a multi-employer defined benefit scheme. For defined benefit schemes the amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately within other recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme 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 method and discounted at a rate equivalent to the current rate of return on high quality corporate bond of currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each statement of financial position date. The resulting defined asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the statement of financial position.

Funds accounting

Funds held by the charity are either:

- Unrestricted general funds – these are funds that can be used in accordance with the charitable objects at the discretion of the Trustees
- Designated property fund – this is the net book value of assets purchased using restricted funds. These assets are not subject to restrictions on use, however there may be recourse to funders upon sale or disposal.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Designated pension fund – this represents the actuarial deficit of YMT's section of the North Yorkshire Pension Fund.
- Designated other funds – these are funds designated by the Trustees for specific purposes from unrestricted reserves. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

Operating leases

Rentals applicable to operating leases when substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities.

The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Critical Accounting Estimates and Judgments

In the application of the group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Defined benefit pension scheme

The charity is a member of a multi-employer defined benefit scheme. The Trustees use the scheme actuary to determine both the present value of the obligation under the scheme, and also the fair value of assets owned, to determine the overall deficit in the scheme attributable to the charity. The actuary uses certain critical assumptions, such as discount rate, mortality and expected rates of return when setting the deficit recovery plan for the scheme at each triennial review. Full disclosure of the assumptions used by the independent third party is provided in note 25.

FRS 102 requires that defined benefit plan surpluses are recognised only to the extent that they are recoverable either through reduced contributions in the future or through refunds from the plan. The accounting valuation of the North Yorkshire Pension Fund at 31 March 2024 identified an accounting surplus of £4.7m (2023: £2.9m).

The scheme's actuary has confirmed that they can demonstrate no economic benefit arising to York Museums and Gallery Trust from an 'asset ceiling' calculation comparing the present value of future service costs to the present value of future contributions. The actuary has also confirmed that any refunds from the plan are contingent on future events. Accordingly, York Museums and Gallery Trust judges that there is insufficient evidence to support the recoverability of the plan's surplus and therefore has not recognised the pension asset position, restricting the surplus to £nil, and reducing actuarial gains by the same amount.

Useful economic lives of tangible assets

Depreciation policies have been set according to experience of the useful lives of the assets in each category and are reviewed annually.

Support costs

Support costs are allocated across the activities of the museums. Support costs are allocated on a basis consistent with salary expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

NOTE 2

INCOME FROM CHARITABLE ACTIVITIES

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2024 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2023 £
Admission Income	2,834,317	-	-	2,834,317	2,878,560	-	-	2,878,560
Museums and Galleries Exhibition								
Tax Relief	181,930	-	-	181,930	187,562	-	-	187,562
Miscellaneous	196,397	6,983	66,765	270,145	165,619	18,051	26,281	209,951
Consolidated	<u>3,212,644</u>	<u>6,983</u>	<u>66,765</u>	<u>3,286,392</u>	<u>3,231,741</u>	<u>18,051</u>	<u>26,281</u>	<u>3,276,073</u>
Gift Aided Donation from Subsidiary	288,052	-	-	288,052	251,806	-	-	251,806
Management Charge	55,575	-	-	55,575	-	-	-	-
Charity	<u>3,556,271</u>	<u>6,983</u>	<u>66,765</u>	<u>3,630,019</u>	<u>3,483,547</u>	<u>18,051</u>	<u>26,281</u>	<u>3,527,879</u>

NOTE 3

DONATIONS AND LEGACIES

GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2024 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 £
Gift Aid Donations	300,648	-	750	301,398	282,695	-	-	282,695
Donations and Legacies	54,374	20,000	41,500	115,874	43,428	-	1,750	45,178
	<u>355,022</u>	<u>20,000</u>	<u>42,250</u>	<u>417,272</u>	<u>326,123</u>	<u>-</u>	<u>1,750</u>	<u>327,873</u>

NOTE 4

GROUP

INTEREST RECEIVABLE	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2024 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2023 £
Bank interest	23,086	-	-	23,086	1,940	-	-	1,940
	<u>23,086</u>	<u>-</u>	<u>-</u>	<u>23,086</u>	<u>1,940</u>	<u>-</u>	<u>-</u>	<u>1,940</u>

CHARITY

INTEREST RECEIVABLE	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2024 £	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2023 £
Bank interest	21,123	-	-	21,123	1,506	-	-	1,506
	<u>21,123</u>	<u>-</u>	<u>-</u>	<u>21,123</u>	<u>1,506</u>	<u>-</u>	<u>-</u>	<u>1,506</u>

NOTE 5

GRANTS RECEIVABLE

GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2024 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 £
Art Fund	-	-	395,801	395,801	-	-	299,448	299,448
British Museum (PAS)	-	-	45,692	45,692	-	-	38,892	38,892
Cultural Wellbeing	-	-	15,000	15,000	-	-	-	-
City of York Council	-	-	-	-	-	-	1,500	1,500
Craft Potters Charitable Trust	-	-	-	-	-	-	1,000	1,000
Headley Trust	-	-	-	-	-	-	9,619	9,619
Museums Association	-	-	-	-	-	-	2,000	2,000
Pilgrim Trust	-	-	10,000	10,000	-	-	-	-
Ruffer Art Fund	-	-	-	-	-	-	(495)	(495)
School for Social Entrepreneurs	-	-	-	-	-	-	4,500	4,500
Shears Foundation	-	-	5,500	5,500	-	-	-	-
The American Art Fund	-	-	-	-	-	-	9,222	9,222
Time Odyssey	-	-	1,417	1,417	-	-	-	-
University of Leeds	-	-	-	-	-	-	750	750
Victoria & Albert Museum	-	-	-	-	-	-	3,200	3,200
Yorkshire Philosophical Society	-	-	-	-	-	-	750	750
	<u>-</u>	<u>-</u>	<u>473,410</u>	<u>473,410</u>	<u>-</u>	<u>-</u>	<u>370,386</u>	<u>370,386</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

NOTE 6

FUNDING PROVIDED BY CITY OF YORK COUNCIL
GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2024 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 £
Core funding	306,710	-	-	306,710	306,710	-	-	306,710
	<u>306,710</u>	<u>-</u>	<u>-</u>	<u>306,710</u>	<u>306,710</u>	<u>-</u>	<u>-</u>	<u>306,710</u>

NOTE 7

FUNDING PROVIDED BY ARTS COUNCIL
GROUP AND CHARITY

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2024 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2023 £
NPO Funding	-	-	1,252,632	1,252,632	-	-	1,252,632	1,252,632
Museum Development	-	-	345,219	345,219	-	-	345,219	345,219
	<u>-</u>	<u>-</u>	<u>1,597,851</u>	<u>1,597,851</u>	<u>-</u>	<u>-</u>	<u>1,597,851</u>	<u>1,597,851</u>

NOTE 8

INFORMATION REGARDING TRUSTEES AND EMPLOYEES

Average number of
persons employed

	2024 No.	2023 No.
Curatorial	27	25
Education	5	3
Gardens	6	5
Marketing	6	6
Facilities	3	3
Visitor Services	61	53
Directors and Administrative Staff	21	23
Trading Subsidiary	13	11
	<u>142</u>	<u>129</u>

Staff Costs During the Year

	2024 £	2023 £
Wages and Salaries	3,048,253	2,758,594
Social Security Costs	250,350	216,713
	<u>3,298,603</u>	<u>2,975,307</u>
Defined benefit pension scheme costs	515,368	1,105,482
Pension scheme finance costs	(7,000)	46,000
	<u>3,806,971</u>	<u>4,126,789</u>

Included in the above wages & salary costs are the following redundancy/Ex Gratia payments:

2024 £	2023 £
2,402	18,282

The Redundancy & Ex Gratia payment made in 2023-24 was in relation to 1 employee (2022-23:1).

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 (2023: £60,000) in the year was as follows:

	2024 No.	2023 No.
£60,000 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
£90,001 - £100,000	1	-
	<u>2</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

The key management personnel of the parent charity and the group comprise of the Chief Executive and the Head of Strategy, Finance and Corporate Services. The total employee benefits (including pension contributions but excluding social security costs) of the key management personnel of the charity and the group were £159,165 (2023: £125,963). The total social security costs of the key management personnel of the charity and group totalled £17,520 (2023: £13,748).

No Trustee received remuneration or benefits during either year. 2 Trustees claimed expenses of £2,513 (2023: 2 Trustees claimed £582) in the year.

NOTE 9**NET INCOME FOR THE YEAR**

Net income/(expenditure) for the year is stated after charging:

	2024	2023
	£	£
Depreciation of Owned Assets	824,619	877,879
Rentals Under Operating Leases - Land and Buildings	89,569	85,903
Auditors Remuneration:		
Fees payable for the audit of the Charity's Annual Accounts	15,875	15,140
Fees payable for the audit of the Charity's Subsidiary	7,025	5,120
Fees payable to the Charity's auditor for other services	3,200	2,925

NOTE 10**ANALYSIS OF TOTAL EXPENDITURE GROUP AND CHARITY**

	Activities Undertaken Directly 2024	Support Costs 2024	Total 2024	Activities Undertaken Directly 2023	Support Costs 2023	Total 2023
Activity	£	£	£	£	£	£
Curatorial	638,531	289,037	927,568	899,000	435,532	1,334,532
Education	199,346	38,266	237,612	147,716	49,017	196,733
Exhibitions and Events	337,520	1,051	338,571	409,717	1,017	410,734
Gardens	301,267	128,691	429,958	271,755	169,389	441,144
Marketing	362,056	188,949	551,005	461,678	302,699	764,377
Premises	1,644,120	153,555	1,797,675	1,700,150	263,441	1,963,591
Visitor Services	1,523,471	930,852	2,454,323	1,271,276	1,183,458	2,454,734
Admissions	-	-	-	418	391	809
Museum Development	586,965	-	586,965	400,142	-	400,142
	5,593,276	1,730,401	7,323,677	5,561,852	2,404,944	7,966,796

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

NOTE 11

ANALYSIS OF SUPPORT COSTS

GROUP AND CHARITY

For the year ended 31 March 2024

	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	93,269	12,348	339	41,527	60,972	49,551	300,377	-	558,383
IT Costs	50,813	6,727	185	22,624	33,217	26,995	163,643	-	304,204
Staffing and HR	63,206	8,368	230	28,142	41,319	33,579	203,557	-	378,401
Senior Management	58,913	7,800	214	26,230	38,512	31,298	189,729	-	352,696
Admin Costs	8,084	1,070	29	3,599	5,285	4,295	26,036	-	48,398
Cleaning and Hygiene	1,603	212	6	714	1,048	852	5,164	-	9,599
Other Costs	6,564	869	24	2,923	4,291	3,487	21,141	-	39,299
Governance Costs	6,585	872	24	2,932	4,305	3,498	21,205	-	39,421
	289,037	38,266	1,051	128,691	188,949	153,555	930,852	-	1,730,401

	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	98,150	11,046	229	38,173	68,215	59,368	266,699	88	541,968
IT Costs	63,251	7,119	148	24,600	43,960	38,259	171,870	57	349,264
Staffing and HR	185,380	20,864	433	72,099	128,841	112,131	503,727	166	1,023,641
Senior Management	54,799	6,167	128	21,313	38,086	33,146	148,905	49	302,593
Admin Costs	22,140	2,492	52	8,611	15,388	13,392	60,160	20	122,255
Cleaning and Hygiene	1,433	161	3	557	996	867	3,893	1	7,911
Other Costs	5,341	601	12	2,077	3,712	3,231	14,514	5	29,493
Governance Costs	5,038	567	12	1,959	3,501	3,047	13,690	5	27,819
	435,532	49,017	1,017	169,389	302,699	263,441	1,183,458	391	2,404,944

The basis of allocation for all expenditure is as a percentage of salary expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

NOTE 12

TANGIBLE FIXED ASSETS

Group & Charity	Displays £	Property £	Vehicles and Other Equipment £	Total £
Cost				
At 1st April 2023	1,012,113	10,672,268	539,763	12,224,144
Additions	-	231,152	74,996	306,148
Disposals	-	-	(19,031)	(19,031)
Transfers	-	-	-	-
At 31st March 2024	<u>1,012,113</u>	<u>10,903,420</u>	<u>595,728</u>	<u>12,511,261</u>
Accumulated depreciation				
At 1st April 2023	1,012,113	7,056,963	466,528	8,535,604
Charge for year	-	786,588	38,031	824,619
Disposals	-	-	(19,031)	(19,031)
At 31st March 2024	<u>1,012,113</u>	<u>7,843,551</u>	<u>485,528</u>	<u>9,341,192</u>
Net book value				
At 31st March 2024	<u>-</u>	<u>3,059,869</u>	<u>110,200</u>	<u>3,170,069</u>
At 1st April 2023	<u>-</u>	<u>3,615,305</u>	<u>73,236</u>	<u>3,688,541</u>

TANGIBLE FIXED ASSETS

Charity	Displays £	Property £	Vehicles and Other Equipment £	Total £
Cost				
At 1st April 2023	1,012,113	10,672,268	428,314	12,112,695
Additions	-	231,152	74,996	306,148
Disposals	-	-	(12,211)	(12,211)
At 31st March 2024	<u>1,012,113</u>	<u>10,903,420</u>	<u>491,099</u>	<u>12,406,632</u>
Accumulated depreciation				
At 1st April 2023	1,012,113	7,056,963	374,842	8,443,918
Charge for year	-	786,588	33,960	820,548
Disposals	-	-	(12,211)	(12,211)
At 31st March 2024	<u>1,012,113</u>	<u>7,843,551</u>	<u>396,591</u>	<u>9,252,255</u>
Net book value				
At 31st March 2024	<u>-</u>	<u>3,059,869</u>	<u>94,508</u>	<u>3,154,377</u>
At 1st April 2023	<u>-</u>	<u>3,615,305</u>	<u>53,472</u>	<u>3,668,777</u>

All tangible assets owned by the Charity were used for charitable purposes.

The split of freehold property and leasehold property improvements net book value as at 31 March 2024 is: Freehold property £358,504 (2023: £380,675); leasehold property improvements £2,665,535 (2023: £3,234,630). The City of York Council has granted the charity a 35 year lease, at a peppercorn rental, over the land and buildings comprising the York Museums and Art Gallery activities.

Leasehold property improvements to the Art Gallery have been funded by grants from Arts Council England and the agreement carries various covenants, the key one being that the Art Gallery property may only be used for the purposes of an Art Gallery. The charity has granted Arts Council England first legal charge in respect of the leasehold property known as the City Art Gallery and Archive, in the event that the covenants are not complied with.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

NOTE 13**INVESTMENTS HELD AS FIXED ASSETS**

The charity owns 100% of the ordinary share capital of York Museums and Enterprises Limited (Company registration no. 04466798), a company registered in England and Wales. The investment in the subsidiary is £1 (2023: £1)

The registered address of York Museums and Enterprises Limited is: St Mary's Lodge, Marygate, York, YO30 7DR

The income and expenditure of York Museums and Enterprises Limited for the year ended 31 March 2024 is summarised below:

	2024	As Restated 2023
	£	£
Turnover	1,367,573	1,213,423
Cost of Sales	<u>(555,323)</u>	<u>(461,904)</u>
Gross Profit	812,250	751,519
Other Operating Income	18,000	18,000
Administrative Expenses	(488,586)	(518,148)
Management Charge	<u>(55,575)</u>	<u>-</u>
Operating Profit	286,089	251,371
Interest Receivable and Similar Income	<u>1,963</u>	<u>434</u>
Profit on ordinary activities before tax	<u>288,052</u>	<u>251,805</u>
Taxation	-	-
Profit after tax	288,052	251,805
Gift aid distribution	<u>(288,052)</u>	<u>(251,805)</u>
Profit Retained for the Financial Year	<u><u>-</u></u>	<u><u>-</u></u>
The aggregate of the assets, liabilities and funds was:	2024	2023
Assets	528,920	1,003,830
Liabilities	<u>(528,886)</u>	<u>(1,003,796)</u>
	<u><u>34</u></u>	<u><u>34</u></u>
Represented by:		
Called Up Share Capital	1	1
Profit & Loss account	<u>33</u>	<u>33</u>
	<u><u>34</u></u>	<u><u>34</u></u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

NOTE 14
STOCK

	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Goods for resale	139,934	-	96,148	-
	<u>139,934</u>	<u>-</u>	<u>96,148</u>	<u>-</u>

NOTE 15

DEBTORS

	2024 Group £	2024 Charity £	2023 Group £	As Restated 2023 Charity £
Trade debtors	77,879	59,565	51,366	17,723
Amounts owed by subsidiary	-	216,935	-	720,344
Accrued income and other debtors	430,961	418,186	355,160	343,188
Museums and Galleries Exhibition Tax Relief	185,555	185,555	187,562	187,562
Prepayments	145,091	98,300	107,823	58,072
VAT recoverable	39,179	39,179	11,213	11,213
Other Debtors	25,540	25,540	38,496	38,496
	<u>904,205</u>	<u>1,043,260</u>	<u>751,620</u>	<u>1,376,598</u>

NOTE 16

CASH AND CASH EQUIVALENTS

	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Cash at bank and in hand	<u>1,925,035</u>	<u>1,629,608</u>	<u>2,099,292</u>	<u>1,306,739</u>

NOTE 17

CREDITORS: DUE <1 YR

	2024 Group £	2024 Charity £	2023 Group £	As Restated 2023 Charity £
Trade creditors	1,095,265	1,024,131	800,973	776,388
Other creditors	30,342	1,081	10,505	841
Accruals and deferred income	483,915	332,832	590,277	414,393
	<u>1,609,522</u>	<u>1,358,044</u>	<u>1,401,755</u>	<u>1,191,622</u>

NOTE 18

CREDITORS: DUE >1 YR

	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Deferred Income	60,493	-	73,326	-
	<u>60,493</u>	<u>-</u>	<u>73,326</u>	<u>-</u>

HSBC Bank has a fixed and floating charge over all the assets in respect of operational facilities in place with the bank, no amounts are due to HSBC at either year end

NOTE 19

Deferred Income

	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Opening Balance	247,279	22,789	202,475	9,187
Deferred Income Additions during the year	195,394	9,785	243,364	21,122
Deferred Income Release during the year	(245,031)	(22,789)	(198,560)	(7,520)
Closing Balance	<u>197,642</u>	<u>9,785</u>	<u>247,279</u>	<u>22,789</u>

The deferred income relates to future events and the Patrons Scheme

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

NOTE 20

MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2023 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2024 £
General Unrestricted funds	1,073,322	5,283,035	(5,337,629)	-	(134,929)	883,799
Total General Funds	1,073,322	5,283,035	(5,337,629)	-	(134,929)	883,799
Designated Pension Fund	-	-	(186,000)	186,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	24,500	26,983	(26,750)	-	26,250	50,983
Designated Infrastructure Fund	349,311	-	(10,325)	-	(223,147)	115,839
Designated Property Fund	3,508,334	-	(863,163)	-	364,182	3,009,353
Total Designated Funds	3,884,334	26,983	(1,086,238)	186,000	167,285	3,178,364
Total Unrestricted Funds	4,957,656	5,310,018	(6,423,867)	186,000	32,356	4,062,163

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2023 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2024 £
General Unrestricted funds	1,073,296	4,239,126	(4,293,720)	-	(134,929)	883,773
Total General Funds	1,073,296	4,239,126	(4,293,720)	-	(134,929)	883,773
Designated Pension Fund	-	-	(186,000)	186,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	24,500	26,983	(26,750)	-	26,250	50,983
Designated Infrastructure Fund	349,311	-	(10,325)	-	(223,147)	115,839
Designated Property Fund	3,508,334	-	(863,163)	-	364,182	3,009,353
Total Designated Funds	3,884,334	26,983	(1,086,238)	186,000	167,285	3,178,364
Total Unrestricted Funds	4,957,630	4,266,109	(5,379,958)	186,000	32,356	4,062,137

The £134,929 transfer from the General Fund includes £84,785 which the Trustees have allocated towards the Castle RAAC (£58,035) and Estates Masterplan (£26,750) projects, and £50,000 allocated to the designated Infrastructure fund to go towards future capital expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

Prior Year Comparison

MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2022 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2023 £
General Unrestricted funds	1,199,615	5,097,937	(5,176,704)	-	(47,526)	1,073,322
Total General Funds	1,199,615	5,097,937	(5,176,704)	-	(47,526)	1,073,322
Designated Pension Fund	(1,843,000)	-	(829,000)	2,672,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	26,065	18,051	(7,500)	-	(12,116)	24,500
Designated Infrastructure Fund	385,095	-	(30,515)	-	(5,270)	349,310
Designated Property Fund	4,306,573	-	(862,655)	-	64,417	3,508,335
Total Designated Funds	2,876,922	18,051	(1,729,670)	2,672,000	47,031	3,884,334
Total Unrestricted Funds	4,076,537	5,115,988	(6,906,374)	2,672,000	(495)	4,957,656

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2022 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2023 £
General Unrestricted funds	1,199,587	4,117,887	(4,196,652)	-	(47,526)	1,073,296
Total General Funds	1,199,587	4,117,887	(4,196,652)	-	(47,526)	1,073,296
Designated Pension Fund	(1,843,000)	-	(829,000)	2,672,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Restructure Fund	26,065	18,051	(7,500)	-	(12,116)	24,500
Designated Infrastructure Fund	385,095	-	(30,515)	-	(5,270)	349,310
Designated Property Fund	4,306,573	-	(862,655)	-	64,417	3,508,335
Total Designated Funds	2,876,922	18,051	(1,729,670)	2,672,000	47,031	3,884,334
Total Unrestricted Funds	4,076,509	4,135,938	(5,926,322)	2,672,000	(495)	4,957,630

The £47,526 transfer from the General Fund includes £50,000 which the Trustees have decided to allocate to the designated Infrastructure fund to go towards future capital expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

NOTE 21

MOVEMENT IN RESTRICTED FUNDS

Restricted funds comprise grants and donations given towards expenditure on the Trust's charitable aims

Group and charity	1st April 2023	Income	Expenditure	Transfers	31st Mar 2024
	£	£	£	£	£
Friends Art Gallery	7,401	35,195	(1,620)	(30,000)	10,976
Ceramics SSN	2,453	-	-	-	2,453
Bloom	-	5,000	(5,000)	-	-
Shears Foundation	-	5,500	(5,500)	-	-
Archaeology Archives	37,835	4,340	(14,221)	-	27,954
Portable Antiquities	645	45,692	(45,692)	-	645
Arts Council NPO Funding	-	1,252,632	(1,252,632)	-	-
MDY Projects	19,488	383,649	(420,486)	17,677	328
COCA - Restricted	14,795	-	(82)	-	14,713
Richard III	1,762	-	-	-	1,762
Ryedale Hoard	2,935	-	(2,935)	-	-
Star Carr	-	6,750	(6,750)	-	-
Gardens Restricted	16,254	7,600	(3,645)	-	20,209
Curatorial Restricted	12,071	11,700	(5,303)	(3,000)	15,468
Children's Play	1,244	-	(1,944)	700	-
Cultural Wellbeing	56	15,000	-	(56)	15,000
Art Fund	8,035	(4,329)	(100)	-	3,606
Headley Art Fund	5,428	-	-	-	5,428
Pilgrim trust	-	10,000	-	-	10,000
MD Network Grant	3,216	-	(974)	(2,242)	-
TA Redevelopment	1,517	-	90	-	1,607
Wild Escape MDY	16,282	130	(10,171)	-	6,241
MDUK Art Fund Grants	-	400,000	(166,478)	(15,435)	218,087
Other Small Grants	38,496	-	-	-	38,496
Other Restricted Funds	12,951	1,417	(276)	-	14,092
	202,864	2,180,276	(1,943,719)	(32,356)	407,065

The £30,000 transfer from the Friends of the Art Gallery fund was a contribution towards new lighting at the Art Gallery and was transferred to the designated infrastructure fund to match the expenditure. £15,435 was transferred to MDY Projects from the MDUK Art Fund to cover the facilitation of the grants by MDY during the year.

Purpose of Restricted Funds

Friends Art Gallery are funds given by the Friends of York Art Gallery for acquisitions and conservation at the Art Gallery

Ceramics SSN fund is used to host a Symposium for the Subject Specialist Network funding from ACE

Bloom. £5,000 donation towards the Bloom Exhibition

Shears Foundation awarded a grant towards the Teenage Art School project

Archaeology Archives fund is to receive archaeological finds

Portable Antiquities is funding the salary of the British Museum's PAS representative

Arts Council. Year 2 funding of a 3 year grant as part of the National Portfolio Organisation (NPO) programme

MDY Projects fund is for the Museum Development Yorkshire funding from Art Council England which is administered by York Museums Trust

COCA comprises donations towards the interpretation and delivery of the Centre of Ceramic Arts projects

Richard III fund is to produce a Richard III exhibition

Ryedale Hoard. Income received towards the interpretation/ running costs of the Ryedale Hoard Exhibition

Star Carr -a donations received towards the Star Carr exhibition

Gardens Restricted comprises of recharges specifically for the repairs and maintenance of the Museum Gardens

Curatorial Restricted comprises various grants and donations for collections development

Children's Play. A Grant allocated from the Guildhall Ward Committee to provide city-centre outdoor play tools for families and children to use in Museum Gardens

Cultural Wellbeing is a grant received from CYC for cultural wellbeing activities

Art Fund provided support for the Curator of Archaeology in the "Collecting Award Project"

Headley Art Fund is a grant received from the Art Fund to support the Unwrapping York's Stories project at the Castle Museum

Pilgrim Trust - £10,000 grant towards conserving and sharing the Oulston Roman Villa mosaic

MD Network Grant fund is for supporting museums and galleries via Museum Development Network

TA Redevelopment are funds received from the Yorkshire Philosophical Society for repairs and improvements to the Tempest Anderson Hall

Wild Escape. Funding from the Art Fund distributed by Museum Development Yorkshire to enable museums and arts organisations in the north of England to provide activity for schools and families, celebrating the diversity of British wildlife through heritage and art

MDUK Art Fund Grant – funds towards the Museum Development UK Grants programme 2023-25

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

Other small grants and restricted funds are from various sources and have been restricted for specific purposes as requested by the funder/donor

Prior Year Comparison

Group and charity	1st April 2022	Income	Expenditure	Transfers	31st Mar 2023
	£	£	£	£	£
Friends Art Gallery	7,401	-	-	-	7,401
Ceramics SSN	2,203	-	250	-	2,453
Body Vessel Clay	-	3,200	(3,200)	-	-
Archaeology Archives	38,477	3,850	(4,493)	-	37,834
Portable Antiquities	0	38,892	(38,247)	-	645
Arts Council NPO Funding	-	1,252,632	(1,252,632)	-	-
MDY Projects	51,349	354,282	(400,142)	14,000	19,489
COCA - Restricted	13,951	1,000	(156)	-	14,795
Richard III	1,762	-	-	-	1,762
Ryedale Hoard	-	9,221	(6,286)	-	2,935
Gardens Restricted	14,639	5,500	(3,885)	-	16,254
Curatorial Restricted	11,003	12,750	(11,682)	-	12,071
Children's Play	-	1,500	(256)	-	1,244
Cultural Wellbeing	569	-	(513)	-	56
Art Fund	21,532	-	(13,497)	-	8,035
Headley Art Fund	21,442	-	(16,014)	-	5,428
MD Network Grant	2,242	200,000	(185,026)	(14,000)	3,216
TA Redevelopment	4,531	500	(3,514)	-	1,517
Wild Escape MDY	-	96,819	(80,537)	-	16,282
Capital works fund	1	-	0	(1)	-
Other Small Grants	38,496	-	0	-	38,496
Other Restricted Funds	16,977	16,122	(20,644)	496	12,951
	246,575	1,996,268	(2,040,474)	495	202,864

NOTE 22

ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS

Group	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	160,714	3,009,355	-	3,170,069
Current Assets	2,393,100	169,009	407,065	2,969,174
Current Liabilities	(1,609,522)	-	-	(1,609,522)
Long Term Liabilities	(60,493)	-	-	(60,493)
Pension asset/Liability	-	-	-	-
As 31st March 2024	883,799	3,178,364	407,065	4,469,228
As 31st March 2023	1,073,322	3,884,334	202,864	5,160,520

Charity	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	145,023	3,009,355	-	3,154,378
Current Assets	2,096,794	169,009	407,065	2,672,868
Current Liabilities	(1,358,044)	-	-	(1,358,044)
Long Term Liabilities	-	-	-	-
Pension Liability	-	-	-	-
As 31st March 2024	883,773	3,178,364	407,065	4,469,202
As 31st March 2023	1,073,296	3,884,334	202,864	5,160,494

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

Prior Year Comparison

ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS

Group	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	180,206	3,508,335	-	3,688,541
Current Assets	2,520,090	375,999	50,971	2,947,060
Current Liabilities	(1,553,648)	-	151,893	(1,401,755)
Long Term Liabilities	(73,326)	-	-	(73,326)
Pension Liability	-	-	-	-
As 31st March 2023	<u>1,073,322</u>	<u>3,884,334</u>	<u>202,864</u>	<u>5,160,520</u>
As 31st March 2022	<u>1,199,615</u>	<u>2,876,922</u>	<u>246,575</u>	<u>4,323,112</u>

Charity	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	160,444	3,508,335	-	3,668,779
Current Assets	2,256,366	375,999	50,971	2,683,336
Current Liabilities	(1,343,514)	-	151,893	(1,191,621)
Long Term Liabilities	-	-	-	-
Pension Liability	-	-	-	-
As 31st March 2023	<u>1,073,296</u>	<u>3,884,334</u>	<u>202,864</u>	<u>5,160,494</u>
As 31st March 2022	<u>1,199,587</u>	<u>2,876,922</u>	<u>246,575</u>	<u>4,323,084</u>

The designated property fund relates to the net book value of assets purchased using restricted funds.

NOTE 23

COMMITMENTS

The group and charity had future minimum lease payments under non-cancellable operating leases as follows:

Group and charity

Operating Lease Commitments

	2024		2023	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Leases which expire				
Within one year	89,750	1,585	89,750	1,585
Two and five years	282,096	6,340	333,563	6,340
Six and ten years	-	396	38,283	1,978
	<u>371,846</u>	<u>8,321</u>	<u>461,596</u>	<u>9,903</u>

NOTE 24

PENSION SCHEME

The Group contributes to the North Yorkshire Pension Fund. The scheme is a defined benefit scheme for the benefit of the employees. The assets of the scheme are fully administered by North Yorkshire County Council in a fund independent from that of the Group. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 31 March 2022 and updated on an approximate basis to 31 March 2024.

The plan has a gross accounting surplus at the reporting date of £4.7m (22-23 £2.9m). In line with FRS 102 requirements York Museums and Gallery Trust has recognised as an asset on the balance sheet to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan. The scheme's actuary has confirmed that they can demonstrate no economic benefit arising to York Museums and Gallery Trust from an 'asset ceiling' calculation comparing the present value of future service costs to the present value of future contributions. The actuary has also confirmed that any refunds from the plan are contingent on future events. Accordingly, York Museums and Gallery Trust has not recognised the pension asset position, restricting the surplus to £nil, and reducing actuarial gains by the same amount.

The contributions made by the employer over the financial year have been £325,000 (2023 - £323,000).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

Assumptions

The assets of the Scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2024	2023
Financial:		
Rate of increase in salaries	3.85%	3.95%
Pension in payment increases	2.60%	2.70%
Discount rate	4.80%	4.70%
Inflation assumption	2.60%	2.70%

	2024 Years	2023 Years
Life expectancy:		
Male future pensioner aged 65 in 20 years' time	23.0	23.5
Female future pensioner aged 65 in 20 years' time	25.6	26.0
Male current pensioner aged 65	22.1	22.6
Female current pensioner aged 65	24.6	25.0

The amounts recognised in the statement of financial position are as follows:

	2024 £'000	2023 £'000
Present value of scheme liabilities	(16,894)	(16,647)
Fair value of scheme assets	21,651	19,550
Surplus not recognised	(4,757)	(2,903)
Surplus/ (Deficit) in the scheme	-	-

The assets in the scheme and the expected rate or return were:

	Fair value 2024 £'000	Fair value 2023 £'000
Equities	10,218	10,186
Government Bonds	2,663	2,150
Other bonds	1,581	1,408
Property	1,321	1,251
Multi Asset Credit	1,126	1,036
Cash Asset Credit	1,018	274
Other	3,724	3,245
Total fair value of assets	21,651	19,550
Actuarial value of liability	(16,894)	(16,647)
Surplus not recognised	(4,757)	(2,903)
Net pension surplus/ (deficit)	-	-

Movement in the deficit during the year were as follows:

	2024 £'000	2023 £'000
Deficit in scheme at 1 April	-	(1,843)
Movement in the year:	-	-
Current service costs	(516)	(1,106)
Past service cost	(2)	-
Settlement cost	-	-
Net (loss) on assets	7	(46)
Contributions	325	323
Actuarial gain/(loss)	1,904	5,575
Surplus not recognised	(1,718)	(2,903)
Surplus/ (Deficit) in the scheme at 31 March	-	-

Analysis of the amount charged to net finance charge for the year under FRS102 in relation to the scheme:

	2024 £'000	2023 £'000
Expected return on pension scheme assets	-	-
Interest on pension scheme liabilities	(7)	46
Net finance loss	(7)	46

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

The amount recognised in the income and expenditure account are:

	2024 £'000	2023 £'000
Current service costs	516	1,106
Past service costs	2	-
Net Interest cost	(7)	46
Expected return on scheme assets	-	-
Total charge to income and expenditure account	<u>511</u>	<u>1,152</u>

The amount recognised in the statement of financial activities are as follows:

	2024 £'000	2023 £'000
Amount recognised during the period	1,904	5,575
Gain adjusted as fund surplus not recognised	<u>(1,718)</u>	<u>(2,903)</u>
Cumulative amount recognised	<u>186</u>	<u>2,672</u>

Asset and liability reconciliation

Reconciliation of assets	2024 £'000	2023 £'000
Assets at the start of the year	19,550	21,765
Expected return on plan assets	920	589
Actuarial (loss)/gain on assets	1,128	(2,895)
Employer contributions	325	323
Member contributions	187	160
Benefits Paid	(459)	(392)
Settlements	-	-
Assets at the end of the year	<u>21,651</u>	<u>19,550</u>
Actual return on plan assets	<u>2,048</u>	<u>(2,306)</u>

Reconciliation of liabilities	2024 £'000	2023 £'000
Liabilities at the start of the year	16,647	23,608
Current service costs	516	1,106
Past service costs	2	-
Interest on pension liabilities	777	635
Employee contributions	187	160
Actuarial (gains)/losses due to changes in financial assumptions	(675)	(10,306)
Actuarial (gains)/losses due to changes in demographic assumptions	(255)	180
Actuarial (gains)/losses due to liability experience	154	1,656
Actuarial loss/(gain) on liabilities	-	-
Benefits paid	(459)	(392)
Settlements	-	-
Liabilities at the end of the year	<u>16,894</u>	<u>16,647</u>
Net pension scheme asset not recognised	<u>4,757</u>	<u>2,903</u>

Net Interest costs include £136,000 in respect of the unrecognised scheme asset brought forward

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

The history of experience adjustments is as follows:

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Scheme liabilities	(16,894)	(16,647)	(23,608)	(24,858)	(18,653)	(18,516)
Scheme assets	<u>21,651</u>	<u>19,550</u>	<u>21,765</u>	<u>21,467</u>	<u>16,513</u>	<u>16,153</u>
	<u>4,757</u>	<u>2,903</u>	<u>(1,843)</u>	<u>(3,391)</u>	<u>(2,140)</u>	<u>(2,363)</u>
Experience adjustments on scheme liabilities	(776)	(8,470)	(2,667)	5,121	(1,298)	42
Percentage of scheme liabilities	4.6%	50.9%	11.3%	7.0%	-0.2%	-0.2%
Experience adjustments on scheme assets	1,128	(2,895)	(226)	4,511	(453)	892
Percentage of scheme assets	5.2%	-14.8%	-1.0%	-2.7%	5.5%	4.8%

NOTE 25**NET DEBT RECONCILIATION**

	1st April 2023 £	Cash Flows £	31st Mar 2024 £
Cash at bank and in hand	2,099,292	(174,257)	1,925,035
Net Debt	<u>2,099,292</u>	<u>(174,257)</u>	<u>1,925,035</u>

The Charitable Group has no debt in the current or previous year.

