

BIRMINGHAM MUSEUMS TRUST

England & Wales · Charity number 1147014

Details

Other names	BIRMINGHAM MUSEUMS LTD
Status	Registered
Legal form	Charitable company
Company number	07737797
Registered	2012-04-25
Register	View on the Charity Commission register

Contact

Address	Birmingham Museum Trust Museum & Art Gallery Chamberlain Square Birmingham B3 3DH
Phone	01213488000
Email	hello@birminghammuseums.org.uk
Website	www.birminghammuseums.org.uk

Activities

Objects: TO ADVANCE EDUCATION BY THE OPERATION, MAINTENANCE, DEVELOPMENT AND PROMOTION OF MUSEUMS, GALLERIES AND LIBRARIES IN BIRMINGHAM TOGETHER WITH ASSOCIATED FACILITIES AND RELATED PROGRAMMES OF OUTREACH AND RESEARCH, FOSTERING KNOWLEDGE, UNDERSTANDING, APPRECIATION AND ENJOYMENT OF THE ARTS, HISTORY, SCIENCE AND TECHNOLOGY BY RESIDENTS AND VISITORS TO THE CITY OF BIRMINGHAM.

Activities: To provide access to museums for audiences and participants within Birmingham and the West Midlands region and beyond, through the operation of museums with exhibitions, education, engagement and participation activities.

Classification

- **How:** Provides Services
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Birmingham City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£12,643,248	£11,945,035	£6,204,537	161
2024-03-31	£13,484,996	£11,791,242	£5,926,324	150
2023-03-31	£11,315,090	£12,817,106	£4,539,571	131
2022-03-31	£12,291,330	£12,199,864	£5,015,587	147
2021-03-31	£10,460,631	£11,198,799	£1,386,121	180

Trustees

Name	Role	Appointed
Anthony Simpson		2022-01-19
David Barker Cllr		2025-01-21
Deborah Spence		2026-01-07
Dr Louise Brooke-Smith		2025-01-31
Jane Richardson		2025-09-08
Robert James Cambray Alden		2020-07-16
Stephen Hughes		2026-02-25

BIRMINGHAM MUSEUMS TRUST

England & Wales - Charity number 1147014

Accounts

BIRMINGHAM MUSEUMS TRUST

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

BIRMINGHAM MUSEUMS TRUST
*Annual Report and Consolidated Financial Statements for the year ended
31 March 2025*

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BIRMINGHAM MUSEUMS TRUST

Company Details

Charity Name	Birmingham Museums Trust
Trustees	Niels de Vos (Chair) Cllr Robert Alden Louise Brooke-Smith OBE (resigned 27 November 2024, reappointed 31 January 2025) Cllr David Barker (appointed 21 January 2025) Clive Bawden (resigned 23 June 2025) Liam Darbon (resigned 9 September 2025) Cllr Philip Davis MBE (resigned 11 November 2024) John Diviney (resigned 24 July 2024) Sapreena Kumari Jess Phillips MP (resigned 20 August 2024) Eleanor Porter (resigned 24 July 2024) Jane Richardson (appointed 8 September 2025) Anthony Simpson Tracey Stephenson (resigned 26 March 2025) Jonnie Turpie MBE (resigned 31 October 2024)
Company Secretary	Mr Zak Mensah
Charity Registration Number	1147014
Company Registration Number	07737797
Registered Office	Birmingham Museum and Art Gallery Chamberlain Square Birmingham B3 3DH
Auditors	Cooper Parry Group Limited Cubo Birmingham 4 th Floor Two Chamberlain Square Birmingham B3 3AX
Bankers	HSBC Bank plc 130 New Street Birmingham B2 4JU

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report

The Board is pleased to present their Annual Report and Consolidated Financial Statements for the year ended 31 March 2025. This includes the contents of a Strategic Report as required by the Companies Act 2006.

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

Board of Trustees of Birmingham Museums Trust

The Trustees of Birmingham Museums Trust (who are also directors for the purposes of company law) served during the year and up to the date of this report are:

Niels de Vos (Chair)
 Cllr Robert Alden
 Louise Brooke-Smith OBE (resigned 27 November 2024, reappointed 31 January 2025)
 Cllr David Barker (appointed 21 January 2025)
 Clive Bawden (resigned 23 June 2025)
 Liam Darbon (resigned 9 September 2025)
 Cllr Philip Davis MBE (resigned 11 November 2024)
 John Diviney (resigned 24 July 2024)
 Sapreena Kumari
 Jess Phillips MP (resigned 20 August 2024)
 Eleanor Porter (resigned 24 July 2024)
 Jane Richardson (appointed 8 September 2025)
 Anthony Simpson
 Tracey Stephenson (resigned 26 March 2025)
 Jonnie Turpie MBE (resigned 31 October 2024)

In addition, the charity has two subsidiary companies. It is the sole shareholder of Birmingham Museums Trading Limited and the sole member of Thinktank Trust.

