

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

Contents

OFFICERS AND PROFESSIONAL ADVISORS	3
TRUSTEES' REPORT	4
INDEPENDENT AUDITOR'S REPORT	15
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	19
CHARITY STATEMENT OF FINANCIAL ACTIVITIES.....	20
CONSOLIDATED BALANCE SHEET	21
CHARITY BALANCE SHEET	22
CONSOLIDATED CASH FLOW STATEMENT	23
NOTES TO THE FINANCIAL STATEMENTS.....	24

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).

YORK MUSEUMS AND GALLERY TRUST

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.

YORK MUSEUMS AND GALLERY TRUST

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).

YORK MUSEUMS AND GALLERY TRUST

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.

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.

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

YORK MUSEUMS AND GALLERY TRUST

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			
Pension Fund	22	(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>

28

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 Development	-	-	345,219	345,219	-	-	338,982	338,982
Emergency Grant	412,000	-	-	412,000	-	-	-	-
Cultural Recovery Fund	850,000	-	-	850,000	-	-	-	-
	<u>1,262,000</u>	<u>-</u>	<u>1,597,851</u>	<u>2,859,851</u>	<u>-</u>	<u>-</u>	<u>1,568,982</u>	<u>1,568,982</u>

**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
	<u>149</u>	<u>201</u>

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	<u>4,018,365</u>	<u>4,646,072</u>

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
	<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 £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	427	462
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	(381)	(409)
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	(610)	845
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	-	-	-	-
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	<u>4,050,957</u>	<u>1,743,945</u>	<u>2,392,538</u>	<u>8,187,440</u>
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	<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	1,335,980	4,838,907	874,216	7,049,103
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>1,125,346</u></u>	<u><u>4,154,009</u></u>	<u><u>647,339</u></u>	<u><u>5,926,694</u></u>