NOTE 26**RELATED PARTY TRANSACTIONS**

During the year, the Trust conducted the following transactions with its subsidiary, York Museums and Enterprises Limited.

The Trust levied a management charge on York Museums and Enterprises Limited amounting to £55,575 (2023: £10,500).

The subsidiary, York Museums and Enterprises Limited, made a gift aid donation under a deed of covenant to the Trust of £288,052 in the year ended 31 March 2024 (2023: £251,805).

At 31 March 2024, York Museums and Enterprises Limited owed £216,935 to the Trust (2023: £720,344).

The amounts owed by the subsidiary comprise of Trust income received in to the subsidiary bank account, and salary and other costs that have been paid from York Museums Trust bank account and have been recharged to the subsidiary. Both were not yet transferred from the York Museums and Enterprises Ltd account as at 31 March 2024.

During the year Trustees have donated £7,636 to the Trust via the Patrons Scheme (2023: £3,402).

NOTE 27**PRIOR PERIOD ADJUSTMENT**

Amounts owed to the subsidiary in the prior year of £57,351 have been offset against the debtor balance. This has resulted in a reduction of the debtors and creditors of £57,351 in the company balance sheet. There was no impact to the consolidated balance sheet as at 31 March 2023, and no impact to the consolidated and company statement of financial activities for the year end 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

NOTE 28

2022-23 Consolidated Statement of Financial Activities

	General Funds 2023 £	Designated Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	3,231,741	18,051	26,281	3,276,073
Funding provided by City of York Council	306,710	-	-	306,710
Funding provided by Arts Council England	-	-	1,597,851	1,597,851
Donations, Legacies and General Grants				
Donations and legacies	326,123	-	1,750	327,873
Other grants receivable	-	-	370,386	370,386
Other Trading Activities				
Income generated from subsidiary	1,231,423	-	-	1,231,423
Investments				
Interest receivable	1,940	-	-	1,940
TOTAL INCOME	<u>5,097,937</u>	<u>18,051</u>	<u>1,996,268</u>	<u>7,112,256</u>
EXPENDITURE ON:				
Raising Funds				
Costs incurred by subsidiary	980,052	-	-	980,052
Charitable expenditure				
Charitable expenditure	<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>
Total charitable expenditure	<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>
TOTAL EXPENDITURE	<u>5,176,704</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>8,946,848</u>
Net gains on Investments	-			-
Net income/(expenditure) before taxation	(78,767)	(1,711,619)	(44,206)	(1,834,592)
Taxation charge	-	-	-	-
Net income/(expenditure) after taxation	(78,767)	(1,711,619)	(44,206)	(1,834,592)
Other recognised gains/(losses):				
Actuarial (loss)/gain on defined benefit scheme	-	2,672,000	-	2,672,000
Transfer between funds	(47,526)	47,031	495	-
NET MOVEMENT IN FUNDS	<u>(126,293)</u>	<u>1,007,412</u>	<u>(43,711)</u>	<u>837,408</u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,199,615	2,876,922	246,575	4,323,112
Net movement in the year	(126,293)	1,007,412	(43,711)	837,408
Fund balance carried forward	<u>1,073,322</u>	<u>3,884,334</u>	<u>202,864</u>	<u>5,160,520</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2024

2022-23 Charity Statement of Financial Activities

	General Funds 2023 £	Designated Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	3,483,548	18,051	26,281	3,527,880
Funding provided by City of York Council	306,710	-	-	306,710
Funding provided by Arts Council England	-	-	1,597,851	1,597,851
Donations, Legacies and General Grants				
Donations and legacies	326,123	-	1,750	327,873
Other grants receivable	-	-	370,386	370,386
Investments				
Interest receivable	1,506	-	-	1,506
TOTAL INCOME	<u>4,117,887</u>	<u>18,051</u>	<u>1,996,268</u>	<u>6,132,206</u>
EXPENDITURE ON:				
Charitable expenditure				
Charitable expenditure	<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>
Total charitable expenditure	<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>
TOTAL EXPENDITURE	<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>
Net gains on Investments	-	-	-	-
Net income/(expenditure) before taxation	(78,765)	(1,711,619)	(44,206)	(1,834,590)
Taxation charge	-	-	-	-
Net income/(expenditure) after taxation	(78,765)	(1,711,619)	(44,206)	(1,834,590)
Other recognised gains/(losses):				
Actuarial (loss)/gain on defined benefit scheme	-	2,672,000	-	2,672,000
Transfer between funds	(47,526)	47,031	495	-
NET MOVEMENT IN FUNDS	<u>(126,291)</u>	<u>1,007,412</u>	<u>(43,711)</u>	<u>837,410</u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,199,587	2,876,922	246,575	4,323,084
Net movement in the year	(126,291)	1,007,412	(43,711)	837,410
Fund balance carried forward	<u>1,073,296</u>	<u>3,884,334</u>	<u>202,864</u>	<u>5,160,494</u>

Accounts

York Museums and Gallery Trust

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

Year ended 31 March 2023

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

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OFFICERS AND PROFESSIONAL ADVISORS

The Trustees who served during the year and subsequently were:

TRUSTEES

J. Grierson (Chair)
P. Ashton
A. Dean
S. Daubeney
S. Furlong
M. Haworth (Resigned 24.11.22)
A. Kirkby (Appointed 01.12.22)
M. Lowe
A. Malik (Resigned 02.05.23)
D. Myers
K. Nesbitt
S. Orr (Appointed 01.12.22)
A. Scott
D. Willcocks

COMPANY SECRETARY

P. Lambert

PRINCIPAL OFFICERS – KEY MANAGEMENT PERSONNEL

R. King – Chief Executive (Resigned 08.08.22)
K. Blacker -Chief Executive (Appointed 02.01.23)
P. Lambert – Head of Strategy, Finance and Corporate Services

REGISTERED OFFICE

St Marys' Lodge,
Marygate,
York, YO30 7DR

INDEPENDENT AUDITORS

Beever and Struthers
One Express,
1 George Leigh Street,
Manchester, M4 5DL

BANKERS

HSBC Bank plc
PO Box 26,
13 Parliament Street,
York, YO1 8XS

SOLICITORS

Browne Jacobson LLP
Mowbray House,
Castle Meadow Road,
Nottingham, NG2 1BJ

TRUSTEES' REPORT

For the year ended 31 March 2023

Chair's Foreword

Introduction

It gives me great pleasure as the Chair of Trustees for York Museums Trust to present the 2022-23 annual report and accounts.

This year has been marked by an encouraging and continued recovery from the substantial impact of the pandemic on income, operations and visitor numbers. We have been supported through this significant change by an incredible team of dedicated staff and volunteers who have helped us to be resilient, within a challenging external context, to continue to deliver outstanding activities and a warm welcome to all.

The new Chief Executive, Kathryn Blacker, joined York Museums Trust in January 2023. Kathryn has brought a breadth of experience of positive organisational transformation, gained in different sectors in media, museums and, most recently, as Chapter Steward at York Minster. Kathryn has a reputation for, and commitment to, working collaboratively with other organisations across York and North Yorkshire. The Senior Leadership Team provided a successful bridge of support between the previous Chief Executive, Reyahn King's, departure in summer 2022 and Kathryn's arrival, steering the Trust carefully through a period of continued change.

The Trust outperformed its audience and income targets for the year. Visitor numbers were more than 429,000 across the three main venues, ahead of the forecast of 365,000 and 93% above the previous financial year. Overall visitor number yield and tight cost control enabled the Trust to perform better than its forecast with an outturn of almost £5.2m and reserves of £943,000. This position is even more remarkable given the impact of rising running costs and broader cost-of-living challenges.

During November Arts Council England renewed the National Portfolio Organisation (NPO) status of York Museums Trust. The package of support will be £3.7m from April 2023 to March 2026 (£1.25m annually). This was excellent news and reflected the confidence that the Arts Council has placed in the collections and valuable activities delivered by York Museums Trust.

The Yorkshire Museum reopened its doors following a period of closure with a fanfare marked by the launch of the Ryedale Hoard exhibition. On display for the very first time the hoard, which was found in North Yorkshire, contains some of the area's most significant Roman objects, including an 1,800-year-old bust of Roman Emperor Marcus Aurelius. The purchase of the Ryedale Hoard was made possible thanks to the generosity of Richard Beleson, the Art Fund, several individual donors and with the help of David Aaron Ltd.

York Art Gallery has rebuilt a rich programme which attracted audiences of almost 129,000 and diversified our visitor profile to encompass younger people. 'Body Vessel Clay: Black Women, Ceramics & Contemporary Art', curated and conceived by Dr Jareh Das in partnership with Two Temple Place, explored work by three generations of black women artists working with clay. Two Aesthetica Art Prize exhibitions provided a celebration of contemporary art. 'Sin' organised with the National Gallery, brought together works of art which span the centuries. 'Marvellous & Mischievous: Literature's Young Rebels', a British Library touring exhibition, put the spotlight on famous rebels in children's literature. New permanent exhibitions included 'Treasures from the Stores' with highlights from York Art Gallery's own collections ranging from pieces by Ethel Walker to Andy Warhol, whilst 'Wall of Women' opened in March 2023. The new display in the Centre of Ceramic Art, celebrates the innovation and creativity of women working with clay from the early 20th century to the present day.

At York Castle Museum the programme included 'Castles of the Future' with Bricklive, the introduction of 'Mechanical Marvels', 'Ghosts on Kirkgate' in collaboration with the York's Ghost Merchants in late October, and 'Christmas at York Castle'. 'The Tiger Who Came to Tea' exhibition and associated activities, delivered in partnership with Seven Stories, brought young families into the Museum. The overall programme supported the venue in exceeding its visitor targets and income for the year.

The focus on community engagement ranged from Teenage Art School in collaboration with local arts organisation Medialle at York Art Gallery to the completion of a pilot community research project in the Hull Road and Tang Hall area of York, with the support of City of York Council and Make It York. The year also marked the return of a self-led schools' programme across all three sites and the launch of a review to establish a new approach to formal learning delivery in the future. York Museums Trust is committed to reflecting policies both locally and nationally through Arts Council's Let's Create Strategy that help to deepen its role in the local community and encourage both creativity and participation.

York Museum Gardens welcomes over a million visitors a year. The historic and stunning gardens are a vital green lung in the centre of the city which supports the health and wellbeing of both residents and visitors. Reflecting the Trust's commitment to improving environmental sustainability the gardens' team has increased biodiversity with new planting schemes, the introduction of polytunnels to grow and nurture plants on site to reduce travel miles and the creation of a new orchard as a joint initiative with York Philosophical Society. Event highlights included the Roman Festival during July, the hosting of 'Ghosts in the Garden' with York Bid in October and participation in Make It York's 'Ice Trail' during February.

The achievements throughout the last year have been a testament to the support of trustees, staff, funders, partners, visitors, patrons and donors. We have ended the financial year with much to look forward to over the coming 12 months. The Trust will continue to build on its resilience to deliver social, cultural and economic impact through its inspiring spaces, collections and activities.

I would also like to thank the Board of Trustees for their support throughout the year, and in particular those Trustees who have retired.



James Grierson, Chair
Date: 7th November 2023

Strategic Report

The Trustees, who act as directors for the purpose of company law, present the audited consolidated financial statements for the year ended 31 March 2023.

Our purpose and activities

York Museums Trust's ('YMT') was set up in 2002 to cherish the collections, building and gardens entrusted to us, presenting and interpreting them as a stimulus for learning, a provocation to curiosity and a source of inspiration and enjoyment for all.

Our vision is:

Connecting and inspiring people with the stories, histories, cultures and art of York and North Yorkshire.

Our mission is:

Championing curiosity, inspiring creativity and creating opportunities for people to flourish as we collaborate to tell stories about our collections and places.

Our priorities are:

Building and sustaining a flourishing organisation by:

- Delivering innovative public programming supporting an audience-focused, inclusive, visitor-first approach, which also builds profile and reputation;
- Driving visitor income, meeting and exceeding enterprise and fundraising targets, managing expenditure;
- Identifying, developing and delivering a Masterplan and associated capital projects, to provide the best care for the collections and places we care for on behalf of the City;
- Investing in our people ensuring we recruit, retain and develop a high performing team which celebrates diverse experiences and voices; and
- Tackling and adapting to climate change, understanding our carbon footprint and making incremental changes towards a net-zero future.

YMT carries out its mission through a broad range of activities, centred around but not limited to our main sites – York Art Gallery (YAG), York Castle Museum (YCM), Yorkshire Museum (YM) and York Museum Gardens (YMG).

Overview of our operating activities

The reporting period of 2022/23 represented the first period where all of our sites have been able to open for the whole year since the global pandemic in March 2020. We were pleased to welcome back visitors in large numbers which boosts admissions income, and secondary spend in retail and cafes. We have not yet achieved the visitor numbers we experienced before 2020 at YCM and YM and we had budgeted for the year accordingly. At YAG visitor numbers are over 70% higher than we expected as we continued with the model of allowing free access to the site and the permanent displays and charging for the temporary exhibitions we ran in the year.

In 2022/23 we put on four such exhibitions: *Beyond Bloomsbury: life, love and legacy*; *Body, Vessel, Clay: Black Women, Ceramics and Contemporary Art*; *SIN: An exhibition organised by the National Gallery, London with York Museums Trust*; *Marvellous and Mischievous: Literature's Young Rebels*

Our reported visitor numbers for the last three years in the context of reduced numbers because of Covid-19 in 2020/21 and to a lesser extent in 2021/22 are:

	2022/23	2021/22	2020/21
York Castle Museum	224,557	108,807	8,328
Yorkshire Museum	75,866	26,859	Nil
York Art Gallery	128,849	85,947	12,478
Total	429,272	221,613	20,806

Fundraising

We had National Portfolio Organisation (NPO) Funding from Arts Council England (ACE) for the five year period April 2018 to March 2023, providing an annual income of £1.25m each year during this period. We successfully bid in 2022 for further NPO funding for the period April 2023 to March 2026 at the same level of income of £1.25m per annum.

Individual donors have continued their support for YMT's core work, with gifts secured onsite and online. We have in place a Patron giving programme and a regular supporters scheme which was launched in mid 2022. Gift Aid has improved with the new charging models at YCM and YM which give visitors a 12 month admissions pass as part of the entrance fee.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We seek charitable gifts from our visitors and stakeholders to make our ambitious vision for the future possible, in line with the legislative definition of fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." This does not involve widespread solicitation of the general public to acquire new donors. The generous contributions that we receive are presented in our accounts as "Donations and Legacies" and include gifts from individuals, legacies and grants.

All our fundraising activity is managed internally, by a small department of employed fundraising specialists, without involvement of commercial participators, external fundraisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the Trustees. YMT is not bound by any regulatory scheme but does comply voluntarily with the Fundraising Regulators Code of Practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times. By complying with the Fundraising Regulators Code of Conduct and GDPR we have procedures in place to prevent complaints and address them should they arise.

Financial Review

YMT had expected to make a substantial financial loss in 2022/23 because of the uncertainty of visitor numbers returning post pandemic. The financial performance proved better than predicted and we ended the year making a small financial loss. The reasons for a better than forecast financial position were:

- The increase in visitor numbers was greater than expected and we achieved a higher yield per visitor;
- High staff turnover post pandemic which meant we carried a greater number of vacancies through the period than planned;
- Tight controls on expenditure in the face of both inflation and significantly increased energy costs and ;
- A better performance from our Enterprises business than planned.

The net deficit for the year on general unrestricted funds (before transfers between funds) was £78,767 (2022: net surplus of £153,749). The Trustees decided to allocate £47,526 (2022: allocate £5,232) from the general unrestricted fund to designated funds. The net movement in funds for the general unrestricted fund for the year was thus £126,293 (2022: £148,517).

Net movement in funds on designated funds was an increase of £1,007,412 (2022: an increase of £1,084,500) and net movement in funds on restricted funds was a decrease of £43,711 (2022: a decrease of £392,431).

The Pension Fund has a gross accounting surplus for the year of £5,575,000 (2022: gain £2,441,000). In line with FRS 102 requirements York Museums and Gallery Trust has recognised as an asset on the balance sheet to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan. The scheme's actuary has confirmed that they can demonstrate no economic benefit arising to York Museums and Gallery Trust from an 'asset ceiling' calculation comparing the present value of future service costs to the present value of future contributions. The actuary has also confirmed that any refunds from the plan are contingent on future events. Accordingly, the financial statements do not recognise the pension asset position, restricting the surplus to £nil, and reducing actuarial gains to £2,672,000.

During the year the charity received restricted donations, grants and income from charitable activities for specific activity and expenditure which resulted in restricted funds of £202,864 held at the end of the year (2022: £246,575).

The unrestricted general funds of the group, excluding fixed assets not represented by matching designated funds, at 31 March 2023 were a surplus of £893,116 (2022: £903,430).

The Trustees are satisfied that the charity's assets are available and adequate to fulfil its obligations for the foreseeable future as described in the going concern section of the report below.

Plans for future periods

We have produced a business plan for the 2023/24 period and defined the key outcomes and measures and activities we want to achieve in this period. We have also prepared for ACE an Activity Plan and Investment Principles Plan aligned to the #Let's Create strategy. All of these plans align to our priorities:

- Delivering innovative public programming supporting an audience-focused, inclusive, visitor-first approach, which also builds profile and reputation;
- Driving visitor income, meeting and exceeding enterprise and fundraising targets, managing expenditure;
- Identifying, developing and delivering a Masterplan and associated capital projects, to provide the best care for the collections and places we care for on behalf of the City;
- Investing in our people ensuring we recruit, retain and develop a high performing team which celebrates diverse experiences and voices; and
- Tackling and adapting to climate change, understanding our carbon footprint and making incremental changes towards a net-zero future.

Principal Risks and Uncertainties

Funding

Management and the Trustees formally review the risks through the use of a risk register and a risk management process. This includes scrutiny of the risk register by the Audit and Risk Committee and submission of the risk register to the Board each quarter.

Funding risk is always significant for YMT. We received as a National Portfolio Organisation £1.25m per year for the four year period 2018 to 2023 from Arts Council England. We have secured further funding for the 2023 to 2026 period at the same level but with inflationary pressures this does not allow us to deliver as much. We also continue to receive £0.3m per annum from City of York Council which has been at this level for 6 years with no inflationary increase.

The balance of our funding we have to generate ourselves through our admissions and Enterprises activities. Trustees have given consideration to the appropriate policies, procedures and systems to mitigate the YMT's exposure to the major risks. The key financial risk is the ability to generate sufficient income from visitor numbers, and other external funders, to cover expenditure incurred in fulfilling the obligations and liabilities as well as the vision, mission and priorities of the group. YMT has in its plans for 2023/24 its strategy of investing in public programmes, engagement, visitor experience, income generation, digital and capital developments in order to mitigate the future financial risks.

Cost of Living crisis

Since the start of 2022 a number of global events have occurred which contribute to an economic situation with high inflation, increases in interest rates and large increases in energy costs. We have been able to fix some of our energy costs but at rates significantly higher than pre 2022. These inflationary pressures impact consumer confidence, visitor numbers and spend. The same pressures impact significantly on our employment and supplier costs. Our ability to raise admission prices, our primary source of income, is limited by what prices visitors are prepared to pay.

Going Concern

In determining that YMT and its subsidiary are going concerns the Board gives consideration to the risks and uncertainties facing each entity, with particular reference to liquidity and solvency issues that might impact viability. The Board receives management accounts and 12 month forward cash flow forecasts on a regular basis. The Board reviews forecasts for a period not less than the 12 months following the date the financial statements are to be issued. If solvency and liquidity issues present significant and material risks and uncertainties to YMT then the forecast period under review will be extended.

The Board reviews and scrutinises the budget and budget forecasts in a separate meeting each year. In setting the 2023/24 budget the Board looked at a range of scenarios which stress test the robustness of the budget. Management examine the monthly management accounts each month to ensure YMT is trading to plan and are aware of the measures needed to reduce outgoings if we do not remain on track. In the current financial climate YMT have been unable to set a balanced budget, and have forecast a loss for the year of £0.3m. The Board considers future years look equally challenging and have asked for a review of YMT's business model to improve its sustainability in the longer term.

On 26 September 2023 YMT confirmed the existence of RAAC in the roof construction in part of the York Castle Museum (YCM). This has resulted in the partial closure of the site. We are continuing to welcome visitors at YCM and our retail and café concession remain fully open. However our revenues will be impacted and there are inspection and potential remedial work costs. We have informed CYC and we confirm we would be able to draw on their letter of credit if the impact on cash and reserves proves to be significant. Trustees have considered the financial impact of RAAC in forming a view on going concern.

In order to ensure that YMT maintains a positive reserves position YMT has in place a Letter of Credit from City of York Council dated 19 September 2023 for £1m which expires on 31 March 2025.

In conclusion the Board considers York Museums Trust to be a going concern, and as such, the financial statements have been prepared on a going concern basis.

Public Benefit

YMT provides public benefit as a charity by making available its Collections, Buildings and Gardens to all members of the public. Our Trustees have complied with their duty in accordance with the UK Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit. YMT has free access to our gardens and, where we charge for access at our other sites we have a range of free entry and substantial discounts for those on lower incomes, younger people, and free entry for York's children.

Structure, Governance and Management

Constitution

The charity was formed as a company limited by guarantee on 26 February 2002.

The company registration number is 04381647.

The charity registered with the Charity Commission on 14 June 2002 – registration number 1092466.

It is governed by the Memorandum and Articles of Association dated 26 February 2002.

The charity has a trading subsidiary, York Museums and Enterprises Limited, a company limited by shares, registered company number 04466798.

Governance Code

The Charity Governance Code, endorsed by the Charity Commission and other industry bodies, was launched in 2017. The Trustees have ensured we are compliant with the code. The code asks charities to "apply or explain". We have no matters to report. In 2021 under the chair of the Audit and Risk Committee the board set up a "Good Governance Group". The group consisted of members of the board and there was a work plan that covered the 2022/23 period and regular reports were made back to the board on areas for improvement which the board then adopted. Several task and finish groups worked on the planned activity. The purpose of the group was to ensure that YMT adopts the Governance Code and actively uses its principles.

Organisational Purpose: Trustees reviewed and revised the vision and mission of the organisation in 2019/20. The Board considers and revises the priorities for the organisation in this context as part of the strategic planning conversation each year. The Board met in November 2021 to consider the outcomes to be achieved and these were identified in the 2022/23 Business Plan. Trustees have updated the mission, vision and priorities in 2023 and these are reflected in this report.

Leadership: The Board meets six times each year, four times to examine quarterly performance and twice for workshops / deeper dives into strategic issues. We have an annual strategic Board away day to consider areas of change and to review performance against our objectives and priorities. Communication between board members and the committees, as well as communication across the wider organisation and with key stakeholders has been and remains a priority for the Trustees. In the period under review the Board established a private pre meeting, in person, at each Board to enable matters of strategic importance to be considered.

Integrity: All trustees complete annual declarations of interest and are required to advise of any changes during the course of the year. The Board receives an annual safeguarding report, and the Audit and Risk Committee reviews risks at each meeting. The Audit and Risk Committee also reviews the annual health, safety and wellbeing report.

Decision Making, Risk and Control: The terms of reference for the board and the board sub groups are reviewed and updated each year and the work of each is reported to the quarterly board meetings. The board receives a CEO report each quarter which includes the financial position and monitors performance against KPI's. One of the Board members has been appointed as the Senior Independent Board Member and the Audit committee reviews key policies such as Whistleblowing and their effectiveness.

Board Effectiveness: In considering nominations and appointments the nominations committee ensures that the board has the right skill sets and experience. Training is highlighted and offered to Board members where

appropriate. Trustees are appointed for an initial three year term which is renewable for a further period of three years. In September 2022 led by the Good Governance Group the Board agreed to undertake a Board Effectiveness Review programme. In the year under review of the board a questionnaire was completed by each Board member and the findings have been addressed and inform the Board activity for subsequent periods.

Equality, Diversity and Inclusion: The Board has this area as a standing item at each meeting. It receives regular reports on its own diversity and that of the wider organisation. The opportunity to create a more diverse and inclusive board is included in the brief for all board recruitment activity. The Good Governance Group has ensured that the YMT EDI roadmap includes trustees. EDI training offered to all staff and Trustees in 2022/23 and this included active bystander training. Trustees have also developed their own EDI Charter. One of the trustees has joined the YMT EDI change group which consists of a cross section of all staff to show visible Board leadership on this important agenda.

Openness and Accountability: Key stakeholders (City of York Council and Yorkshire Philosophical Society) are part of the board constitution. In addition the board invites representatives from ACE to attend each meeting and the papers are shared with ACE as part of the funding agreement. The Board receives regular reports on how the organisation is engaging with its audiences and the wider community and how the programme of activity is developed.

Method of election of Trustees

The Board of Trustees shall consist of two individuals nominated by the Local Authority, one individual nominated by the Yorkshire Philosophical Society and such other persons elected by the Trustees of the charity.

The Trustees have the power to appoint any person to be a Trustee, but so that the total number of Trustees does not exceed the permitted maximum of fifteen at any time.

The Trustees, who are also directors under Company law, who served during the year and subsequently are listed on page 3. None of the Trustees have any financial interest in the company.

All Trustee appointments are advertised externally and the nominations committee oversees this process and ensures the range of skills, experiences and diversity of the board is appropriate to meet the needs of the charity.

Trustee induction and training

New Trustees undergo a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and recent financial performance of the Charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees administers the charity. A Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. The Board meets six times per annum and there are four committees which meet as follows:

Finance and General Purposes Committee

Meets approximately six times per year, or as required, with the Chief Executive and Head of Strategy, Finance and Corporate Services to monitor and guide progress against the business plan.

Audit and Risk Committee

Meets four times per year to consider reports from external auditors, examines risk management and the internal control environment.

Remuneration Committee

Meets at least annually and sets pay of senior executives and approves annual pay increases for all staff.

Nominations Committee

Meets annually and as required. The Nominations Committee reviews the structure, size and composition of the Board and is responsible for identifying and nominating for approval to the Board, candidates to fill board vacancies.

Pay policy for senior staff, including key management personnel

The Trustees consider that the Board of Trustees, the Chief Executive Officer and the Head of Strategy, Finance and Corporate Services comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 8 to the Financial Statements.

The pay of the senior staff is reviewed annually by the Remuneration Committee and percentage changes are normally the same as for other members of staff, taking into account general inflation and the Trust's financial position.

Investment powers and policy

The Memorandum and Articles of Association of the charity permit the Trustees to invest the monies of the Trust not immediately required for its purposes in such investments, securities or property as may be thought fit. The Trust's investments are presently limited to group companies and UK Banks with a credit rating of A or better.

Reserves policy

The financial impact of the cost of living crisis on the Trust is discussed on page 9. The general reserve at 31 March 2023 of £1,073,322 represents between two to three months of YMT's operating costs. The trustees accept that at the current time it is still not appropriate to set a reserves target and that the Letter of Guarantee from CYC gives additional assurance to draw the confidence that YMT can continue to trade for the foreseeable future.

The Pension Reserve is shown as £nil as the pension fund at 31 March 2023 is in surplus by £2.9m. The Pension Fund is not managed or controlled by YMT and after consultation with the scheme's actuary the Trustees have decided that there is insufficient evidence to support the recoverability of the plan's surplus, and therefore have not recognised the actual pension asset position restricting the surplus to £nil, and reducing actuarial gains by the same amount. When in deficit, the Fund is shown in unrestricted reserves as a long term liability under FRS102.

Restricted funds of £202,864 were held at the year end and are held under trust law so can only be used for particular purposes, as specified or agreed with the donor. The majority of the restricted funds are gifted for use in either acquisitions of objects or to develop and produce our programme and offer.

Auditor

The Board appointed Beever and Struthers to conduct the 2021/22 and the 2022/23 audit in accordance with section 485 of the Companies Act 2006. To ensure compliance with best practice on appointing auditors an audit tender is in process in September 2023 and an appointment for the 2023/24 audit will be made at the AGM in November 2023.

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the charity for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees' report, was approved by the Board and signed on its behalf by:

Signature:



Name: James Grierson

Date: 7th November 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORK MUSEUMS AND GALLERY TRUST

Opinion on the financial statements

Opinion

We have audited the financial statements of York Museums and Gallery Trust ("the charitable company") for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Cash Flow Statement and the Notes to the Financial Statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 "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 and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions related to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and 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 AUDITOR'S REPORT TO THE MEMBERS OF YORK MUSEUMS AND GALLERY TRUST
(continued)**

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Trustees (who are also the directors for the purposes of company law) are responsible for the other information. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's report.

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

- adequate accounting records have not been kept by the Parent Charitable Company, 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORK MUSEUMS AND GALLERY TRUST
(continued)**

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, 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 determines 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws, regulations and guidance that affect the Group and Charitable Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Companies Act 2006, tax legislation, health and safety legislation and employment legislation.
- We enquired of management and reviewed correspondence and Trustee meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Trustees have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Trustees have in place to prevent and detect fraud. We enquired of the Trustees about any incidence of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed the financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations.
- We enquired of the Trustees about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of controls we tested the appropriateness of journal entries and assessed whether the judgments made in making accounting estimates were indicative of a potential bias.