Directors of these two companies who served during the year and up to the date of this report are:

Birmingham Museums Trading Limited

Mr Liam Darbon (Chair)
 Mr Zak Mensah
 Mr Kingston Myles
 Mr John Diviney (Resigned 24 July 2024)
 Ms Tracey Stephenson

Thinktank Trust

Mr Niels de Vos

Legal status

Birmingham Museums Trust ("BMT") is a registered charity (number 1147014) and a company limited by guarantee (number 07737797), incorporated on 11 August 2011, and is governed by its Articles of Association ("Articles"). In the event the charitable company is wound up, members are required to contribute an amount not exceeding £10.

Achieving Objects and activities for the public benefit

In considering the strategies and policies of the charity, the trustees have had due regard for the public benefit guidance published by the Charity Commission, in accordance with the Charities Act 2011.

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

To advance education by the operation, maintenance, development and promotion of museums, galleries and libraries in Birmingham together with associated facilities and related programmes of outreach and research, fostering knowledge, understanding, appreciation and enjoyment of the arts, history, science and technology by residents and visitors to the City of Birmingham.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

The mission of BMT is to *harness all the people's collections, heritage and creativity to tell stories that make meaning*. The strategic aims of BMT as a whole are to achieve the charitable group's objectives.

BMT very recently launched its new strategy and business plan 2025-30 "Laying the Foundations". The strategy has the following vision, mission and principles.

VISION: A radical reinvention of the museum as a catalyst of cultural and social change.

MISSION: Bring Birmingham out by shining new light on people's stories, collections and creativity.

PRINCIPLES: Democratic | Informed & Considered | Intrapreneurial | Fair and ethical | Self-renewing | Sustainable.

We have reviewed the fundamental purpose of BMT and our activities critically and systematically, from the management culture to our business and commercial strategies, and our creative and intellectual assets and ambitions. We have begun a process of change engaging our trustees, workforce, stakeholders, community partners and the wider public in our mission to rethink what a museum is. The table below articulates the challenge we face, why we believe BMT is well-positioned to respond, and our purposeful vision or Cause.

PROBLEM	BELIEF	MISSION	PURPOSE	VISION
The challenge we face	The conviction that fuels our commitment	What we exist to do	Value and importance of what we do	How the world would be better if we succeed
Structural inequality is thwarting Birmingham's potential.	We acknowledge our history, its injustices and innovations as an ethical foundation for our work.	We harness all the people's collections, heritage and creativity to tell stories that make meaning.	This embraces Birmingham's super-diversity generating hope, building social trust and increasing belonging and solidarity.	We will empower people and communities to imagine and shape an ambitious, vibrant, creative, multicultural city.
Birmingham's huge potential as a vibrant, creative, convivial, multicultural city is greatly diminished by structural inequality, deprivation and social injustice. This hinders aspiration and hope, undermines trust in institutions, weakens civic pride and the connections between and within communities, and disempowers its citizens.	We will exercise intellectual and cultural leadership in addressing the issues of an increasingly polarised society, while also exploring historic injustices within an overall context of Birmingham as a city of belonging, capable of containing multiple identities and a plurality of views.	Audiences and communities will play a leading role in shaping Birmingham Museums through consultation, collaboration and coproduction. We will work with cultural and community partners and individuals, to reflect the stories and characters of the people and city today, their shared experiences and untold histories.	Birmingham Museums will be an ambitious, authentic expression of the best of the people of the city and the region. If interaction and understanding are sought diversity is a great strength. We will explore how cultural resources can be shared and cultural participation and expression can be enabled within a complex cultural ecosystem.	We will activate and amplify Birmingham's rich cultural inheritance and vibrant cultural life. We will renew/reinvent our buildings and programmes to redefine the museum so that it is a catalyst for active citizenship, democratic renewal and inclusive pride in Birmingham.
CAUSE Our Purposeful Vision				
We harness all the people's collections, heritage and creativity to tell stories that make meaning. This embraces Birmingham's super-diversity generating hope, building social trust and increasing belonging and solidarity. We will empower people and communities to imagine and shape an ambitious, vibrant, creative, multicultural city.				

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives in planning future activities. The Trustees have considered how planned activities will contribute to the strategic aims. The objects of the charity are achieved through capital developments and gallery redisplay, public programmes of exhibitions and events across the nine venues, formal and informal learning programmes for schools, families and adults, public access, including digital access, to the collection on display and in store, collections care, loans and commercial activities including retail, catering and event hire.

The charity's priorities are aligned with those of its major public funders, Birmingham City Council and Arts Council England.