YORK MUSEUMS AND GALLERY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORK MUSEUMS AND GALLERY TRUST
(continued)

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sue Hutchinson FCCA (Senior Statutory Auditor)
For and on behalf of

Beever and Struthers
Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 29 November 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

For the year ended 31 March 2023

	Note	General Funds 2023 £	Designated Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total funds 2022 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	3,231,741	18,051	26,281	3,276,073	1,747,849
Funding provided by City of York Council	6	306,710	-	-	306,710	308,910
Funding provided by Arts Council England	7	-	-	1,597,851	1,597,851	2,021,077
Donations, Legacies and General Grants						
Donations and legacies	3	326,123	-	1,750	327,873	280,170
Other grants receivable	5	-	-	370,386	370,386	685,117
Other Trading Activities						
Income generated by subsidiary		1,231,423	-	-	1,231,423	599,945
Investments						
Interest receivable	4	1,940	-	-	1,940	93
TOTAL INCOME		<u>5,097,937</u>	<u>18,051</u>	<u>1,996,268</u>	<u>7,112,256</u>	<u>5,643,161</u>
EXPENDITURE ON:						
Raising Funds						
Costs incurred by subsidiary		<u>980,052</u>	<u>-</u>	<u>-</u>	<u>980,052</u>	<u>430,182</u>
Charitable expenditure						
Charitable expenditure	10	<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>	<u>6,813,393</u>
Total charitable expenditure		<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>	<u>6,813,393</u>
TOTAL EXPENDITURE		<u>5,176,704</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>8,946,848</u>	<u>7,243,575</u>
Net gains on Investments		-	-	-	-	-
Net (expenditure) before taxation		(78,767)	(1,711,619)	(44,206)	(1,834,592)	(1,600,414)
Taxation charge	12	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (expenditure) after taxation		(78,767)	(1,711,619)	(44,206)	(1,834,592)	(1,600,414)
Other recognised gains/(losses):						
Actuarial gain on defined benefit scheme	25	-	2,672,000	-	2,672,000	2,441,000
Transfer between funds		<u>(47,526)</u>	<u>47,031</u>	<u>495</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u>(126,293)</u>	<u>1,007,412</u>	<u>(43,711)</u>	<u>837,408</u>	<u>840,586</u>
RECONCILIATION OF FUNDS:						
Fund balance brought forward		1,199,615	2,876,922	246,575	4,323,112	3,482,526
Net movement in the year		(126,293)	1,007,412	(43,711)	837,408	840,586
Fund balance carried forward		<u>1,073,322</u>	<u>3,884,334</u>	<u>202,864</u>	<u>5,160,520</u>	<u>4,323,112</u>

A fully detailed Statement of Financial Activities for the year ended 31 March 2022 is shown in note 29.
The notes on pages 23 to 44 form part of the accounts.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

For the year ended 31 March 2023

	Note	General Funds 2023 £	Designated Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total funds 2022 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	3,483,547	18,051	26,281	3,527,879	1,806,592
Funding provided by City of York Council	6	306,710	-	-	306,710	308,910
Funding provided by Arts Council England	7	-	-	1,597,851	1,597,851	2,021,077
Donations, Legacies and General Grants						
Donations and legacies	3	326,123	-	1,750	327,873	280,170
Other grants receivable	5	-	-	370,386	370,386	685,117
Investments						
Interest receivable	4	1,506	-	-	1,506	89
TOTAL INCOME		<u>4,117,887</u>	<u>18,051</u>	<u>1,996,268</u>	<u>6,132,206</u>	<u>5,101,955</u>
EXPENDITURE ON:						
Charitable expenditure						
Charitable expenditure	10	<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>	<u>6,813,393</u>
Total charitable expenditure		<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>	<u>6,813,393</u>
TOTAL EXPENDITURE		<u>4,196,652</u>	<u>1,729,670</u>	<u>2,040,474</u>	<u>7,966,796</u>	<u>6,813,393</u>
Net gains on Investments		-	-	-	-	-
Net (expenditure) before taxation		(78,765)	(1,711,619)	(44,206)	(1,834,590)	(1,711,437)
Taxation charge	12	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (expenditure) after taxation		(78,765)	(1,711,619)	(44,206)	(1,834,590)	(1,711,437)
Other recognised gains/(losses):						
Actuarial gain on defined benefit scheme	25	-	2,672,000	-	2,672,000	2,441,000
Transfer between funds		<u>(47,526)</u>	<u>47,031</u>	<u>495</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u>(126,291)</u>	<u>1,007,412</u>	<u>(43,711)</u>	<u>837,410</u>	<u>729,563</u>
RECONCILIATION OF FUNDS:						
Fund balance brought forward		1,199,587	2,876,922	246,575	4,323,084	3,593,521
Net movement in the year		<u>(126,291)</u>	<u>1,007,412</u>	<u>(43,711)</u>	<u>837,410</u>	<u>729,563</u>
Fund balance carried forward		<u>1,073,296</u>	<u>3,884,334</u>	<u>202,864</u>	<u>5,160,494</u>	<u>4,323,084</u>

A fully detailed Statement of Financial Activities for the year ended 31 March 2022 is shown in note 29
The notes on pages 23 to 44 form part of the accounts.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

BALANCE SHEET - Consolidated

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible fixed assets	13	3,688,541	4,530,398
		<u>3,688,541</u>	<u>4,530,398</u>
CURRENT ASSETS			
Stock	15	96,148	76,912
Debtors	16	751,620	729,664
Cash at bank and in hand	17	2,099,292	2,119,012
		<u>2,947,060</u>	<u>2,925,588</u>
CREDITORS: falling due <1 year	18	(1,401,755)	(1,263,337)
		<u>1,545,305</u>	<u>1,662,251</u>
NET CURRENT ASSETS			
		<u>1,545,305</u>	<u>1,662,251</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		5,233,846	6,192,649
CREDITORS: falling due >1 year	19	(73,326)	(26,536)
NET ASSETS EXCLUDING PENSION LIABILITY			
		<u>5,160,520</u>	<u>6,166,113</u>
Defined benefit pension scheme liability	25	-	(1,843,000)
NET ASSETS			
		<u>5,160,520</u>	<u>4,323,113</u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	21	1,073,322	1,199,615
Designated Funds			
Pension Fund	21	-	(1,843,000)
Programme Funds		2,189	2,189
Strategic Fund		24,500	26,065
Infrastructure Fund		349,311	385,095
Property Fund		<u>3,508,334</u>	<u>4,306,573</u>
Total Designated Funds		3,884,334	2,876,922
Restricted Funds			
	22	<u>202,864</u>	<u>246,575</u>
		<u>5,160,520</u>	<u>4,323,112</u>

The notes on pages 23 to 44 form part of the accounts.

These financial statements of York Museums and Gallery Trust, company registered number 04381647, were approved and authorised for issue by the Board of Trustees on 7th November 2023 and were signed on its behalf by:

Signed:


Name: James GriersonDate: 7th November 2023

CHARITY STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

BALANCE SHEET - CHARITY

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible fixed assets	13	3,668,777	4,530,398
Investments	14	<u>1</u>	<u>1</u>
		<u>3,668,778</u>	<u>4,530,399</u>
CURRENT ASSETS			
Stock	15	-	-
Debtors	16	1,433,949	1,684,116
Cash at bank and in hand	17	<u>1,306,739</u>	<u>1,355,418</u>
		<u>2,740,688</u>	<u>3,039,534</u>
CREDITORS: falling due <1 year	18	(1,248,973)	(1,403,849)
NET CURRENT ASSETS		<u>1,491,715</u>	<u>1,635,685</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,160,494	6,166,084
CREDITORS: falling due >1 year	19	-	-
NET ASSETS EXCLUDING PENSION LIABILITY		<u>5,160,494</u>	<u>6,166,084</u>
Defined benefit pension scheme liability	25	-	(1,843,000)
NET ASSETS		<u><u>5,160,494</u></u>	<u><u>4,323,084</u></u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	21	1,073,296	1,199,587
Designated Funds	21		
Pension Fund		-	(1,843,000)
Programme Funds		2,189	2,189
Strategic Reserve		24,500	26,065
Infrastructure Fund		349,311	385,095
Property Fund		<u>3,508,334</u>	<u>4,306,573</u>
Total Designated Funds		3,884,334	2,876,922
Restricted Funds	22	<u>202,864</u>	<u>246,575</u>
		<u><u>5,160,494</u></u>	<u><u>4,323,084</u></u>

The notes on pages 23 to 44 form part of the accounts.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2023

	2023	2022
	£	£
Net (expenditure) after taxation	(1,834,592)	(1,600,414)
Interest Receivable	(1,940)	(93)
Depreciation	877,878	885,062
Pension service costs	829,000	893,000
(Increase) in stocks	(19,236)	(6,644)
(Increase) in Debtors	(21,956)	(100,149)
Increase in Creditors	185,208	73,231
Net Cash Inflow from Operating Activities	<u>14,362</u>	<u>143,992</u>

CASH FLOWS FROM INVESTING ACTIVITIES

	2023	2022
	£	£
Interest Receivable	1,940	93
Purchase of tangible fixed assets	<u>(36,020)</u>	<u>(35,915)</u>
	<u>(34,080)</u>	<u>(35,822)</u>
(Decrease)/ increase in cash and cash equivalents	(19,720)	108,170
Cash and cash equivalents at the start of the year	<u>2,119,012</u>	<u>2,010,842</u>
Cash and cash equivalents at the end of the year	<u>2,099,292</u>	<u>2,119,012</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

NOTE 1

ACCOUNTING POLICIES

York Museums and Gallery Trust, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital. There are currently 13 Trustees who are also members of the company. Each member has undertaken to pay a contribution to the assets in the event of winding up a sum not exceeding £1. York Museums and Gallery Trust is a registered charity. The registered office is shown on page 3.

Basis of accounting

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS102)), the Financial Reporting Standard application in the UK and Ireland (FRS102) and the Companies Act 2006. The particular accounting policies adopted are described below.

The Financial Statements are prepared under the historical cost convention.

On the grounds that the Subsidiary's reserves are consolidated into the Charitable Company's group accounts the Charitable Company has taken advantage of certain exemptions covered by Section 1.11 of FRS 102 as follows:

- Exemptions from presenting a statement of cash flows as a primary statement to the financial statements
- Exemption from disclosing the carrying amounts of each category of Financial Assets and Financial Liabilities at the reporting date as required by Section 14.41 of FRS 102

Preparation of accounts – going concern basis

The principal financial risk facing the charity and its trading subsidiary (together “the group”) is the ability to generate sufficient income from visitor numbers and external funding to cover expenditure incurred in fulfilling the objectives of the group. The Trustees have reviewed the cash position of the group and cash forecasts at the date of signing the financial statements for at least one year and are satisfied that the group will be able to meet all of its financial commitments.

In setting a budget for 2023/24 management and trustees have run through different options and visitor scenarios. This has resulted in a prudent assessment of the likely income and therefore of the financial needs for the year which predict a small but affordable loss in 2023/24.

We continue to operate tight financial controls over each item of expenditure in the Trust as well as a pay and recruitment freeze. We have put together cash flows and budgets to cover the subsequent financial years 2024/25 and 2025/26. The financial guarantee given by CYC that extends to March 2025 provides the trust with a large amount of financial headroom and security. This has enabled management and Trustees to conclude that the going concern basis is appropriate.

As a consequence, the Trustees believe that the group is well placed to manage its financial risks successfully despite the current uncertain economic outlook. After making enquiries, the Trustees have a reasonable expectation that the group has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly-owned subsidiary undertaking, York Museums and Enterprises Limited, drawn up to 31 March each year and consolidated on a line by line basis. The results of the subsidiary undertaking are disclosed in note 14.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**Income**

Income is recognised in the statement of financial activities when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Income from admission fees, commercial activities and interest receivable is included in the period in which the group is entitled to receipt.

Income from donations, legacies and grants, including capital grants, is included in income when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when received.

Gift Aid from Subsidiary

Gift aid income received from York Museums and Enterprises Limited is recorded on an accrual basis, under the agreed deed of covenant in place between the two entities.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure and support cost comprise direct expenditure including direct staff costs attributable to the activity. When support costs cannot be directly attributable they have been allocated to activities on a basis consistent with use of the resource. Fundraising costs are those incurred in seeking voluntary contributions for the Trust. Management and administration costs (support costs) are those incurred in connection with the management of the Trust's assets, organisational administration and governance costs regarding compliance with constitutional and statutory requirements.

The method used in the analysis of support costs is allocation by head count.

Collections

York Museums and Gallery Trust are the Managing Trustees of the collections. However, City of York Council are the Custodian Trustees and so none of the collections are included in fixed assets.

Tangible fixed assets

When purchased, tangible fixed assets are initially included at the cost of acquisition, including costs that are directly attributable to bringing the asset into working condition for their intended use. Individual fixed assets costing £5,000 or more are capitalised.

Donated, functional fixed assets are included at a valuation made by the Trustees. When the use of these assets is unrestricted they are included in a designated fund reflecting their book value. The relevant fund is reduced over the useful economic life of the asset in line with its depreciation.

No value is shown in the accounts for assets occupied and used by the Trust under license from the City of York Council.

Long term exhibition equipment is capitalised as a fixed asset. Temporary exhibition costs are written off as expenditure in the year it is incurred.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives and depreciation is charged monthly. A full month's depreciation is charged in the month of acquisition, none in the month of disposal. Depreciation is charged at the following rates:

Freehold Property	:	4% per annum
Leasehold Property Improvements	:	4% - 24% per annum
Displays	:	12% - 36% per annum
Vehicles and other equipment	:	10% - 24% per annum
Including:		
IT equipment	:	36% per annum
Fixtures and Fittings	:	20% per annum

Depreciation is not provided on assets in the course of construction until the asset is available for use in the business and has been transferred to the appropriate asset category.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price. Provision is made for obsolete, slow moving or defective items where appropriate.

Financial Instruments

The Charity and group only have financial assets and financial liabilities of a kind that qualify as a basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Staff Costs Accounting PolicyEmployee benefits – staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee benefits – pension costs

The charity contributes to the North Yorkshire Pension Fund, a multi-employer defined benefit scheme. For defined benefit schemes the amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately within other recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme 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 method and discounted at a rate equivalent to the current rate of return on high quality corporate bond of currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each statement of financial position date. The resulting defined asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Funds accounting

Funds held by the charity are either:

- Unrestricted general funds – these are funds that can be used in accordance with the charitable objects at the discretion of the Trustees
- Designated property fund – this is the net book value of assets purchased using restricted funds. These assets are not subject to restrictions on use, however there may be recourse to funders upon sale or disposal.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Designated pension fund – this represents the actuarial deficit of YMT's section of the North Yorkshire Pension Fund.
- Designated other funds – these are funds designated by the Trustees for specific purposes from unrestricted reserves. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases

Rentals applicable to operating leases when substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities.

The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Critical Accounting Estimates and Judgments

In the application of the group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Defined benefit pension scheme

The charity is a member of a multi-employer defined benefit scheme. The Trustees use the scheme actuary to determine both the present value of the obligation under the scheme, and also the fair value of assets owned, to determine the overall deficit in the scheme attributable to the charity. The actuary uses certain critical assumptions, such as discount rate, mortality and expected rates of return when setting the deficit recovery plan for the scheme at each triennial review. Full disclosure of the assumptions used by the independent third party is provided in note 25.

FRS 102 requires that defined benefit plan surpluses are recognised only to the extent that they are recoverable either through reduced contributions in the future or through refunds from the plan. The accounting valuation of the North Yorkshire Pension Fund at 31 March 2023 identified an accounting surplus of £2.9m.

The scheme's actuary has confirmed that they can demonstrate no economic benefit arising to York Museums and Gallery Trust from an 'asset ceiling' calculation comparing the present value of future service costs to the present value of future contributions. The actuary has also confirmed that any refunds from the plan are contingent on future events. Accordingly, York Museums and Gallery Trust judges that there is insufficient evidence to support the recoverability of the plan's surplus and therefore has not recognised the pension asset position, restricting the surplus to £nil, and reducing actuarial gains by the same amount.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 2
INCOME FROM CHARITABLE ACTIVITIES

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2023 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2022 £
Admission Income	2,878,560	-	-	2,878,560	1,493,138	-	-	1,493,138
YMT Card Income	-	-	-	-	-	-	-	-
Miscellaneous	353,181	18,051	26,281	397,513	195,047	38,913	20,751	254,711
	<u>3,231,741</u>	<u>18,051</u>	<u>26,281</u>	<u>3,276,073</u>	<u>1,688,185</u>	<u>38,913</u>	<u>20,751</u>	<u>1,747,849</u>
Consolidated								
Gift Aided Donation from Subsidiary	251,806	-	-	251,806	58,743	-	-	58,743
Charity	<u>3,483,547</u>	<u>18,051</u>	<u>26,281</u>	<u>3,527,879</u>	<u>1,746,928</u>	<u>38,913</u>	<u>20,751</u>	<u>1,806,592</u>

NOTE 3
DONATIONS AND LEGACIES
GROUP AND
CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 £
Gift Aid Donations	282,695	-	-	282,695	137,184	-	3,969	141,153
Donations and Legacies	<u>43,428</u>	<u>-</u>	<u>1,750</u>	<u>45,178</u>	<u>138,839</u>	<u>-</u>	<u>178</u>	<u>139,017</u>
	<u>326,123</u>	<u>-</u>	<u>1,750</u>	<u>327,873</u>	<u>276,023</u>	<u>-</u>	<u>4,147</u>	<u>280,170</u>

NOTE 4
GROUP
INTEREST
RECEIVABLE

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2023 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2022 £
Bank interest	<u>1,940</u>	<u>-</u>	<u>-</u>	<u>1,940</u>	<u>93</u>	<u>-</u>	<u>-</u>	<u>93</u>
	<u>1,940</u>	<u>-</u>	<u>-</u>	<u>1,940</u>	<u>93</u>	<u>-</u>	<u>-</u>	<u>93</u>

CHARITY
INTEREST
RECEIVABLE

	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2023 £	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2022 £
Bank interest	<u>1,506</u>	<u>-</u>	<u>-</u>	<u>1,506</u>	<u>89</u>	<u>-</u>	<u>-</u>	<u>89</u>
	<u>1,506</u>	<u>-</u>	<u>-</u>	<u>1,506</u>	<u>89</u>	<u>-</u>	<u>-</u>	<u>89</u>

NOTE 5
GRANTS RECEIVABLE
GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 £
Ruffer Art Fund	-	-	(495)	(495)	-	-	(495)	(495)
Art Fund	-	-	299,448	299,448	-	-	219,826	219,826
Arts Council England	-	-	-	-	660	-	-	660
Craft Potters Charitable Trust	-	-	1,000	1,000	-	-	-	-
City of York Council	-	-	1,500	1,500	-	-	-	-
British Museum (PAS)	-	-	38,892	38,892	-	-	22,617	22,617
The American Art Fund	-	-	9,222	9,222	-	-	252,052	252,052
HMRC CJRS	-	-	-	-	-	-	25,256	25,256
Yorkshire Philosophical Society	-	-	750	750	-	-	10,000	10,000
Headley Trust	-	-	9,619	9,619	-	-	27,500	27,500
University of Leeds	-	-	750	750	-	-	-	-
FOYAG	-	-	-	-	-	-	6,200	6,200
Decorative Arts Society	-	-	-	-	-	-	4,000	4,000
Museums Association	-	-	2,000	2,000	-	-	-	-
Omicron Hospital & Leisure	-	-	-	-	12,000	-	-	12,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Covid Emergency Grant	-	-	-	-	100,000	-	-	100,000
School for Social Entrepreneurs	-	-	4,500	4,500	-	-	5,500	5,500
Victoria & Albert Museum	-	-	3,200	3,200	-	-	-	-
	-	-	370,386	370,386	112,660	-	572,457	685,117

NOTE 6

**FUNDING PROVIDED BY CITY OF YORK COUNCIL
GROUP AND CHARITY**

	Unrestricted Funds	Designated Funds	Restricted Funds	2023	Unrestricted Funds	Designated Funds	Restricted Funds	2022
	£	£	£	£	£	£	£	£
Core funding	306,710	-	-	306,710	306,710	-	-	306,710
Cultural Wellbeing	-	-	-	-	-	-	2,200	2,200
	306,710	-	-	306,710	306,710	-	2,200	308,910

NOTE 7

**FUNDING PROVIDED BY ARTS COUNCIL
GROUP AND CHARITY**

	Group Unrestricted Funds	Group Designated Funds	Group Restricted Funds	2023	Group Unrestricted Funds	Group Designated Funds	Group Restricted Funds	2022
	£	£	£	£	£	£	£	£
NPO Funding	-	-	1,252,632	1,252,632	-	-	1,252,632	1,252,632
Museum Development	-	-	345,219	345,219	-	-	345,219	345,219
Cultural Recovery Fund	-	-	-	-	423,226	-	-	423,226
	-	-	1,597,851	1,597,851	423,226	-	1,597,851	2,021,077

NOTE 8

INFORMATION REGARDING TRUSTEES AND EMPLOYEES

Average number of persons employed

	2023 No.	2022 No.
Curatorial	25	23
Education	3	3
Gardens	5	6
Marketing	6	5
Facilities	3	3
Visitor Services	53	37
Directors and Administrative Staff	23	24
Trading Subsidiary	11	9
	129	110

Staff Costs During the Year

	2023 £	2022 £
Wages and Salaries	2,758,594	2,276,549
Social Security Costs	216,713	186,560
Pensions Costs	1,151,482	1,187,407
Staff Costs before pension items	4,126,789	3,650,516

Included in the above wages & salary costs are the following redundancy/Ex Gratia payments:

2023 £	2022 £
18,282	3,942

The Redundancy & Ex Gratia payment made in 2022-23 was in relation to 1 employee (2021-22:2).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 (2022: £60,000) in the year was as follows:

	2023 No.	2022 No.
£60,000 - £70,000	1	-
£70,001 - £80,000	-	1
£90,001 - £100,000	-	1
	<u>1</u>	<u>2</u>

The key management personnel of the parent charity and the group comprise of the Chief Executive and the Head of Strategy, Finance and Corporate Services. The total employee benefits (including pension contributions but excluding social security costs) of the key management personnel of the charity and the group were £118,463 (2022: £167,941). The total social security costs of the key management personnel of the charity and group totalled £13,748 (2022: £18,150).

No Trustee received remuneration or benefits during either year. 2 Trustees claimed expenses of £582 (2022: 2 Trustees claimed £207) in the year.

**NOTE 9
NET INCOME FOR THE YEAR**

Net income for the year is stated after charging:

	2023 £	2022 £
Depreciation of Owned Assets	877,878	885,062
Rentals Under Operating Leases - Land & Buildings	85,903	93,597
Costs of Stock recognised as Expenses	221,789	81,643
Auditors Remuneration: Fees payable for the audit of the Charity's Annual Accounts	15,140	13,750
Fees payable for the audit of the Charity's Subsidiary	5,120	4,650
Fees payable to the Charity's auditor for other services	2,925	2,800

**NOTE 10
ANALYSIS OF TOTAL EXPENDITURE
GROUP AND CHARITY**

Activity	Activities Undertaken Directly 2023 £	Support Costs 2023 £	Total 2023 £	Activities Undertaken Directly 2022 £	Support Costs 2022 £	Total 2022 £
Curatorial	899,000	435,532	1,334,532	1,021,714	548,942	1,570,656
Education	147,716	49,017	196,733	90,867	56,482	147,349
Exhibitions and Events	409,717	1,017	410,734	380,741	-	380,741
Gardens	271,755	169,389	441,144	243,765	191,668	435,433
Marketing	461,678	302,699	764,377	394,287	310,843	705,130
Premises	1,700,150	263,441	1,963,591	1,287,636	312,111	1,599,747
Visitor Services	1,271,276	1,183,458	2,454,734	727,409	890,116	1,617,525
Admissions	418	391	809	1,060	1,298	2,358
Museum Development	400,142	-	400,142	354,453	-	354,453
	<u>5,561,852</u>	<u>2,404,944</u>	<u>7,966,796</u>	<u>4,501,933</u>	<u>2,311,460</u>	<u>6,813,393</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 11
ANALYSIS OF SUPPORT COSTS
GROUP AND CHARITY

For the year ended 31 March 2023

	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	98,150	11,046	229	38,173	68,215	59,368	266,699	88	541,968
IT Costs	63,251	7,119	148	24,600	43,960	38,259	171,870	57	349,263
Staffing and HR	185,380	20,864	433	72,099	128,841	112,131	503,727	166	1,023,640
Senior Management	54,799	6,167	128	21,313	38,086	33,146	148,905	49	302,594
Admin Costs	22,140	2,492	52	8,611	15,388	13,392	60,160	20	122,254
Cleaning and Hygiene	1,433	161	3	557	996	867	3,893	1	7,912
Other Costs	5,341	601	12	2,077	3,712	3,231	14,514	5	29,494
Governance Costs	5,038	567	12	1,959	3,501	3,047	13,690	5	27,819
	435,532	49,017	1,017	169,389	302,699	263,441	1,183,458	391	2,404,944

For the year ended 31 March 2022

	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	97,911	10,074	-	34,187	55,443	55,669	158,764	231	412,278
IT Costs	79,578	8,188	-	27,785	45,062	45,245	129,037	188	335,083
Staffing and HR	247,612	25,478	-	86,456	140,212	140,784	401,506	585	1,042,632
Senior Management	81,608	8,397	-	28,494	46,211	46,400	132,328	193	343,630
Admin Costs	25,053	2,578	-	8,748	14,187	14,245	40,624	59	105,494
Cleaning and Hygiene	1,762	181	-	615	998	1,002	2,857	4	7,419
Other Costs	8,680	893	-	3,031	4,915	4,935	14,075	22	36,552
Governance Costs	6,738	693	-	2,352	3,815	3,831	10,925	16	28,371
	548,942	56,482	-	191,668	310,843	312,111	890,116	1,298	2,311,460

The basis of allocation for all expenditure is as a percentage of salary expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 12

TAXATION

In respect of York Museums and Enterprises only:

	2023	2022
	£	£
United Kingdom corporation tax at 19% (2021: 19%) on the profits of the trading subsidiary	-	-

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 20% (2022: 20%).
The actual tax charge for the current year differs from the standard rate for the following reasons.

	2023	2022
	£	£
Profit on ordinary activities after charitable donation	-	-
Tax on profit on ordinary activities at the standard rate	-	-
Expenses not deductible for tax purposes	-	-
capital allowances in excess of depreciation	-	-
Movement in short-term timing differences	-	-
Total current tax charge for the year	-	-

The charitable activities of York Museums and Gallery Trust are exempt from taxation under Chapter 3 of Part II of the Corporation Tax Act 2010.
The profit from the taxable trading activities of the subsidiary are gifted to the parent under a deed of covenant.

NOTE 13

TANGIBLE FIXED ASSETS

Group & Charity	Displays	Property	Vehicles and Other Equipment	Total
	£	£	£	£
Cost				
At 1st April 2022	1,159,291	10,672,268	893,123	12,724,682
Additions	-	-	36,021	36,021
Disposals	(147,177)	-	(389,381)	(536,558)
Transfers	-	-	-	-
At 31st March 2023	1,012,113	10,672,268	539,763	12,224,145
Accumulated depreciation				
At 1st April 2022	1,090,599	6,277,145	826,540	8,194,284
Charge for year	68,692	779,818	29,368	877,878
Disposals	(147,177)	-	(389,381)	(536,558)
At 31st March 2023	1,012,113	7,056,963	466,527	8,535,604
Net book value				
As at 31st March 2023	-	3,615,305	73,236	3,688,541
As at 1st April 2022	68,692	4,395,123	66,583	4,530,398

NOTES TO THE FINANCIAL STATEMENTS (Continued)

TANGIBLE FIXED ASSETS

Charity	Displays £	Property £	Vehicles and Other Equipment £	Total £
Cost				
At 1st April 2022	1,159,291	10,672,268	771,531	12,603,090
Additions	-	-	15,705	15,705
Disposals	(147,177)	-	(358,922)	(506,099)
At 31st March 2023	<u>1,012,113</u>	<u>10,672,268</u>	<u>428,314</u>	<u>12,618,795</u>
Accumulated depreciation				
At 1st April 2022	1,090,599	6,277,145	704,948	8,072,692
Charge for year	68,692	779,818	28,815	877,326
Disposals	(147,177)	-	(358,922)	(506,099)
At 31st March 2023	<u>1,012,113</u>	<u>7,056,963</u>	<u>374,842</u>	<u>8,443,919</u>
Net book value				
At 31st March 2023	<u>-</u>	<u>3,615,305</u>	<u>53,473</u>	<u>3,668,777</u>
At 1st April 2022	<u>68,692</u>	<u>4,395,123</u>	<u>66,583</u>	<u>4,530,398</u>

All tangible assets owned by the Charity were used for charitable purposes.

During 2022-23 a review of the assets took place and resulted in some fully depreciated and unused/ disposed of assets with a value of £536,558 being removed from the register and shown above as disposals.

The split of freehold property and leasehold property improvements net book value as at 31 March 2023 is:

Freehold property £380,675 (2022: £402,845); leasehold property improvements £3,234,630 (2022: £4,060,971). The City of York Council has granted the charity a 25 year lease, at a peppercorn rental, over the land and buildings comprising the York Museums and Art Gallery activities.

Leasehold property improvements to the Art Gallery have been funded by grants from Arts Council England and the agreement carries various covenants, the key one being that the Art Gallery property may only be used for the purposes of an Art Gallery. The charity has granted Arts Council England first legal charge in respect of the leasehold property known as the City Art Gallery and Archive, in the event that the covenants are not complied with.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**NOTE 14
INVESTMENTS HELD AS FIXED ASSETS**

The charity owns 100% of the ordinary share capital of York Museums and Enterprises Limited (Company registration no. 04466798), a company registered in England and Wales. The investment in the subsidiary is £1 (2022: £1)

The registered address of York Museums and Enterprises Limited is: St Mary's Lodge, Marygate, York, YO30 7DR

The income and expenditure of York Museums and Enterprises Limited for the year ended 31 March 2023 is summarised below:

	2023	2022
	£	£
Turnover	1,213,423	451,945
Cost of Sales	<u>(461,904)</u>	<u>(253,278)</u>
Gross Profit	751,519	198,667
Other Operating Income	18,000	148,000
Administrative Expenses	<u>(518,148)</u>	<u>(176,904)</u>
Operating Profit	251,371	169,763
Interest Receivable and Similar Income	<u>434</u>	<u>4</u>
Profit on ordinary activities before tax	<u>251,805</u>	<u>169,767</u>
Taxation	-	-
Profit after tax	251,805	169,767
Gift aid distribution	<u>(251,805)</u>	<u>(58,743)</u>
Profit Retained for the Financial Year	<u><u>-</u></u>	<u><u>111,024</u></u>

The aggregate of the assets, liabilities and funds was:

	2023	2022
Assets	1,061,180	1,312,163
Liabilities	<u>1,061,146</u>	<u>1,312,129</u>
	<u><u>2,122,326</u></u>	<u><u>2,624,292</u></u>

Represented by:		
Called Up Share Capital	1	1
Profit & Loss account	<u>33</u>	<u>33</u>
	<u><u>34</u></u>	<u><u>34</u></u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 15
STOCK

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Goods for resale	96,148	-	76,912	-
	<u>96,148</u>	<u>-</u>	<u>76,912</u>	<u>-</u>

NOTE 16
DEBTORS

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Trade debtors	51,366	17,723	41,071	11,279
Amounts owed by subsidiary	-	777,695	-	1,039,137
Accrued income and other debtors	542,722	530,750	527,246	526,142
Prepayments	107,823	58,072	110,306	56,518
VAT recoverable	11,213	11,213	12,125	12,125
Other Debtors	38,496	38,496	38,915	38,915
	<u>751,620</u>	<u>1,433,949</u>	<u>729,663</u>	<u>1,684,116</u>

NOTE 17
CASH AND CASH EQUIVALENTS

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Cash at bank and in hand	<u>2,099,292</u>	<u>1,306,739</u>	<u>2,119,012</u>	<u>1,355,418</u>

NOTE 18
CREDITORS: DUE <1 YR

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Trade creditors	800,973	776,388	805,531	772,949
Other creditors	10,505	841	20,076	455
Amounts owed to subsidiary	-	57,351	-	386,968
Accruals and deferred income	590,277	414,393	437,730	243,477
	<u>1,401,755</u>	<u>1,248,973</u>	<u>1,263,337</u>	<u>1,403,849</u>

NOTE 19
CREDITORS: DUE >1 YR

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Deferred Income	73,326	-	26,536	-
	<u>73,326</u>	<u>-</u>	<u>26,536</u>	<u>-</u>

NOTE 20
Deferred Income

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Opening Balance	202,475	9,187	94,263	-
Deferred Income Additions during the year	243,364	21,122	200,227	9,187
Deferred Income Release during the year	(198,560)	(7,520)	(92,015)	-
Closing Balance	<u>247,279</u>	<u>22,789</u>	<u>202,475</u>	<u>9,187</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 21
MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2022 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2023 £
General Unrestricted funds	1,199,615	5,097,937	(5,176,704)	-	(47,526)	1,073,322
Total General Funds	1,199,615	5,097,937	(5,176,704)	-	(47,526)	1,073,322
Designated Pension Fund	(1,843,000)	-	(829,000)	2,672,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	26,065	18,051	(7,500)	-	(12,116)	24,500
Designated Infrastructure Fund	385,095	-	(30,515)	-	(5,270)	349,311
Designated Property Fund	4,306,573	-	(862,655)	-	64,417	3,508,334
Total Designated Funds	2,876,922	18,051	(1,729,670)	2,672,000	47,031	3,884,334
Total Unrestricted Funds	4,076,537	5,115,988	(6,906,374)	2,672,000	(495)	4,957,656

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2022 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2023 £
General Unrestricted funds	1,199,587	4,117,887	(4,196,652)	-	(47,526)	1,073,296
Total General Funds	1,199,587	4,117,887	(4,196,652)	-	(47,526)	1,073,296
Designated Pension Fund	(1,843,000)	-	(829,000)	2,672,000	-	-
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	26,065	18,051	(7,500)	-	(12,116)	24,500
Designated Infrastructure Fund	385,095	-	(30,515)	-	(5,270)	349,311
Designated Property Fund	4,306,573	-	(862,655)	-	64,417	3,508,334
Total Designated Funds	2,876,922	18,051	(1,729,670)	2,672,000	47,031	3,884,334
Total Unrestricted Funds	4,076,509	4,135,938	(5,926,322)	2,672,000	(495)	4,957,630

The £47,526 transfer from the General Fund includes £50,000 which the Trustees have decided to allocate to the designated Infrastructure fund to go towards future capital expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Prior Year Comparison

MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2021 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2022 £
General Unrestricted funds	1,051,098	3,335,570	(3,181,821)	-	(5,232)	1,199,615
Total General Funds	1,051,098	3,335,570	(3,181,821)	-	(5,232)	1,199,615
Designated Pension Fund	(3,391,000)	-	(893,000)	2,441,000	-	(1,843,000)
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	501	35,564	-	-	(10,000)	26,065
Designated Infrastructure Fund	46,734	3,349	(28,985)	-	363,997	385,095
Designated Property Fund	5,133,998	-	(863,341)	-	35,916	4,306,573
Total Designated Funds	1,792,422	38,913	(1,785,326)	2,441,000	389,913	2,876,922
Total Unrestricted Funds	2,843,520	3,374,483	(4,967,147)	2,441,000	384,681	4,076,537

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2021 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2022 £
General Unrestricted funds	1,162,093	2,794,365	(2,751,639)	-	(5,232)	1,199,587
Total General Funds	1,162,093	2,794,365	(2,751,639)	-	(5,232)	1,199,587
Designated Pension Fund	(3,391,000)	-	(893,000)	2,441,000	-	(1,843,000)
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Restructure Fund	501	35,564	-	-	(10,000)	26,065
Designated Infrastructure Fund	46,734	3,349	(28,985)	-	363,997	385,095
Designated Property Fund	5,133,998	-	(863,341)	-	35,916	4,306,573
Total Designated Funds	1,792,422	38,913	(1,785,326)	2,441,000	389,913	2,876,922
Total Unrestricted Funds	2,954,515	2,833,278	(4,536,965)	2,441,000	384,681	4,076,509

In 2018-19 the Charity was given a restricted fund for the Castle Transformation project from CYC. To help match costs this was enhanced by a transfer from the general fund. On completion of the project the CYC funding had been fully spent and the remainder has been transferred back to the designated infrastructure fund in 2021-22.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 22
MOVEMENT IN RESTRICTED FUNDS

Restricted funds comprise grants and donations given towards expenditure on the Trust's charitable aims

Group and charity	1st April 2022	Income	Expenditure	Transfers	31st Mar 2023
	£	£	£	£	£
Friends Art Gallery	7,401	-	-	-	7,401
Ceramics SSN	2,203	-	250	-	2,453
Body Vessel Clay	-	3,200	(3,200)	-	-
Archaeology Archives	38,477	3,850	(4,493)	-	37,835
Portable Antiquities	-	38,892	(38,247)	-	645
Arts Council NPO Funding	-	1,252,632	(1,252,632)	-	-
MDY Projects	51,349	354,282	(400,142)	14,000	19,488
COCA - Restricted	13,951	1,000	(156)	-	14,795
Richard III	1,762	-	-	-	1,762
Ryedale Hoard	-	9,221	(6,286)	-	2,935
Gardens Restricted	14,639	5,500	(3,885)	-	16,254
Curatorial Restricted	11,003	12,750	(11,682)	-	12,071
Children's Play	-	1,500	(256)	-	1,244
Cultural Wellbeing	569	-	(513)	-	56
Art Fund	21,532	-	(13,497)	-	8,035
Headley Art Fund	21,442	-	(16,014)	-	5,428
MD Network Grant	2,242	200,000	(185,026)	(14,000)	3,216
TA Redevelopment	4,531	500	(3,514)	-	1,517
Wild Escape MDY	-	96,819	(80,537)	-	16,282
Capital works fund	1	-	-	(1)	-
Other Small Grants	38,496	-	-	-	38,496
Other Restricted Funds	16,977	16,122	(20,645)	496	12,951
	246,575	1,996,268	(2,040,475)	495	202,864

Purpose of Restricted Funds

Friends Art Gallery are funds given by the Friends of York Art Gallery for acquisitions and conservation at the Art Gallery

Ceramics SSN fund is used to host a Symposium for the Subject Specialist Network funding from ACE

Body Vessel Clay were restricted funds received towards an acquisition for the Body Vessel Clay Exhibition

Archaeology Archives fund is to receive archaeological finds

Portable Antiquities is funding the salary of the British Museum's PAS representative

Arts Council. Year 1 funding of a 3 year grant as part of the National Portfolio Organisation (NPO) programme

MDY Projects fund is for the Museum Development Yorkshire funding from Art Council England which is administered by York Museums Trust

COCA comprises donations towards the interpretation and delivery of the Centre of Ceramic Arts projects

Richard III fund is to produce a Richard III exhibition

Ryedale Hoard. Income received towards the interpretation/ running costs of the Ryedale Hoard Exhibition

Gardens Restricted comprises of recharges specifically for the repairs and maintenance of the Museum Gardens

Curatorial Restricted comprises various grants and donations for collections development

Children's Play. A Grant allocated from the Guildhall Ward Committee to provide city-centre outdoor play tools for families and children to use in Museum Gardens

Cultural Wellbeing is a grant received from CYC for cultural wellbeing activities

Art Fund provided support for the Curator of Archaeology in the "Collecting Award Project"

Headley Art Fund is a grant received from the Art Fund to support the Unwrapping York's Stories project at the Castle Museum

MD Network Grant fund is for supporting museums and galleries via Museum Development Network

TA Redevelopment are funds received from the Yorkshire Philosophical Society for repairs and improvements to the Tempest Anderson Hall

Wild Escape. Funding from the Art Fund distributed by Museum Development Yorkshire to enable museums and arts organisations in the north of England to provide activity for schools and families, celebrating the diversity of British wildlife through heritage and art

The Capital Works Fund is for repair, maintenance and improvement works

Other small grants and restricted funds are from various sources and have been restricted for specific purposes as requested by the funder/donor

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Prior Year Comparison

Restricted funds comprise grants and donations given towards expenditure on the Trust's charitable aims

Group and charity	1st April 2021	Income	Expenditure	Transfers	31st Mar 2022
	£	£	£	£	£
Friends Art Gallery	8,301	9,850	(10,750)	-	7,401
Ceramics SSN	15,235	-	(13,032)	-	2,203
Bouts (Restricted)	-	(12,749)	-	12,749	-
Gainsborough	-	45,000	(46,042)	1,042	-
Archaeology Archives	20,921	27,350	(9,793)	-	38,477
Portable Antiquities	-	22,617	(22,617)	-	-
Arts Council NPO Funding	-	1,252,632	(1,252,632)	-	-
MDY Projects	46,083	347,719	(354,453)	12,000	51,349
COCA - Restricted	25,442	4,575	(16,066)	-	13,951
Richard III	8,244	1,762	(8,244)	-	1,762
Gardens Restricted	6,952	9,763	(2,076)	-	14,639
Curatorial Restricted	11,764	-	(761)	-	11,003
Cultural Wellbeing	-	2,200	(1,631)	-	569
Art Fund	-	43,064	(25,258)	3,726	21,532
Headley Art Fund	-	27,500	(6,058)	-	21,442
Capital Works Fund	412,108	-	-	(412,107)	1
MD Network Grant	26,339	175,000	(187,097)	(12,000)	2,242
TA Redevelopment	-	13,700	(9,169)	-	4,531
HMRC CJRS	-	25,257	(25,257)	-	-
Castle 2022	-	-	(10,875)	10,875	-
Other Small Grants	42,500	-	(4,004)	-	38,496
Other Restricted Funds	15,118	273,439	(270,614)	(967)	16,977
	639,006	2,268,678	(2,276,428)	(384,681)	246,575

NOTE 23

ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS

Group	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	180,206	3,508,335	-	3,688,541
Current Assets	2,520,090	375,999	50,971	2,947,060
Current Liabilities	(1,553,648)	-	151,893	(1,401,755)
Long Term Liabilities	(73,326)	-	-	(73,326)
Pension asset/Liability	-	-	-	-
As 31st March 2023	1,073,322	3,884,334	202,864	5,160,520
As 31st March 2022	1,199,615	2,876,922	246,575	4,323,112

Charity	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	160,443	3,508,335	-	3,668,778
Current Assets	2,313,717	375,999	50,971	2,740,688
Current Liabilities	(1,400,864)	-	151,893	(1,248,973)
Long Term Liabilities	-	-	-	-
Pension Liability	-	-	-	-
As 31st March 2023	1,073,296	3,884,334	202,864	5,160,494
As 31st March 2022	1,199,587	2,876,922	246,575	4,323,084

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Prior Year Comparison

ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS

Group	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	296,185	4,234,213	-	4,530,398
Current Assets	2,309,407	478,504	137,676	2,925,588
Current Liabilities	(1,379,441)	7,205	108,899	(1,263,337)
Long Term Liabilities	(26,536)	-	-	(26,536)
Pension Liability	-	(1,843,000)	-	(1,843,000)
As 31st March 2022	<u>1,199,615</u>	<u>2,876,922</u>	<u>246,575</u>	<u>4,323,112</u>
As 31st March 2021	<u>1,051,098</u>	<u>1,792,422</u>	<u>639,006</u>	<u>3,482,526</u>

Charity	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	296,186	4,234,213	-	4,530,399
Current Assets	2,423,354	478,504	137,676	3,039,534
Current Liabilities	(1,519,953)	7,205	108,899	(1,403,849)
Long Term Liabilities	-	-	-	-
Pension Liability	-	(1,843,000)	-	(1,843,000)
As 31st March 2022	<u>1,199,587</u>	<u>2,876,922</u>	<u>246,575</u>	<u>4,323,084</u>
As 31st March 2021	<u>1,162,093</u>	<u>1,792,422</u>	<u>639,006</u>	<u>3,593,521</u>

The designated property fund relates to the net book value of assets purchased using restricted funds.

NOTE 24

COMMITMENTS

The group and charity had future minimum lease payments under non-cancellable operating leases as follows:

Group and charity

Operating Lease Commitments

	2023		2022	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Leases which expire				
Within one year	56,163	1,585	89,750	792
Two and five years	28,783	6,340	288,496	198
Six and ten years	-	1,978	47,500	-
	<u>84,946</u>	<u>9,903</u>	<u>425,746</u>	<u>990</u>

NOTE 25

PENSION SCHEME

The Group contributes to the North Yorkshire Pension Fund. The scheme is a defined benefit scheme for the benefit of the employees. The assets of the scheme are fully administered by North Yorkshire County Council in a fund independent from that of the Group. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 31 March 2022 and updated on an approximate basis to 31 March 2023.

The plan has a gross accounting surplus at the reporting date of £2.9m. In line with FRS 102 requirements York Museums and Gallery Trust has recognised as an asset on the balance sheet to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan. The scheme's actuary has confirmed that they can demonstrate no economic benefit arising to York Museums and Gallery Trust from an 'asset ceiling' calculation comparing the present value of future service costs to the present value of future contributions. The actuary has also confirmed that any refunds from the plan are contingent on future events. Accordingly, York Museums and Gallery Trust has not recognised the pension asset position, restricting the surplus to £nil, and reducing actuarial gains by the same amount.

The contributions made by the employer over the financial year have been £323,000 (2022 - £306,000).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Assumptions

The assets of the Scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2023	2022
Financial:		
Rate of increase in salaries	3.95%	4.15%
Pension in payment increases	2.70%	2.90%
Discount rate	4.70%	2.70%
Inflation assumption	2.70%	2.90%

	2023 Years	2022 Years
Life expectancy:		
Male future pensioner aged 65 in 20 years' time	23.5	23.5
Female future pensioner aged 65 in 20 years' time	26.0	25.7
Male current pensioner aged 65	22.6	21.8
Female current pensioner aged 65	25.0	23.8

The amounts recognised in the statement of financial position are as follows:

	2023 £'000	2022 £'000
Present value of scheme liabilities	(16,647)	(23,608)
Fair value of scheme assets	19,550	21,765
Surplus not recognised	(2,903)	-
Surplus/ (Deficit) in the scheme	-	(1,843)

The assets in the scheme and the expected rate or return were:

	Fair value 2023 £'000	Fair value 2022 £'000
Equities	10,186	12,123
Government Bonds	2,150	3,657
Other bonds	1,408	1,676
Property	1,251	1,611
Multi Asset Credit	1,036	-
Cash Asset Credit	274	239
Other	3,245	2,459
Total fair value of assets	19,550	21,765
Actuarial value of liability	(16,647)	(23,608)
Surplus not recognised	(2,903)	-
Net pension surplus/ (deficit)	-	(1,843)

Movement in the deficit during the year were as follows:

	2023 £'000	2022 £'000
Deficit in scheme at 1 April	(1,843)	(3,391)
Movement in the year:	-	-
Current service costs	(1,106)	(1,121)
Past service cost	-	(10)
Settlement cost	-	-
Net (loss) on assets	(46)	(68)
Contributions	323	306
Actuarial gain/(loss)	5,575	2,441
Surplus not recognised	(2,903)	-
Surplus/ (Deficit) in the scheme at 31 March	-	(1,843)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Analysis of the amount charged to net finance charge for the year under FRS102 in relation to the scheme:

	2023 £'000	2022 £'000
Expected return on pension scheme assets	-	-
Interest on pension scheme liabilities	46	68
Net finance loss	46	68

The amount recognised in the income and expenditure account are:

	2023 £'000	2022 £'000
Current service costs	1,106	1,121
Past service costs	-	10
Interest cost	46	68
Expected return on scheme assets	-	-
Total charge to income and expenditure account	1,152	1,199

The amount recognised in the statement of financial activities are as follows:

	2023 £'000	2022 £'000
Amount recognised during the period	5,575	2,441
Gain adjusted as fund surplus not recognised	(2,903)	-
Cumulative amount recognised	2,672	2,441

Asset and liability reconciliation

Reconciliation of assets	2023 £'000	2022 £'000
Assets at the start of the year	21,765	21,467
Expected return on plan assets	589	452
Actuarial (loss)/gain on assets	(2,895)	(226)
Employer contributions	323	306
Member contributions	160	144
Benefits Paid	(392)	(378)
Settlements	-	-
Assets at the end of the year	19,550	21,765
Actual return on plan assets	(2,306)	226

Reconciliation of liabilities	2023 £'000	2022 £'000
Liabilities at the start of the year	23,608	24,858
Current service costs	1,106	1,121
Past service costs	-	10
Interest on pension liabilities	635	520
Employee contributions	160	144
Actuarial (gains)/losses due to changes in financial assumptions	(10,306)	-
Actuarial (gains)/losses due to changes in demographic assumptions	180	-
Actuarial (gains)/losses due to liability experience	1,656	-
Actuarial loss/(gain) on liabilities	-	(2,667)
Benefits paid	(392)	(378)
Settlements	-	-
Liabilities at the end of the year	16,647	23,608

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The history of experience adjustments is as follows:

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Scheme liabilities	(16,647)	(23,608)	(24,858)	(18,653)	(18,516)	(17,026)
Scheme assets	19,550	21,765	21,467	16,513	16,153	14,516
	<u>2,903</u>	<u>(1,843)</u>	<u>(3,391)</u>	<u>(2,140)</u>	<u>(2,363)</u>	<u>(2,510)</u>
Experience adjustments on scheme liabilities	(8,470)	(2,667)	5,121	(1,298)	42	85
Percentage of scheme liabilities	50.9%	11.3%	7.0%	-0.2%	-0.2%	-0.5%
Experience adjustments on scheme assets	(2,895)	(226)	4,511	(453)	892	695
Percentage of scheme assets	-14.8%	-1.0%	-2.7%	5.5%	4.8%	4.8%

NOTE 26
FINANCIAL INSTRUMENTS

	2023 Group £	2022 Group £
Financial Assets		
Financial asset that are debt instruments measured at amortised costs	2,731,879	2,754,106
Financial liabilities		
Financial liabilities measured at amortised costs	1,218,138	1,067,776

NOTE 27
NET DEBT RECONCILIATION

	1st April 2022 £	Cash Flows £	31st Mar 2023 £
Cash at bank and in hand	2,119,012	(19,720)	2,099,292
Net Debt	<u>2,119,012</u>	<u>(19,720)</u>	<u>2,099,292</u>

NOTE 28
RELATED PARTY TRANSACTIONS

During the year, the Trust conducted the following transactions with its subsidiary, York Museums and Enterprises Limited.

The Trust levied a management charge on York Museums and Enterprises Limited amounting to £10,500 (2022: £10,500).

The subsidiary, York Museums and Enterprises Limited, made a gift aid donation under a deed of covenant to the Trust of £251,805 in the year ended 31 March 2023 (2022: £58,743)

At 31 March 2023, York Museums and Enterprises Limited owed £720,344 to the Trust (2022: £652,170)

The amounts owed by the subsidiary comprise of Trust income received in to the subsidiary bank account, and salary and other costs that have been paid from York Museums Trust bank account and have been recharged to the subsidiary. Both were not yet transferred from the York Museums and Enterprises Ltd account as at 31 March 2023

Note 29
POST BALANCE SHEET EVENT

On 26 September 2023 YMT confirmed the existence of RAAC in the roof construction in part of the York Castle Museum (YCM). This has resulted in the partial closure of the site. We are continuing to welcome visitors at YCM and our retail and café concession remain fully open. However our revenues will be impacted and there are inspection and potential remedial work costs. We have informed CYC and we confirm we would be able to draw on their letter of credit if the impact on cash and reserves proves to be significant.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 30

2021-22 Consolidated Statement of Financial Activities

	General Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	1,688,185	38,913	20,751	1,747,849
Funding provided by City of York Council	306,710	-	2,200	308,910
Funding provided by Arts Council England	423,226	-	1,597,851	2,021,077
Donations, Legacies and General Grants				
Donations and legacies	204,751	-	75,419	280,170
Other grants receivable	112,660	-	572,457	685,117
Other Trading Activities				
Income generated from subsidiary	599,945	-	-	599,945
Investments				
Interest receivable	93	-	-	93
TOTAL INCOME	<u>3,335,570</u>	<u>38,913</u>	<u>2,268,678</u>	<u>5,643,161</u>
EXPENDITURE ON:				
Raising Funds				
Costs incurred by subsidiary	430,182	-	-	430,182
Charitable expenditure				
Charitable expenditure	<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>
Total charitable expenditure	<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>
TOTAL EXPENDITURE	<u>3,181,821</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>7,243,575</u>
Net gains on Investments	-			-
Net income/(expenditure) before taxation	153,749	(1,746,413)	(7,750)	(1,600,414)
Taxation charge	-	-	-	-
Net income/(expenditure) after taxation	153,749	(1,746,413)	(7,750)	(1,600,414)
Other recognised gains/(losses):				
Actuarial (loss)/gain on defined benefit scheme	-	2,441,000	-	2,441,000
Transfer between funds	(5,232)	389,913	(384,681)	(0)
NET MOVEMENT IN FUNDS	<u><u>148,516</u></u>	<u><u>1,084,499</u></u>	<u><u>(392,431)</u></u>	<u><u>840,586</u></u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,051,098	1,792,422	639,006	3,482,526
Net movement in the year	<u>148,517</u>	<u>1,084,500</u>	<u>(392,431)</u>	<u>840,586</u>
Fund balance carried forward	<u><u>1,199,615</u></u>	<u><u>2,876,922</u></u>	<u><u>246,575</u></u>	<u><u>4,323,112</u></u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2021-22 Charity Statement of Financial Activities

	General Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	1,746,928	38,913	20,751	1,806,592
Funding provided by City of York Council	306,710	-	2,200	308,910
Funding provided by Arts Council England	423,226	-	1,597,851	2,021,077
Donations, Legacies and General Grants				
Donations and legacies	204,751	-	75,419	280,170
Other grants receivable	112,660	-	572,457	685,117
Investments				
Interest receivable	89	-	-	89
TOTAL INCOME	<u>2,794,365</u>	<u>38,913</u>	<u>2,268,678</u>	<u>5,101,956</u>
EXPENDITURE ON:				
Charitable expenditure				
Charitable expenditure	<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>
Total charitable expenditure	<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>
TOTAL EXPENDITURE	<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>
Net gains on Investments	-	-	-	-
Net income/(expenditure) before taxation	42,727	(1,746,413)	(7,750)	(1,711,437)
Taxation charge	-	-	-	-
Net income/(expenditure) after taxation	42,727	(1,746,413)	(7,750)	(1,711,437)
Other recognised gains/(losses):				
Actuarial (loss)/gain on defined benefit scheme	-	2,441,000	-	2,441,000
Transfer between funds	<u>(5,232)</u>	<u>389,913</u>	<u>(384,681)</u>	<u>(0)</u>
NET MOVEMENT IN FUNDS	<u><u>37,495</u></u>	<u><u>1,084,499</u></u>	<u><u>(392,431)</u></u>	<u><u>729,563</u></u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,162,093	1,792,422	639,006	3,593,521
Net movement in the year	37,494	1,084,500	(392,431)	729,563
Fund balance carried forward	<u><u>1,199,587</u></u>	<u><u>2,876,922</u></u>	<u><u>246,575</u></u>	<u><u>4,323,084</u></u>

Accounts

York Museums and Gallery Trust

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

Year ended 31 March 2022

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

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OFFICERS AND PROFESSIONAL ADVISORS

The Trustees who served during the year and subsequently were:

TRUSTEES

J. Grierson (Chair)
D. Andrews (Resigned 01.11.21)
P. Ashton
A. Dean
S. Daubeney
S. Drummond (Resigned 01.11.21)
S. Furlong
M. Haworth (Resigned 14.11.22)
R. Jagger (Resigned 01.11.21)
A. Kirkby (Appointed 14.11.22)
M. Lowe
A. Malik (Appointed 01.11.21)
D. Myers
K. Nesbitt (Appointed 01.11.21)
S. Orr (Appointed 14.11.22)
A. Scott
D. Willcocks

COMPANY SECRETARY

P. Lambert

PRINCIPAL OFFICERS – KEY MANAGEMENT PERSONNEL

R. King – Chief Executive (Resigned 08.08.22)
P. Lambert – Head of Strategy, Finance and Corporate Services

REGISTERED OFFICE

St Marys' Lodge,
Marygate,
York, YO30 7DR

INDEPENDENT AUDITORS

Beever and Struthers
One Express,
1 George Leigh Street,
Manchester, M4 5DL

BANKERS

HSBC Bank plc
PO Box 26,
13 Parliament Street,
York, YO1 8XS

SOLICITORS

Browne Jacobson LLP
Mowbray House,
Castle Meadow Road,
Nottingham, NG2 1BJ

TRUSTEES' REPORT

For the year ended 31 March 2022

Chair's Foreword

Introduction

I am pleased to present York Museums Trust's (YMT) 2021/22 annual report and accounts.

As the museum and gallery sector began to reopen to audiences and communities, we anticipated a challenging year and so we were delighted that our performance exceeded expectations. This recovery is due in no small part to a huge team effort across the organisation to ensure we reopened successfully. However, the charity still faces challenges. Like others in the museums and galleries sector we continue to respond to a volatile and uncertain environment.

With thanks to much-needed support from the DCMS through the Covid Recovery Fund, HM Treasury through the Corona Virus Job Retention scheme and the recovery of admissions and traded income, YMT made a surplus of £0.15m. Robust cost control within the charity contributed significantly to the outturn and placed the organisation in a healthier position to respond to future economic volatility.

Key achievements

Under the leadership of Reyahn King YMT has made strong progress towards realising the charity's headline priority to 'survive the Covid-19 crisis and work together with audiences and communities to recover and rebuild.' This success has enabled YMT to focus on activities that are designed to deliver on its vision to work together with audiences and communities to inspire, to share and to care for cultural heritage.

A remarkable collection of four rare Roman objects, which had lain buried for 1,800 years, was uncovered by metal-detectorists in Ryedale in 2020. The group included a 13cm high bust depicting a 2nd-century emperor, likely Marcus Aurelius. The other items were a horse and rider figurine, a horse head key handle, and a plumb bob in pristine condition. The purchase of the Ryedale Hoard by YMT was made possible largely thanks to the generosity of American donor Richard Beleson, with additional funding through the Art Fund and a number of other donors. The hoard became the focus of a new exhibition that opened in Spring 2022. Trustees are most grateful to all YMT's supporters in helping this significant collection to be saved and shared with the nation.

At York Art Gallery, we continued to test a free entry model to the Centre of Ceramic Art (CoCA) and the permanent galleries. Our approach to free admission at York Art Gallery has enabled us to be more accessible to our local audiences. YMT is committed to reflecting policies both locally and nationally through Arts Council's Let's Create Strategy that help to deepen our role in the local community and encourage both creativity and participation.

The restrictions associated with the global pandemic meant that we had to change how we delivered our audience engagement activities. Even so, more than 220,000 visitors enjoyed a rich and varied programme of successful exhibitions and activities. This figure was a ten-fold increase from 21,000 participants in 2020/21 but 50% down on pre-pandemic levels. High points included 'Grayson Perry: The Pre-Therapy Years' at York Art Gallery and 'Richard III: Coming Home' at the Yorkshire Museum. These shows were designed to welcome visitors back into our venues and also, to engage with marginalised groups including Door 84 Youth Group and York Disability Forum. I am delighted that we have committed to this approach of working with our audiences and communities through projects such as 'Isolation Art' with Refugee Action

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York; 'York's Jewish Story 1170-Present' with the York Liberal Jewish Community at York Castle and 'Queering the Burton' with York's LGBT Forum at York Art Gallery.

Another important initiative for this year was the launch of YMT's Patrons scheme during 2021-22. Within the first six months (1st November 2021 to 30 April 2022) the scheme registered 25 Patrons and raised £11,848 with a predicted initial annual value of £14,902. The Patrons scheme has enabled us to connect more closely to those with a passion for YMT. A new Supporters offer went live in the summer of 2022 and we look forward to seeing the Patrons and Supporters schemes develop next year as a reliable source of contributed philanthropic income.

I look forward to 2022/23 with the added confidence that we will continue to recover from the impact of Covid-19 and to build resilience. Redeveloping our capacity will be an ongoing challenge for the next few years as we ensure YMT's financial stability, whilst also expanding the delivery of exciting and innovative public programmes. We submitted a compelling major funding NPO bid to Arts Council England for the period 2023/26, and knowing now that this bid has been successful, we are looking forward to the opportunity to deliver this.

Finally, I would like to thank Reyahn King our Chief Executive who left us in August after 7 years for her dedication and hard work in delivering many achievements throughout that period of which I and the Trustees are immensely proud. I would also like to thank the Board of Trustees for their support throughout the year and in particular those Trustees who retired.



James Grierson, Chair
Date: 29 November 2022

Strategic Report

The Trustees, who act as directors for the purpose of company law, present the audited consolidated financial statements for the year ended 31 March 2022.

Our purpose and activities

York Museums Trust's ('YMT') was set up in 2002 to cherish the collections, building and gardens entrusted to us, presenting and interpreting them as a stimulus for learning, a provocation to curiosity and a source of inspiration and enjoyment for all.

Our vision is:

To work together with audiences and communities to inspire, to share and to care for cultural heritage.

Our mission is:

York Museums Trust shares collections, gardens, buildings, art and stories for learning, enjoyment and wellbeing. Rooted in York and Yorkshire, we look outwards nationally and globally. As a charity, our income enables the Trust to care for heritage and to benefit all.

Our priorities are:

- Survive the Covid crisis and work together with audiences and communities to recover and rebuild
- Deliver innovative public programming which supports an audience-focused, inclusive, visitor-first approach;
- Progress the Castle Transformation Project;
- Progress collections development and management including Collections Centre;
- Increase our resilience by expanding enterprises and fundraising activities, investing in our people, and caring for our environment.

YMT carries out its mission through a broad range of activities, centred around but not limited to our main sites – York Art Gallery (YAG), York Castle Museum (YCM), York St Mary's (YSM), Yorkshire Museum (YM) and York Museum Gardens (YMG).

Overview of our operating activities

In 2021/22 our overriding priority was to reopen after the pandemic and start to welcome visitors again in large numbers and the associated income streams. Support from CYC in the form of a letter of guarantee and a grant from DCMS Cultural Recovery Fund for the period April to June 2021 helped us remain viable as a charity in this early part of the period.

We were delighted to be able to reopen York Art Gallery and York Castle Museum in late May 2021 but with Covid restrictions visitor numbers remained low. As restrictions were lifted we were able to increase visitor throughput in the summer. At York Art Gallery we have seen a significant rise in visitor numbers with the offer remaining of free entry to our permanent collections. We continue to run temporary exhibitions throughout the year which we make charges for entry. In 2021/22 we put on three such exhibitions: *Grayson Perry: the pre-therapy years*; *Young Gainsborough: rediscovered landscape drawings*; and *Beyond Bloomsbury: life, love and legacy*.

At York Castle Museum we increased visitor numbers significantly as the year developed. Our Christmas offer on our famous Victorian street Kirkgate proved very popular.

We reopened the Yorkshire Museum in July 2021; it had been closed since the covid pandemic started in March 2020. It opened with a new Richard III exhibition which was extended until the end of October. We closed the museum again to save costs from November 2021 and it reopened in April 2022.

Our reported visitor numbers for the last three years in the context of reduced numbers because of Covid-19 in 2020/21 and 2021/22 are:

	2021/22	2020/21	2019/20
York Castle Museum	108,807	8,238	240,913
Yorkshire Museum	26,859	Nil	105,503
York St Mary's (contracted external hire)	Not Available	Not Available	42,737
York Art Gallery	85,947	12,478	73,031
Total	221,613	20,716	462,184

Fundraising

We had a successful year of fundraising with some significant grant funding being provided from the DCMS Cultural Recovery Fund round 2 of £423,226 for the period April 2021 to June 2021.

Individual donors increased their support for YMT's core work, with gifts secured onsite and online, marking a shift from a marketing-centered membership approach towards more philanthropic regular giving including a Patron giving programme which was launched in late 2021. A successful appeal to secure the Ryedale Roman Hoard for the Yorkshire Museum involved a significant international major gift, alongside a range of donations and grants totalling over £250,000. We had National Portfolio Organisation (NPO) Funding from Arts Council England for the four year period April 2018 to March 2022, providing an annual income of £1.23m each year during this period. We have secured a one Year funding extension of £1.23m to March 2023.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We seek charitable gifts from our visitors and stakeholders to make our ambitious vision for the future possible, in line with the legislative definition of fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." This does not involve widespread solicitation of the general public to acquire new donors. The generous contributions that we receive are presented in our accounts as "Donations and Legacies" and include gifts from individuals, legacies and grants.

All our fundraising activity is managed internally, by a small department of employed fundraising specialists, without involvement of commercial participators, external fundraisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the Trustees. The charity is not bound by any regulatory scheme but the charity does comply voluntarily with the Fundraising Regulators Code of Practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times. By complying with the Fundraising Regulators Code of Conduct and GDPR we have procedures in place to prevent complaints and address them should they arise.

Financial Review

We had expected to make further losses in 2021/22 in addition to those made in 2020/21 as a result of the pandemic. Our financial performance proved better than we had predicted and we made a surplus. The reasons for a better than forecast financial position were:

- The increase in visitor numbers compared with last year was greater and in higher volumes than expected;
- A freeze on recruitment, and a pay freeze;

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- An expenditure Control Group which approves every item of spend in the Trust before a commitment is made; and
- A continuation in opening 5 days per week and in our opening hours that we had adopted in 2020/21.

The net surplus for the year on general unrestricted funds (before transfers between funds) was £153,749 (2021: net expenditure of £300,506). The Trustees decided to allocate £5,232 (2021: release £226,228) from the general unrestricted fund to designated funds. The net movement in funds for the general unrestricted fund for the year was thus £148,517 (2021: £(74,278)).

Net movement in funds on designated funds was an increase of £1,084,500 (2021: a decrease of £2,361,587) and net movement in funds on restricted funds was a decrease of £392,431 (2021: a decrease of £8,333).

The actuarial gain on the pension fund for the year was £2,441,000 (2021: loss £610,000).

During the year the charity received restricted donations, grants and income from charitable activities for specific activity and expenditure which resulted in restricted funds of £246,575 held at the end of the year (2021: £639,006).

The unrestricted general funds of the group, excluding fixed assets not represented by matching designated funds, at 31 March 2022 were a surplus of £903,430 (2021: £1,051,098).

The Trustees are satisfied that the charity's assets are available and adequate to fulfil its obligations for the foreseeable future as described in the Covid-19 section of the report below.

Plans for future periods

We have produced a business plan for the 2022/23 period and defined the key outcomes and measures and activities we want to achieve in this period. We have also prepared and submitted an NPO bid which includes our business plan for the period 2023/26. All of these plans align to our priorities which remain:

- Survive the Covid crisis and work together with audiences and communities to recover and rebuild
- Deliver innovative public programming which supports an audience-focused, inclusive, visitor-first approach;
- Progress the Castle Transformation Project;
- Progress collections development and management including Collections Centre;
- Increase our resilience by expanding enterprises and fundraising activities, investing in our people, and caring for our environment.

Principal Risks and Uncertainties

Management and the Trustees formally review the risks through the use of a risk register and a risk management process.

Funding risk is always significant for the Trust. We received as a National Portfolio Organisation £1.25m per year for the four year period 2018 to 2022 from Arts Council England. This was extended for a further year to cover the 2022 to 2023 financial year. We heard in November 2022 that we have secured funding for the 2023 to 2026 period. We also receive £0.3m per annum from City of York Council. The balance of our funding we have to generate ourselves through our admissions and Enterprises activities. Trustees have given consideration to the appropriate policies, procedures and systems to mitigate the charity's exposure to the major risks. The Trust's ongoing key financial risk is the ability to generate sufficient income from visitor numbers, and other external funders, to cover expenditure incurred in fulfilling the obligations and liabilities as well as the vision, mission and priorities of the group. The Trust has in its plans for 2022/23 its strategy of investing in public programmes, engagement, visitor experience, income generation and capital developments in order to mitigate the financial risk.

Covid 19's continued impact on YMT

In preparing our financial strategy for 2022-23 York Museums Trust has had to be realistic about the likely levels of income generated through admissions and trading. Our sites are fully open but with overseas visitors in particular are not predicted to return in their previous volumes until 2023-24. With reduced visitor numbers forecast income from these sources is down by 10% from pre pandemic levels. Our finances are not sustainable at these levels of trading and we are projecting a loss of £0.25m for the financial year 2022/23, even though we are maintaining tight financial controls.

In order to prevent YMT from going into a negative cash or reserves position we have in place a Letter of Credit from City of York Council dated 27 August 2020 which expires on 31 March 2024 and allows the trust to draw on demand funding, which is not repayable, up to £1.95m.

The Trustees believe that the group is as well placed as it is possible to be as a charity to manage its financial risks successfully in the short term. There are too many economic, political and health and other societal risks which the Trust does not control to make definitive statements about the future. With the guarantee from CYC, the Trustees have a reasonable expectation that the group has adequate reserves to continue in operational existence for at least the twelve months following the date of signing these financial statements.

Cost of Living crisis

Since the start of 2022 a number of global events have occurred which contribute to an economic situation with high inflation, increases in interest rates and large increases in energy costs. We have been able to fix some of our energy costs but at rates significantly higher than pre 2022. These inflationary pressures may have an unforeseen impact in consumer confidence and visitor numbers and spend. The pressures will also impact significantly on our employment and supplier costs and our ability to raise admission prices will be limited by what prices visitors are prepared to pay.

Going Concern

In determining that the Trust and its subsidiary are going concerns the Board gives consideration to the risks and uncertainties facing each entity, with particular reference to liquidity and solvency issues that might impact viability. The Board receives management accounts and 12 month forward cash flow forecasts on a regular basis. The Board reviews forecasts for a period not less than the 12 months following the date the financial statements are to be issued. If solvency and liquidity issues present significant and material risks and uncertainties to the entities then the forecast period under review will be extended.

The Board reviews and scrutinises the budget and budget forecasts in a separate meeting each year. In setting the 2022/23 budget the Board looked at a range of options and scenarios which stress test the robustness of the budget. Management examine the monthly management accounts each month to ensure YMT is trading to plan and are aware of the measures we would need to take to reduce outgoings if we did not remain on track. Whilst the budget set for 2022/23 is a small loss this loss is affordable at current reserve levels and the ambition remains that we return to a break-even position in 2023/24.

In conclusion the Board considers York Museums Trust to be a going concern, and as such, the financial statements have been prepared on a going concern basis.

Public Benefit

YMT provides public benefit as a charity by making available our Collections, Buildings and Gardens to all members of the public. Our Trustees have complied with their duty in accordance with the UK Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit. We have free access to our

gardens and where we charge for access at our other sites we have a range of free entry and substantial discounts for those on lower incomes and younger people, including free entry for York's children.

Structure, Governance and Management

Name and registered office of the charity

The full name of the charity is the York Museums and Gallery Trust. Its registered office and principal operating address is St Mary's Lodge, Marygate, York, YO30 7DR.

Constitution

The charity was formed as a company limited by guarantee on 26 February 2002.

The company registration number is 04381647.

The charity registered with the Charity Commission on 14 June 2002 – registration number 1092466.