Structure, Governance and Management

The Board of Trustees has responsibility for the on-going strategic direction of BMT overseeing its finances and approving the budget, working with the Co-CEOs and Senior Leadership Team in the development and implementation of policy to meet BMT's objects and to ensure that it fulfils its statutory duties. The Board meets at least four times a year.

Day to day management is delegated to Co-CEOs Sara Wajid and Zak Mensah. They are assisted by Rowena Dean - Director of Development, Charlotte Holmes - Director of Engagement, Rob Lewis - Director of Transformation, Kingston Myles - Director of Enterprise and Innovation, Toby Watley - Director of Collections and Estates and Harnish Hadani - Director of Finance (started June 2025).

Recruitment and Appointment of Trustees/Directors

The Articles provide that two directors shall be appointed who are members or officers of Birmingham City Council in accordance with the nomination of the City Council. Other directors may not be members or officers of the City Council and may only be appointed after a recommendation of the directors after they have considered the desirability of:

- making such a recommendation after the advertisement of the vacancy and the response to such an advertisement.
- a board of Directors with a range of skills experience and abilities relevant to the objects and activities of the charity; and
- a board of Directors representative of the people of Birmingham.

Trustee induction and training

All Trustees are provided with an induction to the organisation on appointment.

Remuneration of management personnel

Remuneration for management personnel is set by comparison internally with similar posts when possible, benchmarking with similar external organisations and with reference to Croner's Salary Search.

Employment of people with disabilities

BMT is committed to the employment, support and training of people with disabilities. Employment policy is included in the staff handbook and is available to employees on the intranet.

Informing Employees

Keeping our workforce informed is important to us. Performance information is circulated monthly to all staff by email and by cascade via the management team. "Workforce Briefings" are held every fortnight which also provide opportunity for question and answer sessions.

Risk Management

The Trustees actively and regularly review the major risks to which BMT is exposed and have implemented procedures to manage and minimise any potential impact should any of the identified risks materialise. A Risk Framework, supported by a Risk Register, is maintained setting out an assessment of the likelihood and impact of risks, with required actions identified to manage the risk. This is reviewed and updated no less than quarterly. The Trustees are satisfied that there are clear lines of delegation and authority to staff regarding risk management, and that staff are aware of the need to address risks in their areas of activity.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Key risks

- Impact due to Birmingham City Council issuing Section 114 notices in September 2023
- Rising costs (goods, services, energy, cost of living impact)
- Largescale electrical rewiring programme at BCC Council House forcing continued closure of Birmingham Museum & Art Gallery (BMAG)
- Physical deterioration of Historic Properties and Museum Collections Centre
- Existing multi-year grants do not increase in line with inflation
- Construction of High-Speed Rail (HS2) near two of our sites
- Ability to meet obligations as they fall – BMT needs sufficient cash to meet its financial obligations at any given time
- Increased risk rating from the Arts Council
- Inability to control increases to service charges for Thinktank

Achievements & Performance 2024-25

2024-25 saw 475,433 total visitors including schools and education groups.

It was a significant year for BMT, with the development of its new five year Business Strategy and Plan 2025-30 as part of the wider Laying the Foundations programme; the reopening of Birmingham Museum & Art Gallery (BMAG) after a lengthy period of closure due to essential building works; and gaining national recognition for its pioneering participation-led Dynamic Collections programme and its Citizens Jury – the first of any UK museum.

BMT saw a substantial 56% increase in visitors compared to the previous year thanks to the partial reopening of BMAG in October 2024. By contrast the Trust saw a reduction in visitors at Thinktank, and due to increasing financial pressures was only able to open three of its Historic Properties (Aston Hall, Blakesley Hall and Sarehole Mill) from June 2024 at a reduced 3 days / week, with Weoley Castle opening for public events only but the Museum Collections Centre (MCC) retaining same levels of public access. Soho House and Museum of the Jewellery Quarter remained closed due to ongoing building issues, the latter of which saw the completion of its roof works in January 2025.

Some of BMT's key achievements during 2024-25:

9,057,597 visitors saw loans from Birmingham's collection on public display at other venues across the UK. This included 3,647 objects on long-term loan to venues including the National Gallery and the National Museum of Ireland. A further 39 objects went on short-term loan to temporary exhibitions at ten UK venues including The Royal Scottish Academy, the Houses of Parliament and the William Morris Gallery.

Funded by a £250k National Lottery Heritage Fund Resilience grant, the Laying the Foundations programme began in early 2024, and was the first phase of a fundamental transformation of BMT to becoming a resilient and financially sustainable organisation with the structure, culture, skilled workforce, and audience insights to deliver its ambitious vision. This project was designed to 'lay the foundations' - building insights, research and development that will shape the organisational transformation and help realise the vision of BMT for an open, participatory, entrepreneurial and sustainable museums trust that plays a key role in the cultural and economic growth of Birmingham and the wider West Midlands region. The Laying the Foundations programme included:

- Organisation review and a new five-year business strategy and plan
- Development of Theory of Change
- Evaluation, including organisational culture and capacities baseline, creating an evaluation framework and a post project review
- Existing and new audience research
- Development of the first UK museum's Citizens Jury to inform and shape BMT
- Communication strategy and plan
- Fundraising strategy and plan.