It is governed by the Memorandum and Articles of Association dated 26 February 2002.

The charity has a trading subsidiary, York Museums and Enterprises Limited, a company limited by shares, registered company number 04466798.

Governance Code

The Charity Governance Code, endorsed by the Charity Commission and other industry bodies, was launched in 2017. The Trustees have ensured we are compliant with the code. The code asks charities to "apply or explain". We have no matters to report. In 2021 under the chair of the Audit and Risk Committee the board set up a "Good Governance Group". The group consists of members of the board and there is a work plan and regular reports back to the board on areas for improvement which the board then adopts. Several task and finish groups have been working on the planned activity. The purpose of the group is to ensure that YMT adopts the Governance Code and actively uses its principles.

Organisational Purpose: Trustees reviewed and revised the vision and mission of the organisation in 2019/20. The Board considers and revises the priorities for the organisation in this context as part of the strategic planning conversation each year. The Board met in November 2021 to consider the outcomes to be achieved and these are identified in the 2022/23 Business Plan.

Leadership: The Board meets six times each year, four times to examine quarterly performance and twice for workshops / deeper dives into strategic issues. We have an annual strategic Board away day to consider areas of change and to review performance against our objectives and priorities. Communication between board members and the committees, as well as communication across the wider organisation and with key stakeholders has been and remains a priority for the Trustees. As an example Trustees have examined the staff survey results with management.

Integrity: All trustees complete annual declarations of interest and are required to advise of any changes during the course of the year. The Board receives an annual safeguarding report, and the Audit and Risk Committee reviews risks at each meeting. It also reviews the annual health, safety and wellbeing report.

Decision Making, Risk and Control: The terms of reference for the board and the board sub groups are reviewed and updated each year and the work of each is reported to the quarterly board meetings. The board receives a CEO report each quarter which includes the financial position and monitors performance against KPI's. One of the Board Members has been appointed as the Senior Independent Board Member and the Audit committee reviews key policies such as Whistleblowing and their effectiveness.

Board Effectiveness: In considering nominations and appointments the nominations committee ensures that the board has the right skill sets and experience. Training is highlighted and offered to Board members where appropriate. Trustees are appointed for an initial three year term which is renewable for a further period of three years. In May 2019 the Chair completed a comprehensive review of Board effectiveness which was shared and discussed with the Board. The recommendations from this were accepted and have been implemented to improve Board performance. This exercise has been repeated in September 2022 led by the Good Governance Group of the board and the findings will inform the improvement plans for the next period.

Equality, Diversity and Inclusion: The board has this area as a standing item on each board. It receives regular reports on its own diversity and that of the wider organisation. The opportunity to create a more diverse and inclusive board is included in the brief for all board recruitment activity. The Good Governance Group has ensured that the YMT EDI roadmap includes trustees and as well as attending EDI training offered to all staff Trustees are developing their own EDI Charter. One of the trustees has joined the YMT EDI change group which consists of a cross section of all staff to show visible leadership on this important agenda from the top.

Openness and Accountability: Key stakeholders are part of the board constitution. The City of York Council have two councillors who sit on the Board and the Yorkshire Philosophical Society have one member. The board invites representatives from Arts Council England to attend each meeting and the papers are shared with ACE as part of the funding agreement. The Board receives regular reports on how the organisation is engaging with its audiences and the wider community and how the programme of activity is developed.

Method of election of Trustees

The Board of Trustees shall consist of two individuals nominated by the Local Authority, one individual nominated by the Yorkshire Philosophical Society and such other persons elected by the Trustees of the charity.

The Trustees have the power to appoint any person to be a Trustee, but so that the total number of Trustees does not exceed the permitted maximum of fifteen at any time.

The Trustees, who are also directors under Company law, who served during the year and subsequently are listed on page 3. None of the Trustees have any financial interest in the company.

All Trustee appointments are advertised externally and the nominations committee oversees this process and ensures the range of skills, experiences and diversity of the board is appropriate to meet the needs of the charity.

Trustee induction and training

New Trustees undergo a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and recent financial performance of the Charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees administers the charity. A Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. The Board meets six times per annum and there are four committees which meet as follows:

Finance and General Purposes Committee

Meets approximately six times per year, or as required, with the Chief Executive and Head of Strategy, Finance and Corporate Services to monitor and guide progress against the business plan.

Audit and Risk Committee

Meets four times per year to consider reports from external auditors, examines risk management and the internal control environment.

Remuneration Committee

Meets at least annually and sets pay of senior executives and approves annual pay increases for all staff.

Nominations Committee

Meets annually and as required. The Nominations Committee reviews the structure, size and composition of the Board and is responsible for identifying and nominating for approval to the Board, candidates to fill board vacancies.

Pay policy for senior staff, including key management personnel

The Trustees consider that the Board of Trustees, the Chief Executive Officer and the Head of Strategy, Finance and Corporate Services comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give of their time freely and no

Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 8 to the Financial Statements.

The pay of the senior staff is reviewed annually by the Remuneration Committee and percentage changes are normally the same as for other members of staff, taking into account general inflation and the Trust's financial position.

Investment powers and policy

The Memorandum and Articles of Association of the charity permit the Trustees to invest the monies of the Trust not immediately required for its purposes in such investments, securities or property as may be thought fit. The Trust's investments are presently limited to group companies and UK Banks with a credit rating of A or better.

Reserves policy

The financial impact of Covid 19 and cost of living crisis on the Trust is discussed on page 9. The general reserve at 31 March 2022 of £1,199,615 does represent three months of YMT's operating costs. The trustees accept that at the current time it is still not appropriate to set a reserves target and that the Letter of Guarantee from CYC gives additional assurance to draw the confidence that YMT can continue to trade for the foreseeable future. A Pension reserve liability of £1,843,000 is managed separately to our unrestricted reserves as a long term liability under FRS102.

Restricted funds of £246,575 were held at the year end and are held under trust law so can only be used for particular purposes, as specified or agreed with the donor. The majority of the restricted funds are gifted for use in either acquisitions of objects or to develop and produce our programme and offer.

Auditor

The previous auditors, BDO LLP, who were first appointed in 2016/2017 were unable to staff YMT's 2021/22 audit. We were therefore required to find an alternative auditor and having undertaken due diligence the Audit and Risk Committee appointed Beever and Struthers to conduct the audit with the approval of the board. The current intention will be to propose the same auditors for reappointment for the 2022/23 audit in accordance with section 485 of the Companies Act 2006.

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the charity for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

YORK MUSEUMS AND GALLERY TRUST

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any
- material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees' report, was approved by the Board and signed on its behalf by:

Signature:



Name: James Grierson

Date: 29 November 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORK MUSEUMS AND GALLERY TRUST

Opinion on the financial statements

Opinion

We have audited the financial statements of York Museums and Gallery Trust ("the charitable company") for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Cash Flow Statement and the Notes to the Financial Statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 "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 and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions related to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and 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 AUDITOR'S REPORT TO THE MEMBERS OF YORK MUSEUMS AND GALLERY TRUST
(continued)**

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Trustees (who are also the directors for the purposes of company law) are responsible for the other information. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's report.

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

- adequate accounting records have not been kept by the Parent Charitable Company, 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 Directors' 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 Statement of Trustees' responsibilities, 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 determines 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 AUDITOR'S REPORT TO THE MEMBERS OF YORK MUSEUMS AND GALLERY TRUST
(continued)**

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws, regulations and guidance that affect the Group and Charitable Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Companies Act 2006, tax legislation, health and safety legislation and employment legislation.
- We enquired of management and reviewed correspondence and Trustee meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Trustees have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Trustees have in place to prevent and detect fraud. We enquired of the Trustees about any incidence of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed the financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations.
- We enquired of the Trustees about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of controls we tested the appropriateness of journal entries and assessed whether the judgments made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORK MUSEUMS AND GALLERY TRUST
(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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sue Hutchinson FCCA (Senior Statutory Auditor)
For and on behalf of

Beever and Struthers
Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 13.12.22

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

For the year ended 31 March 2022

	Note	General Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total funds 2021 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	1,688,185	38,913	20,751	1,747,849	346,252
Funding provided by City of York Council	6	306,710	-	2,200	308,910	306,710
Funding provided by Arts Council England	7	423,226	-	1,597,851	2,021,077	2,859,851
Donations, Legacies and General Grants						
Donations and legacies	3	204,751	-	75,419	280,170	96,761
Other grants receivable	5	112,660	-	572,457	685,117	968,227
Other Trading Activities						
Income generated by subsidiary		599,945	-	-	599,945	178,072
Investments						
Interest receivable	4	93	-	-	93	1,476
TOTAL INCOME		<u>3,335,570</u>	<u>38,913</u>	<u>2,268,678</u>	<u>5,643,161</u>	<u>4,757,349</u>
EXPENDITURE ON:						
Raising Funds						
Costs incurred by subsidiary		<u>430,182</u>	<u>-</u>	<u>-</u>	<u>430,182</u>	<u>289,132</u>
Charitable expenditure						
Charitable expenditure	10	<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>	<u>6,302,414</u>
Total charitable expenditure		<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>	<u>6,302,414</u>
TOTAL EXPENDITURE		<u>3,181,821</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>7,243,575</u>	<u>6,591,546</u>
Net gains on Investments		-	-	-	-	-
Net (expenditure)/income before taxation		153,749	(1,746,413)	(7,750)	(1,600,414)	(1,834,197)
Taxation charge	12	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (expenditure)/income after taxation		153,749	(1,746,413)	(7,750)	(1,600,414)	(1,834,197)
Other recognised gains/(losses):						
Actuarial gain/(loss) on defined benefit scheme	25	-	2,441,000	-	2,441,000	(610,000)
Transfer between funds		<u>(5,232)</u>	<u>389,913</u>	<u>(384,681)</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u><u>148,517</u></u>	<u><u>1,084,500</u></u>	<u><u>(392,431)</u></u>	<u><u>840,586</u></u>	<u><u>(2,444,197)</u></u>
RECONCILIATION OF FUNDS:						
Fund balance brought forward		1,051,098	1,792,422	639,006	3,482,526	5,926,724
Net movement in the year		148,517	1,084,500	(392,431)	840,586	(2,444,198)
Fund balance carried forward		<u><u>1,199,615</u></u>	<u><u>2,876,922</u></u>	<u><u>246,575</u></u>	<u><u>4,323,112</u></u>	<u><u>3,482,526</u></u>

A fully detailed Statement of Financial Activities for the year ended 31 March 2021 is shown in note 29.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

For the year ended 31 March 2022

	Note	General Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total funds 2021 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	1,746,929	38,913	20,751	1,806,593	346,252
Funding provided by City of York Council	6	306,710	-	2,200	308,910	306,710
Funding provided by Arts Council England	7	423,226	-	1,597,851	2,021,077	2,859,851
Donations, Legacies and General Grants						
Donations and legacies	3	204,751	-	75,419	280,170	96,761
Other grants receivable	5	112,660	-	572,457	685,117	968,227
Investments						
Interest receivable	4	89	-	-	89	1,440
TOTAL INCOME		<u>2,794,365</u>	<u>38,913</u>	<u>2,268,678</u>	<u>5,101,956</u>	<u>4,579,241</u>
EXPENDITURE ON:						
Charitable expenditure						
Charitable expenditure	10	<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>	<u>6,302,414</u>
Total charitable expenditure		<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>	<u>6,302,414</u>
TOTAL EXPENDITURE		<u>2,751,639</u>	<u>1,785,326</u>	<u>2,276,428</u>	<u>6,813,393</u>	<u>6,302,414</u>
Net gains on Investments		-	-	-	-	-
Net income/(expenditure) before taxation		42,726	(1,746,413)	(7,750)	(1,711,437)	(1,723,173)
Taxation charge	12	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) after taxation		42,726	(1,746,413)	(7,750)	(1,711,437)	(1,723,173)
Other recognised gains/(losses):						
Actuarial gain/(loss) on defined benefit scheme	25	-	2,441,000	-	2,441,000	(610,000)
Transfer between funds		<u>(5,232)</u>	<u>389,913</u>	<u>(384,681)</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u>37,494</u>	<u>1,084,500</u>	<u>(392,431)</u>	<u>729,563</u>	<u>(2,333,173)</u>
RECONCILIATION OF FUNDS:						
Fund balance brought forward		1,162,093	1,792,422	639,006	3,593,521	5,926,694
Net movement in the year		37,494	1,084,500	(392,431)	729,563	(2,333,173)
Fund balance carried forward		<u>1,199,587</u>	<u>2,876,922</u>	<u>246,575</u>	<u>4,323,084</u>	<u>3,593,521</u>

A fully detailed Statement of Financial Activities for the year ended 31 March 2021 is shown in note 29

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible fixed assets	13	4,530,398	5,379,544
		<u>4,530,398</u>	<u>5,379,544</u>
CURRENT ASSETS			
Stock	15	76,912	70,268
Debtors	16	729,663	629,514
Cash at bank and in hand	17	2,119,012	2,010,842
		<u>2,925,587</u>	<u>2,710,624</u>
CREDITORS: falling due <1 year	18	(1,263,337)	(1,200,313)
		<u>1,662,250</u>	<u>1,510,311</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		6,192,648	6,889,855
CREDITORS: falling due >1 year	19	(26,536)	(16,329)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>6,166,112</u>	<u>6,873,526</u>
Defined benefit pension scheme liability	25	(1,843,000)	(3,391,000)
NET ASSETS		<u>4,323,112</u>	<u>3,482,526</u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	21	1,199,615	1,051,098
Designated Funds	21		
Pension Fund		(1,843,000)	(3,391,000)
Programme Funds		2,189	2,189
Strategic Fund		26,065	501
Infrastructure Fund		385,095	46,734
Property Fund		4,306,573	5,133,998
Total Designated Funds		2,876,922	1,792,422
Restricted Funds	22	246,575	639,006
		<u>4,323,112</u>	<u>3,482,526</u>

These financial statements of York Museums and Gallery Trust, company registered number 04381647, were approved and authorised for issue by the Board of Trustees on 29 November 2022 and were signed on its behalf by:

Signed:



Name: James Grierson

Date: 29 November 2022

CHARITY STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible fixed assets	13	4,530,398	5,379,544
Investments	14	<u>1</u>	<u>1</u>
		<u>4,530,399</u>	<u>5,379,545</u>
CURRENT ASSETS			
Stock	15	-	-
Debtors	16	1,684,116	1,196,947
Cash at bank and in hand	17	<u>1,355,418</u>	<u>1,846,986</u>
		<u>3,039,534</u>	<u>3,043,933</u>
CREDITORS: falling due <1 year	18	(1,403,849)	(1,438,957)
NET CURRENT ASSETS		<u>1,635,685</u>	<u>1,604,976</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,166,084	6,984,521
CREDITORS: falling due >1 year	19	-	-
NET ASSETS EXCLUDING PENSION LIABILITY		<u>6,166,084</u>	<u>6,984,521</u>
Defined benefit pension scheme liability	25	(1,843,000)	(3,391,000)
NET ASSETS		<u><u>4,323,084</u></u>	<u><u>3,593,521</u></u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	21	1,199,587	1,162,093
Designated Funds	21		
Pension Fund		(1,843,000)	(3,391,000)
Programme Funds		2,189	2,189
Strategic Reserve		26,065	501
Infrastructure Fund		385,095	46,734
Property Fund		<u>4,306,573</u>	<u>5,133,998</u>
Total Designated Funds		2,876,922	1,792,422
Restricted Funds	22	<u>246,575</u>	<u>639,006</u>
		<u><u>4,323,084</u></u>	<u><u>3,593,521</u></u>

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2022

	2022	2021
	£	£
Net (expenditure)/Income after taxation	(1,600,414)	(1,834,197)
Interest Receivable	(93)	(1,476)
Depreciation	885,062	909,902
Pension service costs	893,000	641,000
(Increase)/Decrease in stocks	(6,644)	5,094
(Increase)/Decrease in Debtors	(100,149)	294,430
Increase in Creditors	73,231	308,589
Net Cash Outflow from Operating Activities	<u>143,993</u>	<u>323,341</u>

CASH FLOWS FROM INVESTING ACTIVITIES

	2022	2021
	£	£
Interest Receivable	93	1,476
Purchase of tangible fixed assets	<u>(35,915)</u>	<u>(5,950)</u>
	<u>(35,822)</u>	<u>(4,474)</u>

Increase in cash and cash equivalents	108,170	318,867
Cash and cash equivalents at the start of the year	<u>2,010,842</u>	<u>1,691,975</u>
Cash and cash equivalents at the end of the year	<u>2,119,012</u>	<u>2,010,842</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

NOTE 1 ACCOUNTING POLICIES

York Museums and Gallery Trust, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital. There are currently 13 Trustees who are also members of the company. Each member has undertaken to pay a contribution to the assets in the event of winding up a sum not exceeding £1. York Museums and Gallery Trust is a registered charity. The registered office is shown on page 3.

Basis of accounting

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS102)), the Financial Reporting Standard application in the UK and Ireland (FRS102) and the Companies Act 2006. The particular accounting policies adopted are described below.

The Financial Statements are prepared under the historical cost convention.

On the grounds that the Subsidiary's reserves are consolidated into the Charitable Company's group accounts the Charitable Company has taken advantage of certain exemptions covered by Section 1.11 of FRS 102 as follows:

- Exemptions from presenting a statement of cash flows as a primary statement to the financial statements
- Exemption from disclosing the carrying amounts of each category of Financial Assets and Financial Liabilities at the reporting date as required by Section 14.41 of FRS 102

Preparation of accounts – going concern basis

The principal financial risk facing the charity and its trading subsidiary (together “the group”) is the ability to generate sufficient income from visitor numbers and external funding to cover expenditure incurred in fulfilling the objectives of the group. The Trustees have reviewed the cash position of the group and cash forecasts at the date of signing the financial statements for at least one year and are satisfied that the group will be able to meet all of its financial commitments.

In setting a budget for 2022/23 management and trustees have run through different options and visitor scenarios. This has resulted in a prudent assessment of the likely income and therefore of the financial needs for the year which predict a small but affordable loss in 2022/23.

We continue to operate tight financial controls over each item of expenditure in the Trust as well as a pay and recruitment freeze. We have put together cash flows and budgets to cover the subsequent financial years 2023/24 and 2024/25. The financial guarantee given by CYC that extends to April 2024 provides the trust with a large amount of financial headroom and security. This has enabled management and Trustees to conclude that the going concern basis is appropriate.

As a consequence, the Trustees believe that the group is well placed to manage its financial risks successfully despite the current uncertain economic outlook. After making enquiries, the Trustees have a reasonable expectation that the group has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly-owned subsidiary undertaking, York Museums and Enterprises Limited, drawn up to 31 March each year and consolidated on a line by line basis. The results of the subsidiary undertaking are disclosed in note 14.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Income

Income is recognised in the statement of financial activities when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Income from admission fees, commercial activities and interest receivable is included in the period in which the group is entitled to receipt.

Income from donations, legacies and grants, including capital grants, is included in income when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when received.

Gift Aid from Subsidiary

Gift aid income received from York Museums and Enterprises Limited is recorded on an accrual basis, under the agreed deed of covenant in place between the two entities.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure and support cost comprise direct expenditure including direct staff costs attributable to the activity. When support costs cannot be directly attributable they have been allocated to activities on a basis consistent with use of the resource. Fundraising costs are those incurred in seeking voluntary contributions for the Trust. Management and administration costs (support costs) are those incurred in connection with the management of the Trust's assets, organisational administration and governance costs regarding compliance with constitutional and statutory requirements.

The method used in the analysis of support costs is allocation by head count.

Collections

York Museums and Gallery Trust are the Managing Trustees of the collections. However, City of York Council are the Custodian Trustees and so none of the collections are included in fixed assets.

Tangible fixed assets

When purchased, tangible fixed assets are initially included at the cost of acquisition, including costs that are directly attributable to bringing the asset into working condition for their intended use. Individual fixed assets costing £5,000 or more are capitalised.

Donated, functional fixed assets are included at a valuation made by the Trustees. When the use of these assets is unrestricted they are included in a designated fund reflecting their book value. The relevant fund is reduced over the useful economic life of the asset in line with its depreciation.

No value is shown in the accounts for assets occupied and used by the Trust under license from the City of York Council.

Long term exhibition equipment is capitalised as a fixed asset. Temporary exhibition costs are written off as expenditure in the year it is incurred.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives and depreciation is charged monthly. A full month's depreciation is charged in the month of acquisition, none in the month of disposal. Depreciation is charged at the following rates:

Freehold Property	:	4% per annum
Leasehold Property Improvements	:	8% - 20% per annum
Displays	:	12% - 36% per annum
Vehicles and other equipment	:	24% per annum
Including:		
IT equipment	:	36% per annum
Fixtures and Fittings	:	20% per annum

Depreciation is not provided on assets in the course of construction until the asset is available for use in the business and has been transferred to the appropriate asset category.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price. Provision is made for obsolete, slow moving or defective items where appropriate.

Financial Instruments

The Charity and group only have financial assets and financial liabilities of a kind that qualify as a basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Staff Costs Accounting PolicyEmployee benefits – staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee benefits – pension costs

The charity contributes to the North Yorkshire Pension Fund, a multi-employer defined benefit scheme. For defined benefit schemes the amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately within other recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme 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 method and discounted at a rate equivalent to the current rate of return on high quality corporate bond of currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each statement of financial position date. The resulting defined asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Funds accounting

Funds held by the charity are either:

- Unrestricted general funds – these are funds that can be used in accordance with the charitable objects at the discretion of the Trustees
- Designated property fund – this is the net book value of assets purchased using restricted funds. These assets are not subject to restrictions on use, however there may be recourse to funders upon sale or disposal.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Designated pension fund – this represents the actuarial deficit of YMT's section of the North Yorkshire Pension Fund.
- Designated other funds – these are funds designated by the Trustees for specific purposes from unrestricted reserves.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases

Rentals applicable to operating leases when substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities.

The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Critical Accounting Estimates and Judgments

In the application of the group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Defined benefit pension scheme

The charity is a member of a multi-employer defined benefit scheme. The Trustees use the scheme actuary to determine both the present value of the obligation under the scheme, and also the fair value of assets owned, to determine the overall deficit in the scheme attributable to the charity. The actuary uses certain critical assumptions, such as discount rate, mortality and expected rates of return when setting the deficit recovery plan for the scheme at each triennial review. Full disclosure of the assumptions used by the independent third party is provided in note 26.

**NOTE 2
INCOME FROM CHARITABLE ACTIVITIES**

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2022 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2021 £
Admission Income	1,493,138	-	-	1,493,138	99,905	-	-	99,905
YMT Card Income	-	-	-	-	121,879	-	-	121,879
Miscellaneous	195,047	38,913	20,751	254,711	95,123	5,702	23,643	124,468
Consolidated	<u>1,688,185</u>	<u>38,913</u>	<u>20,751</u>	<u>1,747,849</u>	<u>316,907</u>	<u>5,702</u>	<u>23,643</u>	<u>346,252</u>
Gift Aided Donation from Subsidiary	58,743	-	-	58,743	-	-	-	-
Charity	<u>1,746,928</u>	<u>38,913</u>	<u>20,751</u>	<u>1,806,592</u>	<u>316,907</u>	<u>5,702</u>	<u>23,643</u>	<u>346,252</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**NOTE 3
DONATIONS AND
LEGACIES
GROUP AND CHARITY**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 £
Gift Aid Donations	137,184	-	3,969	141,153	15,544	-	-	15,544
Donations and Legacies	67,567	-	71,450	139,017	81,039	-	178	81,217
	<u>204,751</u>	<u>-</u>	<u>75,419</u>	<u>280,170</u>	<u>96,583</u>	<u>-</u>	<u>178</u>	<u>96,761</u>

**NOTE 4
GROUP
INTEREST
RECEIVABLE**

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2022 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2021 £
Bank interest	93	-	-	93	1,476	-	-	1,476
	<u>93</u>	<u>-</u>	<u>-</u>	<u>93</u>	<u>1,476</u>	<u>-</u>	<u>-</u>	<u>1,476</u>

**CHARITY
INTEREST
RECEIVABLE**

	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2022 £	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2021 £
Bank interest	89	-	-	89	1,440	-	-	1,440
	<u>89</u>	<u>-</u>	<u>-</u>	<u>89</u>	<u>1,440</u>	<u>-</u>	<u>-</u>	<u>1,440</u>

**NOTE 5
GRANTS RECEIVABLE
GROUP AND CHARITY**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 £
Historic England	-	-	-	-	-	-	42,500	42,500
Ruffer Art Fund	-	-	(495)	(495)	-	-	-	-
Art Fund	-	-	219,826	219,826	-	-	280,000	280,000
Arts Council England	660	-	-	660	-	-	-	-
City of York Council	-	-	-	-	45,000	-	-	45,000
British Museum	-	-	22,617	22,617	-	-	26,300	26,300
The American Art Fund	-	-	252,052	252,052	-	-	-	-
HMRC CJRS	-	-	25,257	25,257	-	-	574,427	574,427
YPS	-	-	10,000	10,000	-	-	-	-
Headley Trust	-	-	27,500	27,500	-	-	-	-
FOYAG	-	-	6,200	6,200	-	-	-	-
Decorative Arts Society	-	-	4,000	4,000	-	-	-	-
Omicron Hospital & Leisure	12,000	-	-	12,000	-	-	-	-
Covid Emergency Grant	100,000	-	-	100,000	-	-	-	-
School for Social Entrepreneurs	-	-	5,500	5,500	-	-	-	-
	<u>112,660</u>	<u>-</u>	<u>572,457</u>	<u>685,117</u>	<u>45,000</u>	<u>-</u>	<u>923,227</u>	<u>968,227</u>

**NOTE 6
FUNDING PROVIDED BY CITY OF YORK
COUNCIL
GROUP AND CHARITY**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 £
Core funding	306,710	-	-	306,710	306,710	-	-	306,710
Capital funding	-	-	-	-	-	-	-	-
Cultural Wellbeing	-	-	2,200	2,200	-	-	-	-
	<u>306,710</u>	<u>-</u>	<u>2,200</u>	<u>308,910</u>	<u>306,710</u>	<u>-</u>	<u>-</u>	<u>306,710</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**NOTE 7
FUNDING PROVIDED BY ARTS COUNCIL
GROUP AND
CHARITY**

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2022 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2021 £
NPO Funding	-	-	1,252,632	1,252,632	-	-	1,252,632	1,252,632
Museum Development	-	-	345,219	345,219	-	-	345,219	345,219
Emergency Grant	-	-	-	-	412,000	-	-	412,000
Cultural Recovery Fund	423,226	-	-	423,226	850,000	-	-	850,000
	<u>423,226</u>	<u>-</u>	<u>1,597,851</u>	<u>2,021,077</u>	<u>1,262,000</u>	<u>-</u>	<u>1,597,851</u>	<u>2,859,851</u>

**NOTE 8
INFORMATION REGARDING TRUSTEES AND EMPLOYEES**

**Average number of
persons employed**

	2022 No.	2021 No.
Curatorial	23	26
Education	3	12
Gardens	6	7
Marketing	5	5
Facilities	3	3
Visitor Services	37	55
Directors and Administrative Staff	24	26
Trading Subsidiary	9	15
	<u>110</u>	<u>149</u>

Staff Costs During the Year

	2022 £	2021 £
Wages and Salaries	2,276,549	2,852,271
Social Security Costs	186,560	199,528
Pensions Costs	<u>1,187,407</u>	<u>966,566</u>
Staff Costs before pension items	<u>3,650,516</u>	<u>4,018,365</u>

Included in the above wages & salary costs are the following redundancy/Ex Gratia payments:

2022 £	2021 £
3,942	6,958

The Ex Gratia payments made in 2021-22 were in relation to 2 employees (2020-21:2).

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 (2021: £60,000) in the year was as follows:

	2022 No.	2021 No.
£60,000 - £70,000		1
£70,001 - £80,000	1	
£80,001 - £90,000		1
£90,001 - £100,000	<u>1</u>	<u>2</u>
	<u>2</u>	<u>2</u>

The key management personnel of the parent charity and the group comprise of the Chief Executive and the Head of Strategy, Finance and Corporate Services. The total employee benefits (including pension contributions but excluding social security costs) of the key management personnel of the charity and the group were £167,941 (2021: £159,482). The total social security costs of the key management personnel of the charity and group totalled £18,150 (2021: £16,963).

No Trustee received remuneration or benefits during either year. 2 Trustees claimed expenses of £207 (2021:NIL) in year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 9
NET INCOME FOR THE YEAR

Net income for the year is stated after charging:

	2022 £	2021 £
Depreciation of Owned Assets	885,062	909,903
Rentals Under Operating Leases - Land & Buildings	93,597	71,238
Costs of Stock recognised as Expenses	81,643	24,131
Auditors Remuneration:		
Fees payable for the audit of the Charity's Annual Accounts	13,750	13,500
Fees payable for the audit of the Charity's Subsidiary	4,650	4,500
Fees payable to the Charity's auditor for other services	2,800	4,350

NOTE 10
ANALYSIS OF TOTAL
EXPENDITURE
GROUP AND CHARITY

Activity	Activities Undertaken Directly 2022 £	Support Costs 2022 £	Total 2022 £	Activities Undertaken Directly 2021 £	Support Costs 2021 £	Total 2021 £
Curatorial	1,021,714	548,942	1,570,656	792,372	539,699	1,332,071
Education	90,867	56,482	147,349	169,611	129,914	299,525
Exhibitions and Events	380,741	-	380,741	331,576	(496)	331,080
Gardens	243,765	191,668	435,433	266,636	210,583	477,219
Marketing	394,287	310,843	705,130	277,582	249,244	526,826
Premises	1,287,637	312,111	1,599,748	1,093,884	169,692	1,263,576
Visitor Services	727,409	890,116	1,617,525	803,697	932,809	1,736,506
Admissions	1,060	1,298	2,358	1,522	1,766	3,288
Museum Development	354,453	-	354,453	332,323	-	332,323
	<u>4,501,933</u>	<u>2,311,460</u>	<u>6,813,393</u>	<u>4,069,203</u>	<u>2,233,211</u>	<u>6,302,414</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 11
ANALYSIS OF SUPPORT COSTS
GROUP AND CHARITY

For the year ended 31 March 2022

	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	97,911	10,074	-	34,187	55,443	55,669	158,764	231	412,279
IT Costs	79,578	8,188	-	27,785	45,062	45,245	129,037	188	335,083
Staffing and HR	247,612	25,478	-	86,456	140,212	140,784	401,506	585	1,042,633
Senior Management	81,608	8,397	-	28,494	46,211	46,400	132,328	193	343,631
Admin Costs	25,053	2,578	-	8,748	14,187	14,245	40,624	59	105,494
Cleaning and Hygiene	1,762	181	-	615	998	1,002	2,857	4	7,419
Other Costs	8,680	893	-	3,031	4,915	4,935	14,075	22	36,551
Governance Costs	6,738	693	-	2,352	3,815	3,831	10,925	16	28,370
	548,942	56,482	-	191,668	310,843	312,111	890,116	1,298	2,311,460

For the year ended 31 March 2021

	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	95,567	23,004	(88)	37,289	44,134	30,048	165,176	313	395,442
IT Costs	61,508	14,806	(57)	24,000	28,406	19,339	106,310	201	254,513
Staffing and HR	260,299	62,658	(239)	101,565	120,211	81,843	449,898	852	1,077,086
Senior Management	75,026	18,060	(69)	29,274	34,649	23,590	129,674	246	310,449
Admin Costs	28,663	6,900	(26)	1,184	13,237	9,012	49,541	94	108,605
Cleaning and Hygiene	747	180	(1)	291	345	235	1,290	2	3,089
Other Costs	13,514	3,253	(12)	5,273	6,241	4,249	23,358	44	55,921
Governance Costs	4,375	1,053	(4)	1,707	2,021	1,376	7,562	14	18,105
	539,699	129,914	(496)	200,583	249,244	169,692	932,809	1,766	2,223,211

The basis of allocation for all expenditure is as a percentage of salary expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 12

TAXATION

In respect of York Museums and Enterprises only:

	2022 £	2021 £
United Kingdom corporation tax at 19% (2021: 19%) on the profits of the trading subsidiary	-	-

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 20% (2021: 20%).

The actual tax charge for the current year differs from the standard rate for the following reasons.

	2022 £	2021 £
Profit on ordinary activities after charitable donation	-	-
Tax on profit on ordinary activities at the standard rate	-	-
Expenses not deductible for tax purposes	-	-
capital allowances in excess of depreciation	-	-
Movement in short-term timing differences	-	-
Total current tax charge for the year	-	-

The charitable activities of York Museums and Gallery Trust are exempt from taxation under Chapter 3 of Part II of the Corporation Tax Act 2010.

The profit from the taxable trading activities of the subsidiary are gifted to the parent under a deed of covenant.

NOTE 13

TANGIBLE FIXED ASSETS

Group & Charity	Displays £	Property £	Vehicles and Other Equipment £	Total £
Cost				
At 1st April 2021	1,159,291	10,672,268	857,207	12,688,766
Additions	-	-	35,916	35,916
At 31st March 2022	1,159,291	10,672,268	893,123	12,724,682
Accumulated depreciation				
At 1st April 2021	1,017,149	5,497,327	794,746	7,309,222
Charge for year	73,450	779,818	31,794	885,062
At 31st March 2022	1,090,599	6,277,145	826,540	8,194,284
Net book value				
As at 31st March 2022	68,692	4,395,123	66,583	4,530,398
As at 1st April 2021	142,142	5,174,941	62,461	5,379,544

All tangible assets owned by the Charity were used for charitable purposes.

The split of freehold property and leasehold property improvements net book value as at 31 March 2022 is:

Freehold property £402,845 (2021: £425,015); leasehold property improvements £4,060,971 (2021: £4,892,068). The City of York Council has granted the charity a 25 year lease, at a peppercorn rental, over the land and buildings comprising the York Museums and Art Gallery activities.

Leasehold property improvements to the Art Gallery have been funded by grants from Arts Council England and the agreement carries various covenants, the key one being that the Art Gallery property may only be used for the purposes of an Art Gallery. The charity has granted Arts Council England first legal charge in respect of the leasehold property known as the City Art Gallery and Archive, in the event that the covenants are not complied with.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 14
INVESTMENTS HELD AS FIXED ASSETS

The charity owns 100% of the ordinary share capital of York Museums and Enterprises Limited (Company registration no. 04466798), a company registered in England and Wales. The investment in the subsidiary is £1 (2021: £1)

The registered address of York Museums and Enterprises Limited is: St Mary's Lodge, Marygate, York, YO30 7DR

The income and expenditure of York Museums and Enterprises Limited for the year ended 31 March 2022 is summarised below:

	2022	2021
	£	£
Turnover	451,945	95,224
Cost of Sales	<u>(253,278)</u>	<u>(233,684)</u>
Gross Profit/(Loss)	198,667	(138,460)
Other Operating Income	148,000	82,848
Administrative Expenses	<u>(176,904)</u>	<u>(55,448)</u>
Operating Profit/(Loss)	169,763	(111,060)
Interest Receivable and Similar Income	<u>4</u>	<u>36</u>
Profit/(Loss) on ordinary activities before tax	<u>169,767</u>	<u>(111,024)</u>
Taxation	-	-
Profit/(Loss) after tax	169,767	(111,024)
Gift aid distribution	(58,743)	-
Profit Retained for the Financial Year	<u>111,024</u>	<u>(111,024)</u>

The aggregate of the assets, liabilities and funds was:

	2022	2021
Assets	1,312,163	628,021
Liabilities	<u>1,312,129</u>	<u>739,012</u>
	<u>2,624,292</u>	<u>1,367,033</u>

Represented by:

Called Up Share Capital	1	1
Profit & Loss account	<u>33</u>	<u>(110,992)</u>
	<u>34</u>	<u>(110,991)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 15
STOCK

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Goods for resale	76,912	-	70,268	-
	<u>76,912</u>	<u>-</u>	<u>70,268</u>	<u>-</u>

NOTE 16
DEBTORS

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Trade debtors	41,071	11,279	7,290	1,430
Amounts owed by subsidiary	-	1,039,137	-	612,336
Accrued income and other debtors	527,246	526,142	459,343	458,994
Prepayments	110,306	56,518	112,416	73,721
VAT recoverable	12,125	12,125	12,215	12,215
Other Debtors	38,915	38,915	38,250	38,251
	<u>729,663</u>	<u>1,684,116</u>	<u>629,514</u>	<u>1,196,947</u>

NOTE 17
CASH AND CASH
EQUIVALENTS

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Cash at bank and in hand	<u>2,119,012</u>	<u>1,355,418</u>	<u>2,010,842</u>	<u>1,846,986</u>

NOTE 18
CREDITORS: DUE <1 YR

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Trade creditors	805,531	772,949	758,172	738,961
Other creditors	20,076	455	97,838	100,899
Amounts owed to subsidiary	-	386,968	-	348,993
Accruals and deferred income	437,730	243,477	344,303	250,104
	<u>1,263,337</u>	<u>1,403,849</u>	<u>1,200,313</u>	<u>1,438,957</u>

NOTE 19
CREDITORS: DUE >1 YR

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Deferred Income	26,536	-	16,329	-
	<u>26,536</u>	<u>-</u>	<u>16,329</u>	<u>-</u>

NOTE 20
Deferred Income

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Opening Balance	94,263	-	220,493	109,053
Deferred Income Additions during the year	200,227	9,187	92,015	-
Deferred Income Release during the year	(92,015)	-	(218,245)	(109,053)
Closing Balance	<u>202,475</u>	<u>9,187</u>	<u>94,263</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 21
MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2021 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2022 £
General Unrestricted funds	1,051,098	3,335,570	(3,181,821)	-	(5,232)	1,199,615
Total General Funds	1,051,098	3,335,570	(3,181,821)	-	(5,232)	1,199,615
Designated Pension Fund	(3,391,000)	-	(893,000)	2,441,000	-	(1,843,000)
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Strategic Fund	501	35,564	-	-	(10,000)	26,065
Designated Infrastructure Fund	46,734	3,349	(28,985)	-	363,997	385,095
Designated Property Fund	5,133,998	-	(863,341)	-	35,916	4,306,573
Total Designated Funds	1,792,422	38,913	(1,785,326)	2,441,000	389,913	2,876,922
Total Unrestricted Funds	<u>2,843,520</u>	<u>3,374,483</u>	<u>(4,967,147)</u>	<u>2,441,000</u>	<u>384,681</u>	<u>4,076,537</u>

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2021 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2022 £
General Unrestricted funds	1,162,093	2,794,365	(2,751,639)	-	(5,232)	1,199,587
Total General Funds	1,162,093	2,794,365	(2,751,639)	-	(5,232)	1,199,587
Designated Pension Fund	(3,391,000)	-	(893,000)	2,441,000	-	(1,843,000)
Designated Programme Funds	2,189	-	-	-	-	2,189
Designated Restructure Fund	501	35,564	-	-	(10,000)	26,065
Designated Infrastructure Fund	46,734	3,349	(28,985)	-	363,997	385,095
Designated Property Fund	5,133,998	-	(863,341)	-	35,916	4,306,573
Total Designated Funds	1,792,422	38,913	(1,785,326)	2,441,000	389,913	2,876,922
Total Unrestricted Funds	<u>2,954,515</u>	<u>2,833,278</u>	<u>(4,536,965)</u>	<u>2,441,000</u>	<u>384,681</u>	<u>4,076,509</u>

In 2018-19 the Charity was given a restricted fund for the Castle Transformation project from CYC. To help match costs this was enhanced by a transfer from the general fund. On completion of the project the CYC funding had been fully spent and the remainder has been transferred back to the designated infrastructure fund in 2021-22.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Prior Year Comparison

MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2020 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2021 £
General Unrestricted funds	1,125,376	2,206,748	(2,507,254)	-	226,228	1,051,098
Total General Funds	1,125,376	2,206,748	(2,507,254)	-	226,228	1,051,098
Designated Pension Fund	(2,140,000)	-	(641,000)	(610,000)	-	(3,391,000)
Designated Programme Funds	102,801	-	-	-	(100,612)	2,189
Designated Restructure Fund	24,538	387	-	-	(24,424)	501
Designated Infrastructure Fund	166,411	5,315	(23,327)	-	(101,665)	46,734
Designated Property Fund	6,000,259	-	(866,261)	-	-	5,133,998
Total Designated Funds	4,154,009	5,702	(1,530,588)	(610,000)	(226,701)	1,792,422
Total Unrestricted Funds	5,279,385	2,212,450	(4,037,842)	(610,000)	(473)	2,843,520

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2020 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2021 £
General Unrestricted funds	1,125,346	2,028,641	(2,218,122)	-	226,228	1,162,093
Total General Funds	1,125,346	2,028,641	(2,218,122)	-	226,228	1,162,093
Designated Pension Fund	(2,140,000)	-	(641,000)	(610,000)	-	(3,391,000)
Designated Programme Funds	102,801	-	-	-	(100,612)	2,189
Designated Restructure Fund	24,538	387	-	-	(24,424)	501
Designated Infrastructure Fund	166,411	5,315	(23,327)	-	(101,665)	46,734
Designated Property Fund	6,000,259	-	(866,261)	-	-	5,133,998
Total Designated Funds	4,154,009	5,702	(1,530,588)	(610,000)	(226,701)	1,792,422
Total Unrestricted Funds	5,279,355	2,034,343	(3,748,710)	(610,000)	(473)	2,954,515

The transfer in 2020-21 represents funds transferred from designated funds to unrestricted funds following a decision made by the Trustees due to the coronavirus Pandemic.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 22
MOVEMENT IN RESTRICTED FUNDS

Restricted funds comprise grants and donations given towards expenditure on the Trust's charitable aims

Group and charity	1st April 2021	Income £	Expenditure £	Transfers £	31st Mar 2022
Friends Art Gallery	8,301	9,850	(10,750)	-	7,401
Ceramics SSN	15,235	-	(13,032)	-	2,203
Bouts (Restricted)	-	(12,749)	-	12,749	-
Gainsborough	-	45,000	(46,042)	1,042	-
Archaeology Archives	20,921	27,350	(9,793)	-	38,477
Portable Antiquities	-	22,617	(22,617)	-	-
MDY Projects	46,083	347,719	(354,453)	12,000	51,349
COCA - Restricted	25,442	4,575	(16,066)	-	13,951
Richard III	8,244	1,762	(8,244)	-	1,762
Gardens Restricted	6,952	9,763	(2,076)	-	14,639
Curatorial Restrict	11,764	-	(761)	-	11,003
Cultural Wellbeing	-	2,200	(1,631)	-	569
Art Fund	-	43,064	(25,258)	3,726	21,532
Headley Art Fund	-	27,500	(6,058)	-	21,442
Capital Works Fund	412,108	-	-	(412,107)	1
MD Network Grant	26,339	175,000	(187,097)	(12,000)	2,242
TA Redevelopment	-	13,700	(9,169)	-	4,531
Castle 2022	-	-	(10,875)	10,875	-
Other Small Grants	42,500	-	(4,004)	-	38,496
Other Restricted Funds	15,118	273,439	(270,614)	(967)	16,977
	639,006	990,789	(998,539)	(384,681)	246,575

Purpose of Restricted Funds

Friends Art Gallery are funds given by the Friends of York Art Gallery for acquisitions and conservation at the Art Gallery

Ceramics SSN fund is used to host a Symposium for the Subject Specialist Network funding from ACE

Bouts (Restricted) is funds that we are receiving for displaying the Bouts exhibition

Gainsborough are funds received in 2021-22 for the Gainsborough exhibition

Archaeology Archives fund is to receive archaeological finds

Portable Antiquities is funding the salary of the British Museum's PAS representative.

MDY Projects fund is for the Museum Development Yorkshire funding from Art Council England which is administered by York Museums Trust.

COCA – Restricted fund comprises of donations towards the interpretation and delivery of the Centre of Ceramic Arts projects

Richard III fund is to produce a Richard III exhibition

Gardens Restricted comprises of recharges specifically for the repairs and maintenance of the Museum Gardens

Curatorial restricted comprises various grants and donations for collections development

Cultural Wellbeing is a grant received from CYC for cultural wellbeing activities

Art Fund provided support for the Curator of Archaeology in the "Collecting Award Project"

Headley Art Fund is a grant received from the Art Fund to support the Unwrapping York's Stories project at the Castle Museum

The Capital Works fund is for repair, maintenance and improvement works

MD Network Grant fund is for supporting museums and galleries via Museum Development Network

TA Redevelopment are funds received from the Yorkshire Philosophical Society for repairs and improvements to the Tempest Anderson Hall

Castle 2022 fund is to be used to develop a HLF bid for the redevelopment of the Castle Museum

Other small grants and restricted funds are from various sources and have been restricted for specific purposes as requested by the funder/donor

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Prior Year Comparison

Restricted funds comprise grants and donations given towards expenditure on the Trust's charitable aims

Group and charity	1st April 2020	Income £	Expenditure £	Transfers £	31st Mar 2021
Friends Art Gallery	8,301	-	-	-	8,301
Ceramics SSN	45,582	-	(30,346)	-	15,235
Bouts (Restricted)	-	4,782	(4,782)	-	0
Archaeology Archives	15,703	15,250	(10,032)	-	20,921
Portable Antiquities	-	26,300	(26,300)	-	0
MDY Projects	32,004	346,402	(332,323)	-	46,083
COCA - Restricted	25,442	-	-	-	25,442
Richard III	8,219	-	25	-	8,244
Gardens Restricted	6,852	-	100	-	6,952
Curatorial Restrict	11,764	-	-	-	11,764
Art Fund	-	2,436	(4,753)	2,317	0
Capital Works Fund	452,033	-	(28,524)	(11,401)	412,108
MD Network Grant	-	280,000	(253,661)	-	26,339
Castle 2022	24,207	-	(35,609)	11,402	0
Other Small Grants	-	42,500	-	-	42,500
Other Restricted Funds	17,233	169	(441)	(1,843)	15,118
	<u>647,340</u>	<u>717,839</u>	<u>(726,646)</u>	<u>475</u>	<u>639,006</u>

NOTE 23

ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS

Group	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	296,185	4,234,213	-	4,530,398
Current Assets	2,309,407	478,504	137,676	2,925,587
Current Liabilities	(1,379,441)	7,205	108,899	(1,263,337)
Long Term Liabilities	(26,536)	-	-	(26,536)
Pension Liability	-	(1,843,000)	-	(1,843,000)
As 31st March 2022	<u>1,199,615</u>	<u>2,876,922</u>	<u>246,575</u>	<u>4,323,112</u>
As 31st March 2021	<u>1,051,098</u>	<u>1,792,422</u>	<u>639,006</u>	<u>3,482,526</u>

Charity	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	296,186	4,234,213	-	4,530,399
Current Assets	2,423,354	478,504	137,676	3,039,534
Current Liabilities	(1,519,953)	7,205	108,899	(1,403,849)
Long Term Liabilities	-	-	-	-
Pension Liability	-	(1,843,000)	-	(1,843,000)
As 31st March 2022	<u>1,199,587</u>	<u>2,876,922</u>	<u>246,575</u>	<u>4,323,084</u>
As 31st March 2021	<u>1,162,093</u>	<u>1,792,422</u>	<u>639,006</u>	<u>3,593,521</u>

Prior Year Comparison

ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS

Group	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	755,673	4,623,871	-	5,379,544
Current Assets	1,833,636	552,346	324,642	2,710,624
Current Liabilities	(1,521,882)	7,205	314,364	(1,200,313)
Long Term Liabilities	(16,329)	-	-	(16,329)
Pension Liability	-	(3,391,000)	-	(3,391,000)
As 31st March 2021	<u>1,051,098</u>	<u>1,792,422</u>	<u>639,006</u>	<u>3,482,526</u>
As 31st March 2020	<u>1,125,376</u>	<u>4,154,009</u>	<u>647,339</u>	<u>5,926,724</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Charity	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	755,673	4,623,871	-	5,379,544
Current Assets	2,166,946	552,346	324,642	3,043,934
Current Liabilities	(1,760,526)	7,205	314,364	(1,438,957)
Long Term Liabilities	-	-	-	-
Pension Liability	-	(3,391,000)	-	(3,391,000)
As 31st March 2021	<u>1,162,093</u>	<u>1,792,422</u>	<u>639,006</u>	<u>3,593,521</u>
As 31st March 2020	<u>1,125,346</u>	<u>4,154,009</u>	<u>647,339</u>	<u>5,926,694</u>

The designated property fund relates to the net book value of assets purchased using restricted funds.

**NOTE 24
COMMITMENTS**

The group and charity had future minimum lease payments under non-cancellable operating leases as follows:

**Group and charity
Operating Lease Commitments**

	2022		2021	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Leases which expire				
Within one year	89,750	792	74,050	792
Two and five years	288,496	198	296,200	990
Six and ten years	47,500	-	109,921	-
	<u>425,746</u>	<u>990</u>	<u>480,171</u>	<u>1,782</u>

**NOTE 25
PENSION SCHEME**

The Group contributes to the North Yorkshire Pension Fund. The scheme is a defined benefit scheme for the benefit of the employees. The assets of the scheme are fully administered by North Yorkshire County Council in a fund independent from that of the Group. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 31 March 2019 and updated on an approximate basis to 31 March 2022.

The contributions made by the employer over the financial year have been £294,000 (2021 - £326,000).

Assumptions

The assets of the Scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2022	2021
Financial:		
Rate of increase in salaries	4.15%	3.95%
Pension in payment increases	2.90%	2.70%
Discount rate	2.70%	2.10%
Inflation assumption	2.90%	2.70%

	2022 Years	2021 Years
Life expectancy:		
Male future pensioner aged 65 in 20 years' time	23.5	23.6
Female future pensioner aged 65 in 20 years' time	25.7	25.8
Male current pensioner aged 65	21.8	21.9
Female current pensioner aged 65	23.8	24.0

The amounts recognised in the statement of financial position are as follows:

	2022 £'000	2021 £'000
Present value of scheme liabilities	(23,608)	(24,858)
Fair value of scheme assets	<u>21,765</u>	<u>21,467</u>
Deficit in the scheme	<u>(1,843)</u>	<u>(3,391)</u>

The assets in the scheme and the expected rate of return were:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	Fair value 2022 £'000	Fair value 2021 £'000
Equities	12,123	12,408
Government Bonds	3,657	3,478
Other bonds	1,676	451
Property	1,611	1,309
Cash	239	708
Other	2,459	3,113
Total fair value of assets	21,765	21,467
Actuarial value of liability	(23,608)	(24,858)
Net pension deficit	(1,843)	(3,391)

Movement in the deficit during the year were as follows:

	2022 £'000	2021 £'000
Deficit in scheme at 1 April	(3,391)	(2,140)
Movement in the year:	-	-
Current service costs	(1,121)	(770)
Past service cost	(10)	-
Settlement cost	-	(150)
Net (loss) on assets	(68)	(46)
Contributions	306	325
Actuarial gain/(loss)	2,441	(610)
Deficit in the scheme at 31 March	(1,843)	(3,391)

Analysis of the amount charged to net finance charge for the year under FRS102 in relation to the scheme:

	2022 £'000	2021 £'000
Expected return on pension scheme assets	(381)	(381)
Interest on pension scheme liabilities	427	427
Net finance loss	46	46

The amount recognised in the income and expenditure account are:

	2022 £'000	2021 £'000
Current service costs	1,121	770
Past service costs	10	-
Interest cost	68	427
Expected return on scheme assets	-	(381)
Total charge to income and expenditure account	1,199	816

The amount recognised in the statement of financial activities are as follows:

	2022 £'000	2021 £'000
Amount recognised during the period	2,441	(610)
Cumulative amount recognised	2,441	(610)

Asset and liability reconciliation

Reconciliation of assets	2022 £'000	2021 £'000
Assets at the start of the year	21,467	16,513
Expected return on plan assets	452	381
Actuarial (loss)/gain on assets	(226)	4,511
Employer contributions	306	325
Member contributions	144	149
Benefits Paid	(378)	(442)
Settlements	-	30
Assets at the end of the year	21,765	21,467
Actual return on plan assets	226	4,892

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Reconciliation of liabilities	2022 £'000	2021 £'000
Liabilities at the start of the year	24,858	18,653
Current service costs	1,121	770
Past service costs	10	-
Interest on pension liabilities	520	427
Employee contributions	144	149
Actuarial loss/(gain) on liabilities	(2,667)	5,121
Benefits paid	(378)	(442)
Settlements	-	180
Liabilities at the end of the year	<u>23,608</u>	<u>24,858</u>

The history of experience adjustments is as follows:

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Scheme liabilities	(23,608)	(24,858)	(18,653)	(18,516)	(17,026)	(15,660)
Scheme assets	<u>21,765</u>	<u>21,467</u>	<u>16,513</u>	<u>16,153</u>	<u>14,516</u>	<u>12,976</u>
	<u>(1,843)</u>	<u>(3,391)</u>	<u>(2,140)</u>	<u>(2,363)</u>	<u>(2,510)</u>	<u>(2,684)</u>
Experience adjustments on scheme liabilities	(2,667)	5,121	(1,298)	42	85	3,130
Percentage of scheme liabilities	11.3%	7.0%	-0.2%	-0.2%	-0.5%	-20.0%
Experience adjustments on scheme assets	(226)	4,511	(453)	892	695	1,799
Percentage of scheme assets	-1.0%	-2.7%	5.5%	4.8%	4.8%	3.6%

NOTE 26

FINANCIAL INSTRUMENTS

	2022 Group £	2021 Group £
Financial Assets		
Financial asset that are debt instruments measured at amortised costs	2,754,106	2,515,726
Financial liabilities		
Financial liabilities measured at amortised costs	1,067,776	1,125,441

NOTE 27

NET DEBT RECONCILIATION

	1st April 2021 £	Cash Flows £	31st Mar 2022 £
Cash at bank and in hand	2,010,842	108,170	2,119,012
Net Debt	<u>2,010,842</u>	<u>108,170</u>	<u>2,119,012</u>

NOTE 28

RELATED PARTY TRANSACTIONS

During the year, the Trust conducted the following transactions with its subsidiary, York Museums and Enterprises Limited.

The Trust levied a management charge on York Museums and Enterprises Limited amounting to £10,500 (2021: £10,500).

The subsidiary, York Museums and Enterprises Limited, made a gift aid donation under a deed of covenant to the Trust of £58,743 in the year ended 31 March 2022 (2021: £Nil)

At 31 March 2022, York Museums and Enterprises Limited owed £652,170 to the Trust (2021: £262,223)

The amounts owed by the subsidiary comprise of Trust income received into the subsidiary bank account, and salary and other costs that have been paid from York Museums Trust bank account and have been recharged to the subsidiary. Both were not yet transferred from the York Museums and Enterprises Ltd account as at 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 29

2020-21 Consolidated Statement of Financial Activities

	General Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	316,907	5,702	23,643	346,252
Funding provided by City of York Council	306,710	-	-	306,710
Funding provided by Arts Council England	1,262,000	-	1,597,851	2,859,851
Donations, Legacies and General Grants				
Donations and legacies	96,583	-	178	96,761
Other grants receivable	45,000	-	923,227	968,227
Other Trading Activities				
Income generated by subsidiary	178,072	-	-	178,072
Investments				
Interest receivable	1,476	-	-	1,476
TOTAL INCOME	<u>2,206,748</u>	<u>5,702</u>	<u>2,544,899</u>	<u>4,757,349</u>
EXPENDITURE ON:				
Raising Funds				
Costs incurred by subsidiary	<u>289,132</u>	<u>-</u>	<u>-</u>	<u>289,132</u>
Charitable expenditure				
Charitable expenditure	<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>
Total charitable expenditure	<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>
TOTAL EXPENDITURE	<u>2,507,254</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,591,546</u>
Net gains on Investments	-	-	-	-
Net (expenditure)/income before taxation	(300,506)	(1,524,885)	(8,806)	(1,834,197)
Taxation charge	-	-	-	-
Net (expenditure)/income after taxation	(300,506)	(1,524,885)	(8,806)	(1,834,197)
Other recognised gains/(losses):				
Actuarial (loss)/gain on defined benefit scheme	-	(610,000)	-	(610,000)
Transfer between funds	<u>226,228</u>	<u>(226,701)</u>	<u>473</u>	<u>-</u>
NET MOVEMENT IN FUNDS	<u>(74,278)</u>	<u>(2,361,587)</u>	<u>(8,333)</u>	<u>(2,444,197)</u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,125,376	4,154,009	647,339	5,926,724
Net movement in the year	(74,278)	(2,361,587)	(8,333)	(2,444,198)
Fund balance carried forward	<u>1,051,098</u>	<u>1,792,422</u>	<u>639,006</u>	<u>3,482,526</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2020-21 Charity Statement of Financial Activities

	General Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	316,907	5,702	23,643	346,252
Funding provided by City of York Council	306,710	-	-	306,710
Funding provided by Arts Council England	1,262,000	-	1,597,851	2,859,851
Donations, Legacies and General Grants				
Donations and legacies	96,583	-	178	96,761
Other grants receivable	45,000	-	923,227	968,227
Investments				
Interest receivable	1,440	-	-	1,440
TOTAL INCOME	<u>2,028,641</u>	<u>5,702</u>	<u>2,544,899</u>	<u>4,579,241</u>
EXPENDITURE ON:				
Charitable expenditure				
Charitable expenditure	<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>
Total charitable expenditure	<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>
TOTAL EXPENDITURE	<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>
Net gains on Investments	-	-	-	-
Net income/(expenditure) before taxation	(189,481)	(1,524,885)	(8,806)	(1,723,173)
Taxation charge	-	-	-	-
Net income/(expenditure) after taxation	(189,481)	(1,524,885)	(8,806)	(1,723,173)
Other recognised gains/(losses):				
Actuarial gain/(loss) on defined benefit scheme	-	(610,000)	-	(610,000)
Transfer between funds	<u>226,228</u>	<u>(226,701)</u>	<u>473</u>	<u>-</u>
NET MOVEMENT IN FUNDS	<u><u>36,747</u></u>	<u><u>(2,361,587)</u></u>	<u><u>(8,333)</u></u>	<u><u>(2,333,173)</u></u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,125,346	4,154,009	647,339	5,926,694
Net movement in the year	<u>36,747</u>	<u>(2,361,587)</u>	<u>(8,333)</u>	<u>(2,333,173)</u>
Fund balance carried forward	<u><u>1,162,093</u></u>	<u><u>1,792,422</u></u>	<u><u>639,006</u></u>	<u><u>3,593,521</u></u>

Accounts

YORK MUSEUMS AND GALLERY TRUST

Company Registration No. 04381647

Registered Charity No. 1092466

York Museums and Gallery Trust

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

Year ended 31 March 2021

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

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OFFICERS AND PROFESSIONAL ADVISORS

The Trustees who served during the year and subsequently were:

TRUSTEES

J. Grierson (Chair)
D. Andrews
M. Haworth
S. Drummond
S. Lusty (Resigned 02.11.20)
R. Jagger
P. Ashton
S. Brand (Resigned 02.11.20)
A. Dean
D. Willcocks
A. Scott (Appointed 02.11.20)
S. Furlong (Appointed 20.06.20)
M. Lowe (Appointed 22.06.20)
S. Daubeney
D. Myers

COMPANY SECRETARY

P. Lambert

PRINCIPAL OFFICERS – KEY MANAGEMENT PERSONNEL

R. King – Chief Executive
P. Lambert – Head of Strategy, Finance and Corporate Services

REGISTERED OFFICE

St Marys' Lodge
Marygate,
York,
YO30 7DR

INDEPENDENT AUDITORS

BDO LLP
Central Square,
29 Wellington Street,
Leeds,
LS1 4DL

BANKERS

HSBC Bank plc
PO Box 26,
13 Parliament Street,
York,
YO1 8XS

SOLICITORS

Browne Jacobson LLP
Mowbray House,
Castle Meadow Road,
Nottingham,
NG2 1BJ

TRUSTEES' REPORT

For the year ended 31 March 2021

Chair's Foreword

As Chair of York Museums Trust (YMT), I present a report on the charity's activities for the financial year 2020/21. We expected the year to be very challenging for the Trust but no one could have predicted the impact that Covid-19 would have on the finances of the charity.

Compared with just a few years ago, YMT now receives a much smaller proportion of its income from public sector funding. Prior to Covid-19, the Trust had become increasingly effective at generating revenue from admissions, retail, catering and venue hire, with this totalling 65% of its annual income in the year 2019/20. However three national lockdowns resulted in the closure of all our indoor venues for eight out of the 12 operating months of the 2020/21 financial year, including closure during the majority of the summer season. This meant YMT lost more than £2.4m of income compared with the prior year, resulting in the Trust having to implement a redundancy programme to sadly reduce the workforce by 26%.

Despite this significant financial loss and the incredibly difficult and challenging times for everyone, there has been a real dedication and commitment shown by all the team at York Museums Trust. Throughout the year, Reyahn King, CEO, and her senior leadership team have continued to drive forward the charity's headline priorities, one of which includes 'to survive the Covid-19 crisis and work together with audiences and communities to recover and rebuild.'

As a charity, we have been most thankful to our supporters and the Trust continues to strengthen its position as a fundraising organisation. Indeed, without the hard work and dedication of all the staff and my fellow board members, the Trust's many successes would not have been achieved. Fundraising has been the forefront of the organisation during this year, with applications submitted to many emergency grant and trust schemes raising over £1.3m for the organisation. Building relationships with our supporters has been a priority and we have made donating easier for everyone by introducing new platforms to give. It is only with support from Arts Council England, DCMS and the City of York Council as well as the generosity of the many people who have donated to us over the last 12 months that we have been able to continue to this point.

With the museums and gallery being closed for the majority of the year, a highlight for me was the creation of the weekly twitter campaign, #CuratorBattle. Launched in late March 2020, the simple idea was part of a larger digital strategy to share our collections and stories with audiences in engaging and captivating ways. The campaign increased YMT twitter followers by 17,350 with over 1.6 million people engaging and over 6.2 million people viewing YMT objects via the campaign. The two most successful battles, #creepiestobject and #bestmuseumbum became truly global, with museums and the media from around the world engaging, including those in China, France, Australia, New Zealand and Brazil. The success of the campaign was acknowledged by the Trust receiving a national award from the largest PR professional body, Just Marketing Awards for the Best Performance During Covid-19. The campaign was also shortlisted for the Best Use of Social Media at the Museum & Heritage Awards.

York Museum Trust continues to create, present and distribute excellent content by working with organisations nationally and internationally to deliver outstanding exhibitions. However, the pandemic interrupted our exhibitions programme and forced changes of plans by our lending partners resulting in the Harland Miller exhibition closing early and the Richard III exhibition being postponed a year.

In August, it was a delight to be able to reopen York Art Gallery and York Castle Museum. The very nature of the pandemic meant we had to be agile in our response and this encouraged a spirit of experimentation in our approach. At York Art Gallery, we were overwhelmed that more than 400 people helped us choose what paintings would be in our reopening display and we celebrated the key workers and NHS in a community exhibition entitled *Our Heroes*. We opened our permanent collections galleries for free, with a 'Pay As You Feel' approach to our main exhibitions, acknowledging how valuable arts are to audiences in difficult times.

At York Castle Museum, where free-flow visits weren't practical with social distancing, we created a new range of guided tours, which proved extremely popular. At Christmas, we focused on a new offer, featuring projections on our famous Victorian Street, Kirkgate and artificial snow on its famous cobbles.

Unfortunately it was not feasible to open the Yorkshire Museum due to the challenges of the gallery spaces and the high number of touchable interactive elements. However, we continue to work with our partners and in summer 2021, we will reopen the Yorkshire Museum with a Richard III exhibition in partnership with the National Portrait Gallery.

As an organisation we were thankful that the York Museum Gardens could remain open for most of the year. We already knew this was such an important green space for the city, but the pandemic has emphasized how important it is to the wellbeing of so many. Likewise, the importance of culture in times of crisis has been abundantly clear and we have been touched by the many positive comments we have received from visitors and those engaging with us online.

This year despite its many challenges, it has been a privilege to work closely with such a talented and committed team and, as part of the board of trustees, help support the trust through governance and our collective skills, experience and expertise. As the Chair I am most grateful to all our supporters and I am glad to see that there is light at the end of the tunnel as the restrictions of lockdown gradually ease and our museums and gallery are able to re-open. We have many exciting plans for 2021 onwards and I look forward to continuing to support the Trust with these plans and seeing our audiences engaging with our wonderful collections in person again.



James Grierson, Chair
1 September 2021

Strategic Report

The Trustees, who act as directors for the purpose of company law, present the audited consolidated financial statements for the year ended 31 March 2021.

Our purpose and activities

York Museums Trust's ('YMT') Mission is to cherish the collections, building and gardens entrusted to us, presenting and interpreting them as a stimulus for learning, a provocation to curiosity and a source of inspiration and enjoyment for all.

Our vision is:

To work together with audiences and communities to inspire, to share and to care for cultural heritage.

Our mission is:

York Museums Trust shares collections, gardens, buildings, art and stories for learning, enjoyment and wellbeing. Rooted in York and Yorkshire, we look outwards nationally and globally. As a charity, our income enables the Trust to care for heritage and to benefit all.

Our priorities are:

- Survive the Covid crisis and work together with audiences and communities to recover and rebuild
- Deliver innovative public programming which supports an audience-focused, inclusive, visitor-first approach;
- Progress two capital projects: the Castle Transformation Project and the Collections Development and Storage Project;
- Increase our resilience by expanding enterprises and fundraising activities, investing in our people, and caring for our environment; and
- Improve York and York Museums Trust's profiles through local, regional, national and international leadership and partnership to maximise YMT's impact.

YMT carries out its mission through a broad range of activities, centred around but not limited to our main sites – York Art Gallery (YAG), York Castle Museum (YCM), York St Mary's (YSM), Yorkshire Museum (YM) and Museum Gardens (YMG).

Overview of our operating activities

YMT's strategic plan 2016-2021 outlines a strategy of building on our strengths and past successes, particularly in investing in an excellent, high-profile public programme, improving the visitor experience, expanding charitable and trading income and generating funds to make major capital improvements.

Our Operational Plan for 2020-21 had been prepared prior to the Covid 19 pandemic but was not implemented because of this. Our focus for 2020-21 was on surviving financially through the enforced closures of our sites and, where we were able, to reopen sites in a manner that was safe for our staff and visitors. The emerging financial shortfall meant that in March 2020 we were obliged to raise a serious incident report to the Charities Commission.

Financially we lost most of the income in 2020-21 that we would normally generate through visitor admissions and related income and from venue hire and commercial activity. This has put us under huge financial strain and we had to make very difficult decisions to survive, including losing 26% of our staff through redundancies last year. Support from Arts Council England, DCMS and the City of York Council as well as the generosity of many people who have donated to us has helped us continue as a charity.

In the first half of 2020 prior to the reopening of our sites we had to furlough a large proportion of our staff as part of the Coronavirus Job Retention Scheme (CJRS).

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Despite being closed we were quick to embrace new ways of sharing our collections, such as the now world-famous Curator Battles on Twitter. This simple idea of asking museums to share objects under a given theme meant our objects were seen by more than six million people. Another success were the “Takeovers” of our social media feeds, working with community groups to shed new light and share different perspectives on the collections in our care.

We were delighted to be able to reopen York Art Gallery and York Castle Museum on 1 August 2020. We responded to new challenges and new demands by experimenting with our business model at York Art Gallery opening our permanent collections galleries initially for free, then with a ‘Pay As You Feel’ approach to our temporary exhibitions. At York Art Gallery more than 400 people helped us choose what paintings would be in our reopening display and we celebrated the key workers and NHS in a community exhibition entitled *Our Heroes*. These exhibitions are good examples of the way the new Vision for the charity launched in February has helped steer our activity through its first year despite the changing times around us.

Continuing to experiment in the Autumn we opened our permanent collections galleries and Aesthetica 2020 exhibition for free, with paying tickets only to our main exhibition *Human Nature*. This move acknowledged how important arts are to audiences in difficult times and our desire to make our recovery along with our audience and communities. Although our visitor numbers did not reach pre-Covid levels they were very competitive against other local attractions and other museums elsewhere in the country suggesting that our experiment has impacted our visitor numbers positively. *Human Nature* was developed in partnership with York Medial and the commission of artists Marshmallow Laser Feast to develop the piece ‘The Tides within Us’ for it has led to further development and a star attraction in Coventry City of Culture ‘Observations on Being’.

At York Castle Museum, where free-flow visits weren’t practical with social distancing, we created a new range of guided tours, which were extremely popular. Our Christmas offer, featuring projections on our famous Victorian Street Kirkgate, was also a hit, despite the huge challenges of creating a new offer during a second national lockdown.

However because of the social distancing rules limiting visitor numbers, and because of the financial pressure we were under, we made the hard decision not to open the Yorkshire Museum in 2020-21 in order to safeguard our financial position

Our reported visitor numbers for the last three years in the context of reduced numbers because of Covid-19 in 2020/21 are:

	2020/21	2019/20	2018/19
York Castle Museum	8,238	240,913	263,732
Yorkshire Museum	Nil	105,503	163,805
York St Mary’s	Not Available	42,737	4,174
York Art Gallery	<u>12,478</u>	<u>73,031</u>	<u>81,402</u>
Total	20,716	462,184	513,113

Fundraising

We had a successful year of fundraising with some significant grant funding being provided to help us meet the financial challenges of covid-19:

- A grant of £412,000 from ACE for the period March 2020 to September 2020 as Emergency Funding
- A grant from the DCMS Cultural Recovery Fund round 1 of £850,000 for the period October 2020 to March 2021; and most recently
- A grant from the DCMS Cultural Recovery Fund round 2 of £423,226 for the period April 2021 to June 2021.

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We had an improved year for individual giving and raised £81,039 through a variety of new channels that encourage visitors to donate both on and off site. We were also successful in fundraising for specific restricted funds for £81,162.

We have National Portfolio Organisation (NPO) Funding from the Arts Council England for the four year period April 2018 to March 2022. The NPO funding provides an annual income of £1.23m each year from 2018-2022. We are grateful for Arts Council England's agility and flexibility around the use of its funds in the Covid 19 crisis and Arts Council England have extended this funding a further year to March 2023.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts receivable are presented in our accounts as "Donations and Legacies" and includes legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the Trustees.

The charity is not bound by any regulatory scheme but the charity does comply voluntarily with the Fundraising Regulators Code of Practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times. By complying with the Fundraising Regulators Code of Conduct and GDPR we have procedures in place to prevent complaints and address them should they arise.

Financial Review

Despite suffering a financial loss in 2020/21, our financial performance proved better than we had predicted at the start of the pandemic in March 2020. Our forecasts showed we would be in a serious deficit position, however the ACE and DCMS grants transformed the financial position. The other reasons for a better than forecast financial position were:

- The use of the CJRS scheme to furlough staff during the first national lockdown which provided income of £574k to cover staff costs;
- The reduction in staffing numbers by 26% by November 2020 through a voluntary and a compulsory redundancy scheme;
- A freeze on recruitment and a pay freeze;
- An expenditure Control Group which approves every item of spend in the Trust before a commitment is made;
- A Reduction in our days of opening from 7 to 5 days per week and in our opening hours.

The net expenditure for the year on the general unrestricted fund (before transfers between funds) was £305,506 (2020: net surplus of £64,467). The Trustees decided to release £226,228 (2020: Designate £275,101) to the general unrestricted fund from designated funds and cancel the projects to which they were assigned. The net movement on funds for the general unrestricted fund for the year was thus £(74,278) (2020: £(210,634)).

Net movement in funds on designated funds was £2,361,587 (2020: £684,898) and net movement in funds on restricted funds was £8,333 (2020: £226,877).

The actuarial loss on the pension fund for the year was £610,000 (2020: gain £845,000). At the end of the year, the charity had total funds of £3,531,876 (2020: £5,926,724).

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During the year the group received restricted donations, grants and income from charitable activities totalling £2,544,899 (2020: £2,091,818), giving restricted funds of £639,006 held at the end of the year (2020: £647,339).

The unrestricted general funds of the group at 31 March 2021 were a surplus of £1,051,098 (2020: £1,125,376), excluding fixed assets not represented by matching designated funds. As such, the Trust reached its target of having a minimum of two months of operating costs in unrestricted reserves (which based on the 2019/20 budget is just under £1m for two months). The Trustees have accepted that the Covid 19 emergency means that this reserves policy has to be suspended for the period of the crisis as all reserves need to be used to survive.

The Trustees are satisfied that the charity's assets are available and adequate to fulfil its obligations for the foreseeable future as described in the Covid-19 section of the report below.

Plans for future periods

Our planning for future periods has been disrupted by the need to survive the Coronavirus crisis. YMT intends to continue to pursue its stated priorities in 2021/22 with the additional priority being surviving the crisis. We are having to adapt the Operational plan for the period to reflect what it is possible to deliver with the current constraints and adapt to new ways of delivery and fundraising.

Principal Risks and Uncertainties

Management and the Trustees formally review the risks through the use of a risk register and a risk management process.

Funding risk is always significant for the Trust. We receive as a National Portfolio Organisation £1.25m per year for the four year period 2018 to 2022 from Arts Council England. We also receive £0.3m per annum from City of York Council. The Trustees have given consideration to the appropriate policies, procedures and systems to mitigate the charity's exposure to the major risks. The Trust's ongoing key financial risk is the ability to generate sufficient income from visitor numbers, and other external funders, to cover expenditure incurred in fulfilling the vision and objectives of the group. The Trust will be continuing its strategy of investing in public programme, engagement, visitor experience, income generation and capital developments in order to mitigate this risk, once the Covid 19 pandemic is under control.

Covid 19's continued impact on YMT

In preparing our financial strategy for 2021-22 York Museums Trust has had to be realistic about the likely levels of income generated through admissions and trading. Our sites did not start re-opening until May 2021 and then under continued restrictions to enable adequate social distancing to keep staff and visitors safe. The Yorkshire Museum did not open until July 2021. With reduced visitor numbers forecast income from these sources is down by over 60% from pre pandemic levels. Our finances are not sustainable at these levels of trading and we are projecting a loss of £1.3m for the financial year 2021/22, even though we are maintaining tight financial controls and with the benefit of the DCMS CRF round 2 grant of £423k.

In order to prevent YMT from going into a negative reserves position we have in place a Letter of Credit from City of York Council dated 27 August 2020 which expires on 31 March 2023 and allows the trust to draw on demand funding, which is not repayable, up to £1.95m. We expect to draw on this source of funding in 2021-22 to enable us to maintain sufficient reserves to continue operations.

The Trustees believe that the group is as well placed as it is possible to be as a charity to manage its financial risks successfully in the short term. There are too many economic, political and health and other societal risks which the Trust does not control to make definitive statements about the future. The Trustees have a reasonable expectation that the group has adequate reserves to continue in operational existence for at least the twelve months following the date of signing these financial statements.

Going Concern

In determining that the Trust and its subsidiary are going concerns the Board gives consideration to the risks and uncertainties facing each entity, with particular reference to liquidity and solvency issues that might impact viability. The Board reviews forecasts for a period not less than the 12 months following the date the financial statements are to be issued. If solvency and liquidity issues present significant and material risks and uncertainties to the entities then the forecast period under review will be extended.

The Trust undertook a number of major steps in 2020/21 to secure its financial future through the crisis. These included:

- The release of previously designated reserves into unrestricted funds;
- The award of a number of significant grants for Emergency Funding from ACE and Cultural Recovery Funding from DCMS;
- Using the Coronavirus Job Retention Scheme to place staff on furlough leave;
- Investing in the fundraising team to diversify future income sources to reduce overwhelming reliance on admissions income;
- The tightening of day to day financial controls, freezing recruitment and the scrutiny by an Expenditure Control Group of every item of expenditure the Trust makes; and
- A major round of voluntary and compulsory redundancies in 2020 to reduce staff numbers and staff costs to put the trust on a lower staff cost base.

In the Covid 19 emergency period with public health, economic and social uncertainties the Board has continued to meet regularly to consider going concern. The board devoted a meeting in March 2021 to consider the budget for 2021/22 and tested a number of scenarios and used sensitivity analysis to scrutinise the robustness of the financial position. The Board also reviewed a three year financial forecast looking forwards as part of this exercise.

Whilst the budget set for 2021/22 shows a significant loss of £1.3m, the loss would have been greater if we had not secured the £423k grant from DCMS for Cultural Recovery Fund Viability and Sustainability grant covering the period April to June 2021. We are able to cover all of the foreseeable losses in 2021/22 by drawing on both the available unrestricted funds and the letter of credit from City of York Council which has been extended to 31 March 2023. In the financial projections examined by the Board we plan to achieve a break even position in 2022/23 as audiences return post Covid. In future periods we would plan once again to return to making a surplus and building back to a more sustainable financial reserves position.

In conclusion the Board considers York Museums Trust to be a going concern, and as such, the financial statements have been prepared on a going concern basis.

Public Benefit

YMT provides public benefit as a charity by making available our Collections, Buildings and Gardens to all members of the public. Our Trustees have complied with their duty in accordance with the UK Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit. We have free access to our gardens and where we charge for access at our other sites we have a range of free entry and substantial discounts for those on lower incomes and younger people, including free entry for York's children.

Structure, Governance and Management**Name and registered office of the charity**

The full name of the charity is the York Museums and Gallery Trust. Its registered office and principal operating address is St Mary's Lodge, Marygate, York, YO30 7DR.

Constitution

The charity was formed as a company limited by guarantee on 26 February 2002.

The company registration number is 04381647.

The charity registered with the Charity Commission on 14 June 2002 – registration number 1092466.

It is governed by the Memorandum and Articles of Association dated 26 February 2002.

The charity has a trading subsidiary, York Museums and Enterprises Limited, a company limited by shares, registered company number 04466798.

Governance Code

The Charity Governance Code, endorsed by the Charity Commission and other industry bodies, was launched in 2017. The Trustees have ensured we are compliant with the code. The code asks charities to "apply or explain".

We have no matters to report.

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We have no matters to report.

Organisational Purpose: Trustees reviewed and revised the vision and mission of the organisation in 2019/20.

The Board considers and revises the priorities for the organisation in this context as part of the strategic planning conversation each year. Outcomes to be achieved are identified in the Business Plan.

Leadership: The Board meets six times each year, four times to examine quarterly performance and twice for workshops / deeper dives into strategic issues. We have an annual strategic Board away day to consider areas of change and to review performance against our objectives and priorities.

Integrity: All trustees complete annual declarations of interest and are required to advise of any changes during the course of the year. The Board receives an annual safeguarding report, and the Audit and Risk Committee reviews risks at each meeting. It also reviews the annual health, safety and wellbeing report.

Decision Making, Risk and Control: The terms of reference for the board and the board sub groups are reviewed and updated each year and the work of each is reported to the quarterly board meetings. The board receives a CEO report each quarter which includes the financial position and monitors performance against KPI's. One of the Board Members has been appointed as the Senior Independent Board Member and the Audit committee reviews key policies such as Whistleblowing and their effectiveness.

Board Effectiveness: In considering nominations and appointments the nominations committee ensures that the board has the right skill sets and experience. Training is highlighted and offered to Board members where appropriate. Trustees are appointed for an initial three year term which is renewable for a further period of three years. In May 2019 the Chair completed a comprehensive review of Board effectiveness which was shared and discussed with the Board. The recommendations from this were accepted and have been implemented to improve Board performance.

Equality, Diversity and Inclusion: The board has this area as a standing item on each board. It receives regular reports on its own diversity and that of the wider organisation. The opportunity to create a more diverse and inclusive board is included in the brief for all board recruitment activity. In 2020 the Board set up a diversity task and finish group which has reviewed the organisational performance and reported on this with improvements for the organisation to action.

Openness and Accountability: Key stakeholders are part of the board constitution. The City of York Council have two councillors who sit on the Board and the Yorkshire Philosophical Society have one member. The board invites representatives from Arts Council England to attend each meeting and the papers are shared with ACE as part of the funding agreement. The Board receives regular reports on how the organisation is engaging with its audiences and the wider community and how the programme of activity is developed.

Method of election of Trustees

The Board of Trustees shall consist of two individuals nominated by the Local Authority, one individual nominated by the Yorkshire Philosophical Society and such other persons elected by the Trustees of the charity.

The Trustees have the power to appoint any person to be a Trustee, but so that the total number of Trustees does not exceed the permitted maximum of fifteen at any time.

The Trustees, who are also directors under Company law, who served during the year and subsequently are listed on page 3. None of the Trustees have any financial interest in the company.

All Trustee appointments are advertised externally and the nominations committee oversees this process and ensures the range of skills, experiences and diversity of the board is appropriate to meet the needs of the charity.

Trustee induction and training

New Trustees undergo a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and recent financial performance of the Charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees administers the charity. A Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. The Board meets six times per annum and there are four committees which meet as follows:

Finance and General Purposes Committee

Meets approximately six times per year, or as required, with the Chief Executive and Head of Strategy, Finance and Corporate Services to monitor and guide progress against the business plan.

Audit and Risk Committee

Meets four times per year to consider reports from external auditors, examines risk management and the internal control environment.

Remuneration Committee

Meets at least annually and sets pay of senior executives and approves annual pay increases for all staff.

Nominations Committee

Meets annually and as required. The Nominations Committee reviews the structure, size and composition of the Board and is responsible for identifying and nominating for approval to the Board, candidates to fill board vacancies.

Pay policy for senior staff, including key management personnel

The Trustees consider that the Board of Trustees, the Chief Executive Officer and the Head of Strategy, Finance and Corporate Services comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 8 to the Financial Statements.

The pay of the senior staff is reviewed annually by the Remuneration Committee and percentage changes are normally the same as for other members of staff, taking into account general inflation and the Trust's financial position.

Investment powers and policy

The Memorandum and Articles of Association of the charity permit the Trustees to invest the monies of the Trust not immediately required for its purposes in such investments, securities or property as may be thought fit. The Trust's investments are presently limited to group companies and UK Banks with a credit rating of A or better.

Reserves policy

As part of the response to Covid 19 the Trustees of YMT, in line with many charities, have had to make pragmatic decisions to enable their short term financial survival. In our case the Trustees, in 2020/21, moved the designated funds set aside for specific purposes into unrestricted funds for day to day use. The trustees made all unrestricted funds available to survive the immediate crisis, understanding that as a consequence this will leave little in reserves for future needs.

The impact of Covid 19 on the Trust is discussed on page 9. The decision to make all of the reserves available for financial survival was fundamental to the Trust getting the additional emergency funding grants from ACE and the DCMS Cultural Recovery Fund grants as we could demonstrate we had no reserves to fall back on once unrestricted funds were used up. It was also important to City of York Council in providing their letter of credit. A Pension reserve liability of £3,391,000 is managed separately to our unrestricted reserves as a long term liability under FRS102.

Restricted funds of £639,006 were held at the year end and are held under trust law so can only be used for particular purposes, as specified or agreed with the donor. The majority of the restricted funds are gifted for use in either acquisitions of objects or to develop and produce our programme and offer.

Auditor

The auditor, BDO LLP, was appointed in 2016/2017 and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the charity for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any
- material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also

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responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees' report, was approved by the Board and signed on its behalf by:

Signature: James R J Grierson

Name: James Grierson

Date: 1 September 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORK MUSEUMS AND GALLERY TRUST

Opinion on the financial statements

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 and the Parent Charitable Company's incoming resources and application of resources 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.

We have audited the financial statements of York Museums and Gallery Trust ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 31 March 2021 which comprise the consolidated and charity statements of financial activities, the consolidated and charity statement of financial positions, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Conclusions related to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and 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.

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's report.

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

- adequate accounting records have not been kept by the Parent Charitable Company, 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

YORK MUSEUMS AND GALLERY TRUST

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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Extent to which the audit was capable of detecting irregularities, including fraud

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the Group. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (FRS 102, Charity SORP and the Companies Act 2006).
- We understood how the Group is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquiries through our review of board minutes and papers provided to those charged with governance.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by discussing with management. We considered the controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programs and controls. We performed audit procedures on manual journals and accounting estimates to assess the risk of management override of controls.
- Procedures to test fraud risk on income include agreement of income recognised to supporting documentation on a sample basis and testing income recorded around the year end to check the appropriate year end cut-off;

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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 deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
HELEN KNOWLES
DAED9B91914A4A7...

Helen Knowles (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Leeds, UK

Date: 08 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

For the year ended 31 March 2021

	Note	General Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total funds 2020 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	316,907	5,702	23,643	346,252	3,406,263
Funding provided by City of York Council	6	306,710	-	-	306,710	507,000
Funding provided by Arts Council England	7	1,262,000	-	1,597,851	2,859,851	1,568,982
Donations, Legacies and General Grants						
Donations and legacies	3	96,583	-	178	96,761	384,458
Other grants receivable	5	45,000	-	923,227	968,227	73,252
Other Trading Activities						
Income generated by subsidiary		178,072	-	-	178,072	1,300,709
Investments						
Interest receivable	4	1,476	-	-	1,476	15,669
TOTAL INCOME		<u>2,206,748</u>	<u>5,702</u>	<u>2,544,899</u>	<u>4,757,349</u>	<u>7,256,333</u>
EXPENDITURE ON:						
Raising Funds						
Costs incurred by subsidiary		<u>289,132</u>	<u>-</u>	<u>-</u>	<u>289,132</u>	<u>1,036,302</u>
Charitable expenditure						
Charitable expenditure	10	<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>	<u>8,187,440</u>
Total charitable expenditure		<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>	<u>8,187,440</u>
TOTAL EXPENDITURE		<u>2,507,254</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,591,546</u>	<u>9,223,742</u>
Net gains on Investments		-	-	-	-	-
Net (expenditure)/income before taxation		(300,506)	(1,524,885)	(8,806)	(1,834,197)	(1,967,409)
Taxation charge	12	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (expenditure)/income after taxation		<u>(300,506)</u>	<u>(1,524,885)</u>	<u>(8,806)</u>	<u>(1,834,197)</u>	<u>(1,967,409)</u>
Other recognised gains/(losses):						
Actuarial (loss)/gain on defined benefit scheme	26	-	(610,000)	-	(610,000)	845,000
Transfer between funds		<u>226,228</u>	<u>(226,701)</u>	<u>473</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u>(74,278)</u>	<u>(2,361,587)</u>	<u>(8,333)</u>	<u>(2,444,197)</u>	<u>(1,122,409)</u>
RECONCILIATION OF FUNDS:						
Fund balance brought forward		1,125,376	4,154,009	647,339	5,926,724	7,049,133
Net movement in the year		(74,278)	(2,361,587)	(8,333)	(2,444,198)	(1,122,409)
Fund balance carried forward		<u>1,051,098</u>	<u>1,792,422</u>	<u>639,006</u>	<u>3,482,526</u>	<u>5,926,724</u>

A fully detailed Statement of Financial Activities for the year ended 31 March 2020 is shown in note 30.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account)

For the year ended 31 March 2021

	Note	General Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total funds 2020 £
INCOME FROM:						
Charitable Activities						
Income from charitable activities	2	316,907	5,702	23,643	346,252	3,671,618
Funding provided by City of York Council	6	306,710	-	-	306,710	507,000
Funding provided by Arts Council England	7	1,262,000	-	1,597,851	2,859,851	1,568,982
Donations, Legacies and General Grants						
Donations and legacies	3	96,583	-	178	96,761	384,458
Other grants receivable	5	45,000	-	923,227	968,227	73,252
Investments						
Interest receivable	4	1,440	-	-	1,440	14,721
TOTAL INCOME		<u>2,028,641</u>	<u>5,702</u>	<u>2,544,899</u>	<u>4,579,241</u>	<u>6,220,031</u>
EXPENDITURE ON:						
Charitable expenditure						
Charitable expenditure	10	<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>	<u>8,187,440</u>
Total charitable expenditure		<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>	<u>8,187,440</u>
TOTAL EXPENDITURE		<u>2,218,122</u>	<u>1,530,587</u>	<u>2,553,705</u>	<u>6,302,414</u>	<u>8,187,440</u>
Net gains on Investments		-	-	-	-	-
Net income/(expenditure) before taxation		(189,481)	(1,524,885)	(8,806)	(1,723,173)	(1,967,409)
Taxation charge	12	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) after taxation		<u>(189,481)</u>	<u>(1,524,885)</u>	<u>(8,806)</u>	<u>(1,723,173)</u>	<u>(1,967,409)</u>
Other recognised gains/(losses):						
Actuarial gain/(loss) on defined benefit scheme	26	-	(610,000)	-	(610,000)	845,000
Transfer between funds		<u>226,228</u>	<u>(226,701)</u>	<u>473</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u><u>36,747</u></u>	<u><u>(2,361,587)</u></u>	<u><u>(8,333)</u></u>	<u><u>(2,333,173)</u></u>	<u><u>(1,122,409)</u></u>
RECONCILIATION OF FUNDS:						
Fund balance brought forward		1,125,346	4,154,009	647,339	5,926,694	7,049,103
Net movement in the year		<u>36,747</u>	<u>(2,361,587)</u>	<u>(8,333)</u>	<u>(2,333,173)</u>	<u>(1,122,409)</u>
Fund balance carried forward		<u><u>1,162,093</u></u>	<u><u>1,792,422</u></u>	<u><u>639,006</u></u>	<u><u>3,593,521</u></u>	<u><u>5,926,694</u></u>

A fully detailed Statement of Financial Activities for the year ended 31 March 2020 is shown in note 30

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	13	5,379,544	6,283,496
Investment in property		-	-
		<u>5,379,544</u>	<u>6,283,496</u>
CURRENT ASSETS			
Stock	16	70,268	75,362
Debtors	17	629,514	923,944
Cash at bank and in hand	18	<u>2,010,842</u>	<u>1,691,975</u>
		<u>2,710,624</u>	<u>2,691,281</u>
CREDITORS: falling due <1 year	19	(1,200,313)	(898,721)
NET CURRENT ASSETS		<u>1,510,311</u>	<u>1,792,560</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,889,855	8,076,056
CREDITORS: falling due >1 year	20	(16,329)	(9,332)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>6,873,526</u>	<u>8,066,724</u>
Defined benefit pension scheme liability	26	(3,391,000)	(2,140,000)
NET ASSETS		<u><u>3,482,526</u></u>	<u><u>5,926,724</u></u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	22	1,051,098	1,125,376
Designated Funds	22		
Pension Fund		(3,391,000)	(2,140,000)
Programme Funds		2,189	102,801
Strategic Fund		500	24,538
Infrastructure Fund		46,734	166,411
Property Fund		<u>5,133,999</u>	<u>6,000,259</u>
Total Designated Funds		<u>1,792,422</u>	<u>4,154,009</u>
Restricted Funds	23	<u>639,006</u>	<u>647,339</u>
		<u><u>3,482,526</u></u>	<u><u>5,926,724</u></u>

These financial statements of York Museums and Gallery Trust, company registered number 04381647, were approved and authorised for issue by the Board of Trustees on _____ and were signed on its behalf by:

Signed: James R J Grierson

Name: James Grierson

Date: 01 September 2021

CHARITY STATEMENT OF FINANCIAL POSITION

As at 31 March 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	13	5,379,544	6,283,496
Investments	14	1	1
Investment property		-	-
		<u>5,379,545</u>	<u>6,283,497</u>
CURRENT ASSETS			
Stock	16	-	-
Debtors	17	1,196,947	1,392,768
Cash at bank and in hand	18	1,846,986	1,469,865
		<u>3,043,933</u>	<u>2,862,633</u>
CREDITORS: falling due <1 year	19	(1,438,957)	(1,079,436)
NET CURRENT ASSETS		<u>1,604,976</u>	<u>1,783,197</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,984,521	8,066,694
CREDITORS: falling due >1 year	20	-	-
NET ASSETS EXCLUDING PENSION LIABILITY		<u>6,984,521</u>	<u>8,066,694</u>
Defined benefit pension scheme liability	26	(3,391,000)	(2,140,000)
NET ASSETS		<u>3,593,521</u>	<u>5,926,694</u>
FUNDS			
Unrestricted Funds			
General unrestricted funds	22	1,162,093	1,125,346
Designated Funds	22		
Pension Fund		(3,391,000)	(2,140,000)
Programme Funds		2,189	102,801
Strategic Reserve		500	24,538
Infrastructure Fund		46,734	166,411
Property Fund		5,133,999	6,000,259
Total Designated Funds		<u>1,792,422</u>	<u>4,154,009</u>
Restricted Funds	23	<u>639,006</u>	<u>647,339</u>
		<u>3,593,521</u>	<u>5,926,694</u>

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2020

	2021	2020
	£	£
Net (expenditure)/Income after taxation	(1,834,197)	(1,967,409)
Interest Receivable	(1,476)	(15,669)
Depreciation	909,902	968,095
Pension service costs	641,000	622,000
(Increase)/Decrease in stocks	5,094	(8,918)
(Increase)/Decrease in Debtors	294,430	(196,997)
Increase/(Decrease) in Creditors	308,589	(434,708)
Net Cash Outflow from Operating Activities	<u>323,341</u>	<u>(1,033,606)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

	2021	2020
	£	£
Interest Receivable	1,476	15,669
Purchase of tangible fixed assets	(5,950)	(80,967)
Proceeds from sale of investment property	-	360,000
	<u>(4,474)</u>	<u>294,702</u>
Increase/(decrease) in cash and cash equivalents	318,867	(738,904)
Cash and cash equivalents at the start of the year	1,691,975	2,430,879
Cash and cash equivalents at the end of the year	<u>2,010,842</u>	<u>1,691,975</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

NOTE 1

ACCOUNTING POLICIES

York Museums and Gallery Trust, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital. There are currently 13 Trustees who are also members of the company. Each member has undertaken to pay a contribution to the assets in the event of winding up a sum not exceeding £1. York Museums and Gallery Trust is a registered charity. The registered office is shown on page 3.

Basis of accounting

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS102)), the Financial Reporting Standard application in the UK and Ireland (FRS102) and the Companies Act 2006. The particular accounting policies adopted are described below.

The Financial Statements are prepared under the historical cost convention.

On the grounds that the Subsidiary's reserves are consolidated into the Charitable Company's group accounts the Charitable Company has taken advantage of certain exemptions covered by Section 1.11 of FRS 102 as follows:

- Exemptions from presenting a statement of cash flows as a primary statement to the financial statements
- Exemption from disclosing the carrying amounts of each category of Financial Assets and Financial Liabilities at the reporting date as required by Section 14.41 of FRS 102

Preparation of accounts – going concern basis

The principal financial risk facing the charity and its trading subsidiary (together "the group") is the ability to generate sufficient income from visitor numbers and external funding to cover expenditure incurred in fulfilling the objectives of the group. The Trustees have reviewed the cash position of the group and cash forecasts at the date of signing the financial statements for at least one year and are satisfied that the group will be able to meet all of its financial commitments.

In setting a budget for 2021/22 management and trustees have run through a large number of different Covid related scenarios which impact on returning to normal trading conditions. This has resulted in a prudent assessment of the likely income and therefore of the financial needs for the year. We have already received a grant for £423k from DCMS as part of the second round of the Cultural Recovery Fund to provide financial assistance for recovery and sustainability in the period April to June 2021.

We continue to operate tight financial controls over each item of expenditure in the Trust as well as a pay and recruitment freeze. We have put together cash flows and budgets to cover the subsequent financial years 2022/23 and 2023/24. We and the wider industry are expecting and planning for a return to near normal levels of activity in 2022. The financial guarantee given by CYC that extends to April 2023 provides the trust with a large amount of headroom even after potential draw downs to cover losses in 2021/22. This has enabled management and Trustees to conclude that the going concern basis is appropriate.

As a consequence, the Trustees believe that the group is well placed to manage its financial risks successfully despite the current uncertain economic outlook. After making enquiries, the Trustees have a reasonable expectation that the group has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly-owned subsidiary undertaking, York Museums and Enterprises Limited, drawn up to 31 March each year and consolidated on a line by line basis. The results of the subsidiary undertaking are disclosed in note 14.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**Income**

Income is recognised in the statement of financial activities when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Income from admission fees, commercial activities and interest receivable is included in the period in which the group is entitled to receipt.

Income from donations, legacies and grants, including capital grants, is included in income when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when received.

Gift Aid from Subsidiary

Gift aid income received from York Museums and Enterprises Limited is recorded on an accrual basis, under the agreed deed of covenant in place between the two entities.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure and support cost comprise direct expenditure including direct staff costs attributable to the activity. When support costs cannot be directly attributable they have been allocated to activities on a basis consistent with use of the resource. Fund raising costs are those incurred in seeking voluntary contributions for the Trust. Management and administration costs (support costs) are those incurred in connection with the management of the Trust's assets, organisational administration and governance costs regarding compliance with constitutional and statutory requirements.

The method used in the analysis of support costs is allocation by head count.

Collections

York Museums and Gallery Trust are the Managing Trustees of the collections. However, City of York Council are the Custodian Trustees and so none of the collections are included in fixed assets.

Tangible fixed assets

When purchased, tangible fixed assets are initially included at the cost of acquisition, including costs that are directly attributable to bringing the asset into working condition for their intended use. Individual fixed assets costing £1,000 or more are capitalised.

Donated, functional fixed assets are included at a valuation made by the Trustees. When the use of these assets is unrestricted they are included in a designated fund reflecting their book value. The relevant fund is reduced over the useful economic life of the asset in line with its depreciation.

No value is shown in the accounts for assets occupied and used by the Trust under license from the City of York Council.

Long term exhibition equipment is capitalised as a fixed asset. Temporary exhibition costs are written off as expenditure in the year it is incurred.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives and depreciation is charged monthly. A full month's depreciation is charged in the month of acquisition, none in the month of disposal. Depreciation is charged at the following rates:

Freehold Property	:	8% per annum
Leasehold Property Improvements	:	4% - 20% per annum
Displays	:	12% - 36% per annum
Vehicles and other equipment	:	24% per annum
Including:		
IT equipment	:	36% per annum
Fixtures and Fittings	:	20% per annum

Depreciation is not provided on assets in the course of construction until the asset is available for use in the business and has been transferred to the appropriate asset category.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price. Provision is made for obsolete, slow moving or defective items where appropriate.

Financial Instruments

The Charity and group only have financial assets and financial liabilities of a kind that qualify as a basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measure or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Staff Costs Accounting Policy

Employee benefits – staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee benefits – pension costs

The charity contributes to the North Yorkshire Pension Fund, a multi-employer defined benefit scheme. For defined benefit schemes the amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately within other recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme 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 method and discounted at a rate equivalent to the current rate of return on high quality corporate bond of currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each statement of financial position date. The resulting defined asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Funds accounting

Funds held by the charity are either:

- Unrestricted general funds – these are funds that can be used in accordance with the charitable objects at the discretion of the Trustees
- Designated property fund – this is the net book value of assets purchased using restricted funds. These assets are not subject to restrictions on use, however there may be recourse to funders upon sale or disposal.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Designated pension fund – this represents the actuarial deficit of YMT's section of the North Yorkshire Pension Fund.
- Designated other funds – these are funds designated by the Trustees for specific purposes from unrestricted reserves.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases

Rentals applicable to operating leases when substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities.

The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Critical Accounting Estimates and Judgments

In the application of the group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Defined benefit pension scheme

The charity is a member of a multi-employer defined benefit scheme. The Trustees use the scheme actuary to determine both the present value of the obligation under the scheme, and also the fair value of assets owned, to determine the overall deficit in the scheme attributable to the charity. The actuary uses certain critical assumptions, such as discount rate, mortality and expected rates of return when setting the deficit recovery plan for the scheme at each triennial review. Full disclosure of the assumptions used by the independent third party is provided in note 26.

NOTE 2 INCOME FROM CHARITABLE ACTIVITIES

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2021 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2020 £
Admission Income	99,905	-	-	99,905	2,600,243	-	-	2,600,243
YMT Card Income	121,879	-	-	121,879	280,924	-	-	280,924
Miscellaneous	95,123	5,702	23,643	124,468	413,605	11,449	100,042	525,096
Consolidated	<u>316,907</u>	<u>5,702</u>	<u>23,643</u>	<u>346,252</u>	<u>3,294,772</u>	<u>11,449</u>	<u>100,042</u>	<u>3,406,263</u>
Gift Aided Donation from Subsidiary	-	-	-	-	265,355	-	-	265,355
Charity	<u>316,907</u>	<u>5,702</u>	<u>23,643</u>	<u>346,252</u>	<u>3,560,127</u>	<u>11,449</u>	<u>100,042</u>	<u>3,671,618</u>

YORK MUSEUMS AND GALLERY TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 3 DONATIONS AND LEGACIES GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2020 £
Gift Aid Donations	15,544	-	-	15,544	220,618	-	1,293	221,911
Donations and Legacies	81,039	-	178	81,217	8,458	1,340	152,749	162,547
	<u>96,583</u>	<u>-</u>	<u>178</u>	<u>96,761</u>	<u>229,076</u>	<u>1,340</u>	<u>154,042</u>	<u>384,458</u>

NOTE 4 GROUP INTEREST RECEIVABLE

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2021 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2020 £
Bank interest	1,476	-	-	1,476	15,669	-	-	15,669
	<u>1,476</u>	<u>-</u>	<u>-</u>	<u>1,476</u>	<u>15,669</u>	<u>-</u>	<u>-</u>	<u>15,669</u>

CHARITY INTEREST RECEIVABLE

	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2021 £	Charity Unrestricted Funds £	Charity Designated Funds £	Charity Restricted Funds £	2020 £
Bank interest	1,440	-	-	1,440	14,721	-	-	14,721
	<u>1,440</u>	<u>-</u>	<u>-</u>	<u>1,440</u>	<u>14,721</u>	<u>-</u>	<u>-</u>	<u>14,721</u>

NOTE 5 GRANTS RECEIVABLE GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2020 £
The Bowes Museum	-	-	-	-	-	-	1,396	1,396
Art Fund	-	-	280,000	280,000	4,500	-	15,863	20,363
City of York Council	45,000	-	-	45,000	-	-	-	-
British Museum	-	-	26,300	26,300	-	-	29,835	29,835
HMRC CJRS	-	-	574,427	574,427	-	-	-	-
V&A	-	-	-	-	-	-	6,200	6,200
Headley Trust	-	-	-	-	-	-	8,380	8,380
Starr Carr	-	-	-	-	-	-	7,078	7,078
Historic England	-	-	42,500	42,500	-	-	-	-
	<u>45,000</u>	<u>-</u>	<u>923,227</u>	<u>968,227</u>	<u>4,500</u>	<u>-</u>	<u>68,752</u>	<u>73,252</u>

NOTE 6 FUNDING PROVIDED BY CITY OF YORK COUNCIL GROUP AND CHARITY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2020 £
Core funding	306,710	-	-	306,710	307,000	-	-	307,000
Capital funding	-	-	-	-	-	-	200,000	200,000
	<u>306,710</u>	<u>-</u>	<u>-</u>	<u>306,710</u>	<u>307,000</u>	<u>-</u>	<u>200,000</u>	<u>507,000</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 7
FUNDING PROVIDED BY ARTS COUNCIL
GROUP AND
CHARITY

	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2021 £	Group Unrestricted Funds £	Group Designated Funds £	Group Restricted Funds £	2020 £
NPO Funding	-	-	1,252,632	1,252,632	-	-	1,230,000	1,230,000
Museum	-	-	345,219	345,219	-	-	338,982	338,982
Development	412,000	-	-	412,000	-	-	-	-
Emergency Grant	850,000	-	-	850,000	-	-	-	-
Cultural Recovery Fund	1,262,000	-	1,597,851	2,859,851	-	-	1,568,982	1,568,982

NOTE 8
INFORMATION REGARDING TRUSTEES AND EMPLOYEES

Average number of persons employed

	2021 No.	2020 No.
Curatorial	26	31
Education	12	20
Gardens	7	8
Marketing	5	6
Facilities	3	3
Visitor Services	55	81
Directors and Administrative Staff	26	27
Trading Subsidiary	15	25
	149	201

Staff Costs During the Year

	2021 £	2020 £
Wages and Salaries	2,852,271	3,323,509
Social Security Costs	199,528	250,854
Pensions Costs	966,566	1,071,709
Staff Costs before pension items	4,018,365	4,646,072

Included in the above wages & salary costs are the following redundancy/Ex Gratia payments:

2021 £	2020 £
6,958	2,429

The Ex-Gratia payments made in 2020-21 were in relation to two employees.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 (2020: £60,000) in the year was as follows:

	2021 No.	2020 No.
£60,000 - £70,000	1	1
£80,001 - £90,001	1	1
	2	2

The key management personnel of the parent charity and the group comprise of the Chief Executive and the Head of Strategy, Finance and Corporate Services. The total employee benefits (including pension contributions but excluding social security costs) of the key management personnel of the charity and the group were £159,482 (2020: £172,329). The total social security costs of the key management personnel of the charity and group totalled £16,963 (2020: £18,143).

No Trustee received remuneration or benefits during either year. No Trustees claimed expenses in year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 9

NET INCOME FOR THE YEAR

Net income for the year is stated after charging:

	2021	2020
	£	£
Depreciation of Owned Assets	909,903	968,095
Rentals Under Operating Leases - Land & Buildings	71,238	89,803
Costs of Stock recognised as Expenses	24,131	236,816
Auditors Remuneration:		
Fees payable for the audit of the Charity's Annual Accounts	13,500	11,450
Fees payable for the audit of the Charity's Subsidiary	4,500	3,800
Fees payable to the Charity's auditor for other services	4,350	3,950

NOTE 10

ANALYSIS OF TOTAL EXPENDITURE GROUP AND CHARITY

	Activities Undertaken Directly 2021	Support Costs 2021	Total 2021	Activities Undertaken Directly 2020	Support Costs 2020	Total 2020
Activity	£	£	£	£	£	£
Curatorial	792,372	539,699	1,332,071	925,367	545,115	1,470,482
Education	169,611	129,914	299,525	331,606	146,015	477,621
Exhibitions and Events	331,576	(496)	331,080	637,935	3,119	641,054
Gardens	266,636	210,583	477,219	284,537	174,330	458,867
Marketing	277,582	249,244	526,826	493,665	356,034	849,699
Premises	1,093,884	169,692	1,263,576	1,212,978	184,403	1,397,381
Visitor Services	803,697	932,809	1,736,506	1,328,758	1,200,203	2,528,961
Admissions	1,522	1,766	3,288	9,339	8,436	17,775
Museum Development	332,323	-	332,323	345,600	-	345,600
	<u>4,069,203</u>	<u>2,233,211</u>	<u>6,302,414</u>	<u>5,569,785</u>	<u>2,617,655</u>	<u>8,187,440</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 11
ANALYSIS OF SUPPORT COSTS
GROUP AND CHARITY

For the year ended 31 March 2021

	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	95,567	23,004	(88)	37,289	44,134	30,048	165,176	313	395,442
IT Costs	61,508	14,806	(57)	24,000	28,406	19,339	106,310	201	254,514
Staffing and HR	260,299	62,658	(239)	101,565	120,211	81,843	449,898	852	1,077,086
Senior Management	75,026	18,060	(69)	29,274	34,649	23,590	129,674	246	310,449
Admin Costs	28,663	6,900	(26)	11,184	13,237	9,012	49,541	94	118,605
Cleaning and Hygiene	747	180	(1)	291	345	235	1,290	2	3,089
Other Costs	13,514	3,253	(12)	5,273	6,241	4,249	23,358	44	55,921
Governance Costs	4,375	1,053	(4)	1,707	2,021	1,376	7,562	14	18,105
	539,699	129,914	(496)	210,583	249,244	169,692	932,809	1,766	2,233,211

For the year ended 31 March 2020

	Curatorial	Education	Exhibitions and Events	Gardens	Marketing	Facilities	Visitor Services	Admissions	Total
Finance and Professional Fees	96,960	25,972	555	31,008	63,328	32,800	213,480	1,500	465,602
IT Costs	50,205	13,448	287	16,056	32,791	16,984	110,539	777	241,087
Staffing and HR	166,314	44,549	952	53,188	108,625	56,261	366,181	2,574	798,644
Senior Management	48,962	13,115	280	15,658	31,979	16,563	107,801	758	235,116
Admin Costs	28,340	7,591	162	9,063	18,510	9,587	62,398	439	136,090
Cleaning and Hygiene	1,917	513	11	613	1,252	648	4,220	30	9,204
Other Costs	149,291	39,990	854	47,744	97,507	50,503	328,701	2,310	716,901
Governance Costs	3,126	837	18	1,000	2,042	1,057	6,883	48	15,011
	545,115	146,015	3,119	174,330	356,034	184,403	1,200,203	8,436	2,617,655

The basis of allocation for all expenditure is as a percentage of salary expenditure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**NOTE 12
TAXATION**

In respect of York Museums and Enterprises only:

	2021 £	2020 £
United Kingdom corporation tax at 19% (2020: 19%) on the profits of the trading subsidiary	-	-

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 20% (2019: 19%).

The actual tax charge for the current year differs from the standard rate for the following reasons.

	2021 £	2020 £
Profit on ordinary activities after charitable donation	-	-
Tax on profit on ordinary activities at the standard rate	-	-
Expenses not deductible for tax purposes	-	-
capital allowances in excess of depreciation	-	-
Movement in short-term timing differences	-	-
Total current tax charge for the year	-	-

The charitable activities of York Museums and Gallery Trust are exempt from taxation under Chapter 3 of Part II of the Corporation Tax Act 2010.

The profit from the taxable trading activities of the subsidiary are gifted to the parent under a deed of covenant.

**NOTE 13
TANGIBLE FIXED ASSETS**

Group & Charity	Displays £	Property £	Vehicles and Other Equipment £	Total £
Cost				
At 1st April 2020	1,159,291	10,672,268	851,257	12,682,816
Additions	-	-	5,950	5,950
At 31st March 2021	1,159,291	10,672,268	857,207	12,688,766
Accumulated depreciation				
At 1st April 2020	943,700	4,691,488	764,132	6,399,320
Charge for year	73,449	805,839	30,614	909,902
At 31st March 2021	1,017,149	5,497,327	794,746	7,309,222
Net book value				
At 31st March 2021	142,141	5,174,941	62,461	5,379,544
At 1st April 2020	215,591	5,980,780	87,125	6,283,496

All tangible assets owned by the Charity were used for charitable purposes.

The split of freehold property and leasehold property improvements net book value as at 31 March 2021 is:

Freehold property £425,015 (2020: £447,184); leasehold property improvements £4,892,068 (2020: £5,749,185). The City of York Council has granted the charity a 25 year lease, at a peppercorn rental, over the land and buildings comprising the York Museums and Art Gallery activities.

Leasehold property improvements to the Art Gallery have been funded by grants from Arts Council England and the agreement carries various covenants, the key one being that the Art Gallery property may only be used for the purposes of an Art Gallery. The charity has granted Arts Council England first legal charge in respect of the leasehold property known as the City Art Gallery and Archive, in the event that the covenants are not complied with.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 14

INVESTMENTS HELD AS FIXED ASSETS

The charity owns 100% of the ordinary share capital of York Museums and Enterprises Limited (Company registration no. 04466798), a company registered in England and Wales. The investment in the subsidiary is £1 (2020: £1)

The registered address of York Museums and Enterprises Limited is: St Mary's Lodge, Marygate, York, YO30 7DR

The income and expenditure of York Museums and Enterprises Limited for the year ended 31 March 2021 is summarised below:

	2021	2020
	£	£
Turnover	95,224	1,300,709
Cost of Sales	<u>(233,684)</u>	<u>(540,360)</u>
Gross (loss)/Profit	(138,460)	760,349
Other Operating Income	82,848	
Administrative Expenses	<u>(55,448)</u>	<u>(495,942)</u>
Operating (Loss)/Profit	(111,060)	264,407
Interest Receivable and Similar Income	<u>36</u>	<u>948</u>
(Loss)/Profit on ordinary activities before tax	<u>(111,024)</u>	<u>265,355</u>
Taxation	-	-
(Loss)/Profit after tax	(111,024)	265,355
Gift aid distribution	-	(265,355)
Profit Retained for the Financial Year	<u><u>(111,024)</u></u>	<u><u>-</u></u>

The aggregate of the assets, liabilities and funds was:

	2021	2020
Assets	628,021	691,867
Liabilities	<u>739,012</u>	<u>691,835</u>
	<u><u>1,367,033</u></u>	<u><u>1,383,702</u></u>

Represented by:

Called Up Share Capital	1	1
Profit & Loss account	<u>(110,993)</u>	<u>31</u>
	<u><u>(110,992)</u></u>	<u><u>32</u></u>

NOTE 15

INVESTMENT PROPERTY

	2021	2021	2020	2020
	Group	Charity	Group	Charity
	£	£	£	£
Fair Value at 1 April	-	-	360,000	360,000
Revaluation	-	-	-	-
Disposal	<u>-</u>	<u>-</u>	<u>(360,000)</u>	<u>(360,000)</u>
Fair Value at 31 March	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

The Trust disposed of its only investment property in May 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**NOTE 16
STOCK**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Goods for resale	70,268	-	75,362	-
	<u>70,268</u>	<u>-</u>	<u>75,362</u>	<u>-</u>

**NOTE 17
DEBTORS**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Trade debtors	7,290	1,430	239,055	197,943
Amounts owed by subsidiary	-	612,336	-	562,721
Accrued income and other debtors	459,343	458,994	431,097	427,961
Prepayments	112,416	73,721	139,846	90,197
VAT recoverable	12,215	12,215	67,834	67,834
Other Debtors	38,250	38,251	46,111	46,112
	<u>629,514</u>	<u>1,196,947</u>	<u>923,943</u>	<u>1,392,768</u>

**NOTE 18
CASH AND CASH EQUIVALENTS**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Cash at bank and in hand	<u>2,010,842</u>	<u>1,846,986</u>	<u>1,691,975</u>	<u>1,469,865</u>

**NOTE 19
CREDITORS: DUE <1 YR**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Trade creditors	758,172	738,961	509,953	507,123
Other creditors	97,838	100,899	(1,771)	740
Amounts owed to subsidiary	-	348,993	-	300,498
Accruals and deferred income	344,303	250,104	390,538	271,075
	<u>1,200,313</u>	<u>1,438,957</u>	<u>898,720</u>	<u>1,079,436</u>

**NOTE 20
CREDITORS: DUE >1 YR**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Deferred Income	16,329	-	9,333	-
	<u>16,329</u>	<u>-</u>	<u>9,333</u>	<u>-</u>

**NOTE 21
Deferred Income**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Opening Balance	220,493	109,053	310,830	137,458
Deferred Income Additions during the year	92,015	-	218,245	109,053
Deferred Income Release during the year	(218,245)	(109,053)	(308,582)	(137,458)
Closing Balance	<u>94,263</u>	<u>-</u>	<u>220,493</u>	<u>109,053</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 22
MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2020 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2021 £
General Unrestricted funds	1,125,376	2,206,748	(2,507,254)	-	226,228	1,051,098
Total General Funds	1,125,376	2,206,748	(2,507,254)	-	226,228	1,051,098
Designated Pension Fund	(2,140,000)	-	(641,000)	(610,000)	-	(3,391,000)
Designated Programme Funds	102,801	-	-	-	(100,612)	2,189
Designated Strategic Fund	24,538	387	-	-	(24,424)	501
Designated Infrastructure Fund	166,411	5,315	(23,327)	-	(101,665)	46,734
Designated Property Fund	6,000,259	-	(866,261)	-	-	5,133,998
Total Designated Funds	4,154,009	5,702	(1,530,588)	(610,000)	(226,701)	1,792,422
Total Unrestricted Funds	<u>5,279,385</u>	<u>2,212,450</u>	<u>(4,037,842)</u>	<u>(610,000)</u>	<u>(473)</u>	<u>2,843,520</u>

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2020 £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2021 £
General Unrestricted funds	1,125,346	2,028,641	(2,218,122)	-	226,228	1,162,093
Total General Funds	1,125,346	2,028,641	(2,218,122)	-	226,228	1,162,093
Designated Pension Fund	(2,140,000)	-	(641,000)	(610,000)	-	(3,391,000)
Designated Programme Funds	102,801	-	-	-	(100,612)	2,189
Designated Restructure Fund	24,538	387	-	-	(24,424)	501
Designated Infrastructure Fund	166,411	5,315	(23,327)	-	(101,665)	46,734
Designated Property Fund	6,000,259	-	(866,261)	-	-	5,133,998
Total Designated Funds	4,154,009	5,702	(1,530,588)	(610,000)	(226,701)	1,792,422
Total Unrestricted Funds	<u>5,279,355</u>	<u>2,034,343</u>	<u>(3,748,710)</u>	<u>(610,000)</u>	<u>(473)</u>	<u>2,954,515</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Prior Year Comparison

MOVEMENT IN UNRESTRICTED FUNDS

GROUP	1st April 2019 Restated £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2020 £
General Unrestricted funds	1,336,010	5,151,726	(5,087,259)	-	(275,101)	1,125,376
Total General Funds	1,336,010	5,151,726	(5,087,259)	-	(275,101)	1,125,376
Designated Pension Fund	(2,363,000)	-	(622,000)	845,000	-	(2,140,000)
Designated Programme Funds	163,226	1,545	(12,070)	-	(49,900)	102,801
Designated Restructure Fund	60,000	9,355	(44,817)	-	-	24,538
Designated Infrastructure Fund	65,000	356,219	(151,636)	-	(103,172)	166,411
Designated Property Fund	6,913,681	-	(913,422)	-	-	6,000,259
Total Designated Funds	4,838,907	367,119	(1,743,945)	845,000	(153,072)	4,154,009
Total Unrestricted Funds	<u>6,174,917</u>	<u>5,518,845</u>	<u>(6,831,204)</u>	<u>845,000</u>	<u>(428,173)</u>	<u>5,279,385</u>

MOVEMENT IN UNRESTRICTED FUNDS

CHARITY	1st April 2019 Restated £	Income £	Expenditure £	Other Gains and (Losses) £	Transfers £	31st March 2020 £
General Unrestricted funds	1,335,980	4,115,424	(4,050,957)	-	(275,101)	1,125,346
Total General Funds	1,335,980	4,115,424	(4,050,957)	-	(275,101)	1,125,346
Designated Pension Fund	(2,363,000)	-	(622,000)	845,000	-	(2,140,000)
Designated Programme Funds	163,226	1,545	(12,070)	-	(49,900)	102,801
Designated Restructure Fund	60,000	9,355	(44,817)	-	-	24,538
Designated Infrastructure Fund	65,000	356,219	(151,636)	-	(103,172)	166,411
Designated Property Fund	6,913,681	-	(913,422)	-	-	6,000,259
Total Designated Funds	4,838,907	367,119	(1,743,945)	845,000	(153,072)	4,154,009
Total Unrestricted Funds	<u>6,174,887</u>	<u>4,482,543</u>	<u>(5,794,902)</u>	<u>845,000</u>	<u>(428,173)</u>	<u>5,279,355</u>

The transfer represents funds transferred from designated funds to unrestricted funds following a decision made by the Trustees due to the coronavirus Pandemic.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 23
MOVEMENT IN RESTRICTED FUNDS

Restricted funds comprise grants and donations given towards expenditure on the Trust's charitable aims

Group and charity	1st April 2020	Income £	Expenditure £	Transfers £	31st Mar 2021
Friends Art Gallery	8,301	-	-	-	8,301
Ceramics SSN	45,582	-	(30,346)	-	15,235
Bouts (Restricted)	-	4,782	(4,782)	-	-
Archaeology Archives	15,703	15,250	(10,032)	-	20,921
Portable Antiquities	-	26,300	(26,300)	-	-
MDY Projects	32,004	346,402	(332,323)	-	46,083
COCA - Restricted	25,442	-	-	-	25,442
Richard III	8,219	-	25	-	8,244
Gardens Restricted	6,852	-	100	-	6,952
Curatorial Restrict	11,764	-	-	-	11,764
YOR Art Fund	-	2,436	(4,753)	2,317	-
Capital Works Fund	452,033	-	(28,524)	(11,401)	412,108
MD Network Grant	-	280,000	(253,661)	-	26,339
Castle 2022	24,207	-	(35,609)	11,402	-
Other Small Grants	-	42,500	-	-	42,500
Other Restricted Funds	17,233	169	(441)	(1,843)	15,118
	<u>647,339</u>	<u>717,839</u>	<u>(726,646)</u>	<u>475</u>	<u>639,006</u>

Purpose of Restricted Funds

Friends Art Gallery are funds given by the Friends of York Art Gallery for acquisitions and conservation at the Art Gallery

Ceramics SSN fund is used to host a Symposium for the Subject Specialist Network funding from ACE.

Bouts (Restricted) is funds that we are receiving for displaying the Bouts exhibition

Archaeology Archives fund is to receive archaeological finds.

Portable Antiquities is funding the salary of the British Museum's PAS representative.

MDY Projects fund is for the Museum Development Yorkshire funding from Art Council England which is administered by York Museums Trust.

COCA – Restricted fund comprises of donations towards the interpretation and delivery of the Centre of Ceramic Arts projects

Richard III fund is to produce a Richard III exhibition.

Gardens Restricted comprises of recharges specifically for the repairs and maintenance of the Museum Gardens.

Curatorial restricted comprises various grants and donations for collections development.

YOR Art Fund was provided to support the Curator of Archaeology in the "Collecting Award Project"

The Capital Works fund is for repair, maintenance and improvement works.

MD Network Grant fund is for supporting museums and galleries via Museum Development Network

Castle 2022 fund is to be used to develop a HLF bid for the redevelopment of the Castle Museum.

Prior Year Comparison

Group and charity	1st April 2019	Income £	Expenditure £	Transfers £	31st Mar 2020
Friends Art Gallery	4,062	172,970	(168,731)	-	8,301
Ceramics SSN	78,025	-	(32,443)	-	45,582
Evelyn Commission	3,699	-	-	-	3,699
Ruffer Art Fund	1,345	-	-	-	1,345
Ruskin/Turner	-	6,024	(6,024)	-	-
Poussin	-	7,500	(7,500)	-	-
Object Purchase	4,463	13,693	(14,850)	-	3,306
Archaeology Archives	10,000	9,878	(4,175)	-	15,703
Portable Antiquities	-	25,891	(25,891)	-	-
Headley Trust intern	-	8,380	(8,329)	-	51
MDY Projects	37,136	341,790	(345,600)	(1,322)	32,003
COCA - Restricted	25,442	-	-	-	25,442
Richard III	-	15,863	(7,644)	-	8,219
Gardens Restricted	11,373	1,089	(5,611)	-	6,852
Curatorial Restrict	11,949	-	(185)	-	11,764
Cultural Wellbeing	9,677	-	(12,452)	2,775	-
Gardens Signage	3,600	2,500	(865)	-	5,235
Capital Works Fund	359,272	-	20,887	71,874	452,033
Castle 2022	311,720	200,500	(488,013)	-	24,207
Trustee Award	1,660	-	(738)	-	922
Other Restricted Funds	793	55,741	(54,375)	516	2,675
	<u>874,216</u>	<u>861,819</u>	<u>(1,162,539)</u>	<u>73,843</u>	<u>647,339</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 24

ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS

Group	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	755,673	4,623,871	-	5,379,544
Current Assets	1,833,636	552,346	324,642	2,710,624
Current Liabilities	(1,521,882)	7,205	314,364	(1,200,313)
Long Term Liabilities	(16,329)	-	-	(16,329)
Pension Liability	-	(3,391,000)	-	(3,391,000)
As 31st March 2021	<u>1,051,098</u>	<u>1,792,422</u>	<u>639,006</u>	<u>3,482,526</u>
As 31st March 2020	<u>1,125,376</u>	<u>4,154,009</u>	<u>647,339</u>	<u>5,926,724</u>

Charity	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	755,673	4,623,871	-	5,379,544
Current Assets	2,569,807	30,500	443,626	3,043,933
Current Liabilities	(1,760,526)	7,205	314,364	(1,438,957)
Long Term Liabilities	-	-	-	-
Pension Liability	-	(3,391,000)	-	(3,391,000)
As 31st March 2021	<u>1,564,954</u>	<u>1,270,576</u>	<u>757,990</u>	<u>3,593,521</u>
As 31st March 2020	<u>1,125,346</u>	<u>4,154,009</u>	<u>647,339</u>	<u>5,926,694</u>

Prior Year Comparison

ANALYSIS OF ASSETS & LIABILITIES BETWEEN FUNDS

Group	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	489,680	5,793,816	-	6,283,496
Current Assets	1,600,222	470,264	620,796	2,691,281
Current Liabilities	(955,193)	29,930	26,543	(898,720)
Long Term Liabilities	(9,333)	-	-	(9,333)
Pension Liability	-	(2,140,000)	-	(2,140,000)
As 31st March 2020	<u>1,125,376</u>	<u>4,154,009</u>	<u>647,339</u>	<u>5,926,724</u>
As 31st March 2019	<u>1,336,010</u>	<u>4,838,907</u>	<u>874,216</u>	<u>7,049,133</u>

Charity	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	489,680	5,793,816	-	6,283,496
Current Assets	2,400,751	30,500	431,382	2,862,633
Current Liabilities	(1,406,044)	29,930	26,543	(1,349,571)
Long Term Liabilities	-	-	-	-
Pension Liability	-	(2,140,000)	-	(2,140,000)
As 31st March 2020	<u>1,484,387</u>	<u>3,714,246</u>	<u>457,925</u>	<u>5,656,560</u>
As 31st March 2019	<u>1,335,980</u>	<u>4,838,907</u>	<u>874,216</u>	<u>7,049,103</u>

The designated property fund relates to the net book value of assets purchased using restricted funds.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**NOTE 25
COMMITMENTS**

The group and charity had future minimum lease payments under non-cancellable operating leases as follows:

**Group and charity
Operating Lease Commitments**

	2021		2020	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Leases which expire				
Within one year	74,050	792	67,508	2,052
Two and five years	296,200	990	233,400	1,782
Six and ten years	109,921	-	159,113	-
	<u>480,171</u>	<u>1,782</u>	<u>460,021</u>	<u>3,834</u>

**NOTE 26
PENSION SCHEME**

The Group contributes to the North Yorkshire Pension Fund. The scheme is a defined benefit scheme for the benefit of the employees. The assets of the scheme are fully administered by North Yorkshire County Council in a fund independent from that of the Group. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 31 March 2019 and updated on an approximate basis to 31 March 2021.

The contributions made by the employer over the financial year have been £326,000 (2020 - £450,000).

Assumptions

The assets of the Scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2021	2020
Financial:		
Rate of increase in salaries	3.95%	3.15%
Pension in payment increases	2.70%	1.90%
Discount rate	2.10%	2.30%
Inflation assumption	2.70%	1.90%

	2021 Years	2020 Years
Life expectancy:		
Male future pensioner aged 65 in 20 years' time	23.6	23.5
Female future pensioner aged 65 in 20 years' time	25.8	25.7
Male current pensioner aged 65	21.9	21.8
Female current pensioner aged 65	24.0	23.9

The amounts recognised in the statement of financial position are as follows:

	2021 £'000	2020 £'000
Present value of scheme liabilities	(24,858)	(18,653)
Fair value of scheme assets	<u>21,467</u>	<u>16,513</u>
Deficit in the scheme	<u>(3,391)</u>	<u>(2,140)</u>

The assets in the scheme and the expected rate or return were:

	Fair value 2021 £'000	Fair value 2020 £'000
Equities	12,408	9,660
Government Bonds	3,478	3,154
Other bonds	451	-
Property	1,309	1,205
Cash	708	677
Other	3,113	1,816
Total fair value of assets	<u>21,467</u>	<u>16,513</u>
Actuarial value of liability	<u>(24,858)</u>	<u>(18,653)</u>
Net pension deficit	<u>(3,391)</u>	<u>(2,140)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Movement in the deficit during the year were as follows:

	2021 £'000	2020 £'000
Deficit in scheme at 1 April	(2,140)	(2,363)
Movement in the year:	-	-
Current service costs	(770)	(1,022)
Past service cost	-	-
Settlement cost	(150)	-
Net (loss)/gain on assets	(46)	(53)
Contributions	325	453
Actuarial (loss)/gain	(610)	845
Deficit in the scheme at 31 March	<u>(3,391)</u>	<u>(2,140)</u>

Analysis of the amount charged to net finance charge for the year under FRS102 in relation to the scheme:

	2021 £'000	2020 £'000
Expected return on pension scheme assets	(381)	(409)
Interest on pension scheme liabilities	<u>427</u>	<u>462</u>
Net finance loss	<u>46</u>	<u>53</u>

The amount recognised in the income and expenditure account are:

	2021 £'000	2020 £'000
Current service costs	770	1,022
Past service costs	-	-
Interest cost	427	462
Expected return on scheme assets	<u>(381)</u>	<u>(409)</u>
Total charge to income and expenditure account	<u>816</u>	<u>1,075</u>

The amount recognised in the statement of financial activities are as follows:

	2021 £'000	2020 £'000
Amount recognised during the period	<u>(610)</u>	<u>845</u>
Cumulative amount recognised	<u>(610)</u>	<u>845</u>

Asset and liability reconciliation

Reconciliation of assets	2021 £'000	2020 £'000
Assets at the start of the year	16,513	16,153
Expected return on plan assets	381	409
Actuarial gain/(loss) on assets	4,511	(453)
Employer contributions	325	453
Member contributions	149	190
Benefits Paid	(442)	(239)
Settlements	30	-
Assets at the end of the year	<u>21,467</u>	<u>16,513</u>
Actual return on plan assets	<u>4,892</u>	<u>(44)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Reconciliation of liabilities	2021 £'000	2020 £'000
Liabilities at the start of the year	18,653	18,516
Current service costs	770	1,022
Past service costs	-	-
Interest on pension liabilities	427	462
Employee contributions	149	190
Actuarial loss/(gain) on liabilities	5,121	(1,298)
Benefits paid	(442)	(239)
Settlements	180	-
Liabilities at the end of the year	<u>24,858</u>	<u>18,653</u>

The history of experience adjustments is as follows:

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Scheme liabilities	(24,858)	(18,653)	(18,516)	(17,026)	(15,660)	(11,700)
Scheme assets	<u>21,467</u>	<u>16,513</u>	<u>16,153</u>	<u>14,516</u>	<u>12,976</u>	<u>10,517</u>
	<u>(3,391)</u>	<u>(2,140)</u>	<u>(2,363)</u>	<u>(2,510)</u>	<u>(2,684)</u>	<u>(1,183)</u>
Experience adjustments on scheme liabilities	5,121	(1,298)	42	85	3,130	-
Percentage of scheme liabilities	-20.6%	7.0%	-0.2%	-0.5%	-20.0%	
Experience adjustments on scheme assets	4,511	(453)	892	695	1,799	380
Percentage of scheme assets	21.0%	-2.7%	5.5%	4.8%	13.9%	3.6%

NOTE 27

FINANCIAL INSTRUMENTS

	2021 Group £	2020 Group £
Financial Assets		
Financial asset that are debt instruments measured at amortised costs	2,515,726	2,408,238
Financial liabilities		
Financial liabilities measured at amortised costs	1,125,442	690,266

NOTE 28

NET DEBT RECONCILIATION

	1st April 2020 £	Cash Flows £	31st Mar 2021 £
Cash at bank and in hand	1,691,975	318,867	2,010,842
Net Debt	<u>1,691,975</u>	<u>318,867</u>	<u>2,010,842</u>

NOTE 29

RELATED PARTY TRANSACTIONS

During the year, the Trust conducted the following transactions with its subsidiary, York Museums and Enterprises Limited.

The Trust levied a management charge on York Museums and Enterprises Limited amounting to £10,500 (2020: £10,500).

The subsidiary, York Museums and Enterprises Limited, made a gift aid donation under a deed of covenant to the Trust of £nil in the year ended 31 March 2021 (2020: £265,355)

At 31 March 2021, York Museums and Enterprises Limited owed £262,223 to the Trust (2020: £263,343)

The amounts owed by the subsidiary comprise of salary and other costs that have been paid from York Museums Trust bank account and have been recharged to the subsidiary but not yet transferred from York Museums and Enterprises account.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 30

2019-20 Consolidated Statement of Financial Activities

	General Funds 2020 £	Designated Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	3,294,772	11,449	100,042	3,406,263
Funding provided by City of York Council	307,000	-	200,000	507,000
Funding provided by Arts Council England	-	-	1,568,982	1,568,982
Donations, Legacies and General Grants				
Donations and legacies	229,076	1,340	154,042	384,458
Other grants receivable	4,500	-	68,752	73,252
Other Trading Activities				
Income generated from subsidiary	1,300,709	-	-	1,300,709
Investments				
Interest receivable	15,669	-	-	15,669
TOTAL INCOME	<u>5,151,726</u>	<u>12,789</u>	<u>2,091,818</u>	<u>7,256,333</u>
EXPENDITURE ON:				
Raising Funds				
Costs incurred by subsidiary	1,036,302	-	-	1,170,806
Charitable expenditure				
Charitable expenditure	<u>4,050,957</u>	<u>1,743,945</u>	<u>2,392,538</u>	<u>8,156,951</u>
Total charitable expenditure	<u>4,050,957</u>	<u>1,743,945</u>	<u>2,392,538</u>	<u>8,156,951</u>
TOTAL EXPENDITURE	<u>5,087,259</u>	<u>1,743,945</u>	<u>2,392,538</u>	<u>9,327,757</u>
Net gains on Investments	-			-
Net income/(expenditure) before taxation	64,467	(1,731,156)	(300,720)	(1,967,409)
Taxation charge	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) after taxation	<u>64,467</u>	<u>(1,731,156)</u>	<u>(300,720)</u>	<u>(1,967,409)</u>
Other recognised gains/(losses):				
Actuarial (loss)/gain on defined benefit scheme	-	845,000	-	845,000
Transfer between funds	<u>(275,101)</u>	<u>201,258</u>	<u>73,843</u>	<u>-</u>
NET MOVEMENT IN FUNDS	<u><u>(210,634)</u></u>	<u><u>(684,898)</u></u>	<u><u>(226,877)</u></u>	<u><u>(1,122,409)</u></u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,336,010	4,838,907	874,216	7,049,133
Net movement in the year	<u>(210,634)</u>	<u>(684,898)</u>	<u>(226,877)</u>	<u>(1,122,409)</u>
Fund balance carried forward	<u><u>1,125,376</u></u>	<u><u>4,154,009</u></u>	<u><u>647,339</u></u>	<u><u>5,926,724</u></u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2019-20 Charity Statement of Financial Activities

	General Funds 2020 £	Designated Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
INCOME FROM:				
Charitable Activities				
Income from charitable activities	3,560,127	11,449	100,042	3,671,618
Funding provided by City of York Council	307,000	-	200,000	507,000
Funding provided by Arts Council England	-	-	1,568,982	1,568,982
Donations, Legacies and General Grants				
Donations and legacies	229,076	1,340	154,042	384,458
Other grants receivable	4,500	-	68,752	73,252
Investments				
Interest receivable	14,721	-	-	14,721
TOTAL INCOME	<u>4,115,424</u>	<u>12,789</u>	<u>2,091,818</u>	<u>6,220,031</u>
EXPENDITURE ON:				
Charitable expenditure				
Charitable expenditure	4,050,957	1,743,945	2,392,538	8,187,440
Total charitable expenditure	<u>4,050,957</u>	<u>1,743,945</u>	<u>2,392,538</u>	<u>8,187,440</u>
TOTAL EXPENDITURE	<u>4,050,957</u>	<u>1,743,945</u>	<u>2,392,538</u>	<u>8,187,440</u>
Net gains on Investments	-	-	-	-
Net income/(expenditure) before taxation	64,467	(1,731,156)	(300,720)	(1,967,409)
Taxation charge	-	-	-	-
Net income/(expenditure) after taxation	<u>64,467</u>	<u>(1,731,156)</u>	<u>(300,720)</u>	<u>(1,967,409)</u>
Other recognised gains/(losses):				
Actuarial (loss)/gain on defined benefit scheme	-	845,000	-	845,000
Transfer between funds	(275,101)	201,258	73,843	-
NET MOVEMENT IN FUNDS	<u>(210,634)</u>	<u>(684,898)</u>	<u>(226,877)</u>	<u>(1,122,409)</u>
RECONCILIATION OF FUNDS:				
Fund balance brought forward	1,335,980	4,838,907	874,216	7,049,103
Net movement in the year	(210,634)	(684,898)	(226,877)	(1,122,409)
Fund balance carried forward	<u>1,125,346</u>	<u>4,154,009</u>	<u>647,339</u>	<u>5,926,694</u>