By October 2024 BMAG had reopened 12 collection-based galleries, 2 exhibitions spaces, the learning zone, shop and Tea Room thanks to a £250k grant from FCC Communities Foundation. Less than 6 months later it had reopened a further 8 galleries enabling 71% of all BMAG public spaces (6,466 sq.m.) to finally be accessible to the public, despite many galleries still requiring longer term investment and refurbishment. This included displaying around 2,300 objects from the collection.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

BMT's pioneering Dynamic Collections programme won national recognition after being shortlisted for the prestigious Museum Association's Museums Change Lives Best Project Award 2024. The programme aims to develop a comprehensive, publicly accessible collections catalogue through exploring inclusive, mass participatory methods that enable people to engage in the collections cataloguing, digitisation and research. In 2024-25 Dynamic Collections enabled a staggering 64,687 collections records to be transcribed through its online Documentation Detectives project, with 2,635 instances of participation. A further 119 onsite participants from local community groups took part in collections documentation programmes at the Museum Collections Centre, supporting staff to audit 17,020 objects in total. BMT successfully secured funding from Headley Trust and Art Fund to further expand the Dynamic Collections programme over the next three years.

BMT continued to digitise the collection so it can become publicly accessible online, with 5,014 collection objects digitised by the Museum Photographer and volunteers. Over the course of the year BMT's online Digital Asset Management System had 1,051,479 views and 102,869 downloads of predominantly collection images, enabling collections access for public enjoyment as well as research. With a further 173,637,322 views and 1,090,081 downloads of BMT's collection images on the US website, Unsplash.

BMT reapplied to the UK Museums Accreditation Scheme for three of its museums that had Provisional Accreditation status due to being closed to the public – BMAG, Soho House and Museum of the Jewellery Quarter (MJQ). BMAG was subsequently awarded Full Accreditation status whilst Soho House and MJQ retain their Provisional Accreditation status whilst they remain closed with plans to reopen in 2025-26.

Over the year there were 22 new acquisitions into the collection covering of a range of items including contemporary miniature portraits of local South Asian women by the artist Arpita Shah, and costumes once worn by the Birmingham LGBTQ+ Icon, Twiggy. March 2025 saw a truly exceptional addition to the city's collection - the South Asian Diaspora Arts Archive. This unique national archive represents the work of first-generation British South Asian artists, writers, musicians and performers who arrived in the UK post-partition and established careers here.

BMT's Voices of the City project, funded by Esmée Fairbairn Foundation, completed its second year with the ongoing transcription of community oral histories supported by a dedicated Curator (Oral History Participation) and a dedicated volunteer team. 2024 also saw BMT successfully secure a grant from the John Ellerman Foundation to fund its first Senior Curator (Global Majority Collections) who is now focusing on the research of the sub-Saharan African collections and their provenance in partnership with the University of Birmingham, local diaspora and international source communities.

BMT continued to manage the Portable Antiquities Scheme West Midlands with the team recording 7,934 finds of local importance through metal detectorists, including 95 new Treasure cases.

In 2024/25 BMT delivered a number of popular, critically acclaimed temporary exhibitions. In the Gas Hall at BMAG these included 'Victorian Radicals: From the Pre-Raphaelites to the Arts and Crafts Movement' showcasing Birmingham's world-famous collection of Pre-Raphaelite art and design, followed by 'Rembrandt: Masterpieces in Black and White' – the first Rembrandt exhibition in Birmingham drawing on the print collection from Rembrandt Haus in Amsterdam.

BMAG's Waterhall also reopened in July with the internationally acclaimed Virtual Reality exhibition 'In Pursuit of Repetitive Beats' that transported visitors into the heart of the West Midlands' Acid House movement in the late 1980s. The exhibition garnered huge critical acclaim and won the We Are Creative Awards 2025 in the Best Creative Exhibition category. This was followed by the national touring Wildlife Photographer of the Year exhibition from the Natural History Museum

Regarding the Estate, this year saw

- replacement emergency lighting and a newly resurfaced Science Garden at Thinktank;
- Major investment in a new Building Management System at the MCC following heating failure over a six-month period;
- Refurbishments of Grade II* listed galleries, offices and roof glazing at BMAG in time for the October 2024 reopening;
- Completion of essential and extensive roof works at MJQ, and ongoing works to the collapsed cellar and flooded basement at Soho House;
- Completion of repairs to Sarehole Mill's Bakehouse roof and ceiling;
- Replacement reinforced doors and improved CCTV to both of Aston Hall's lodges following a period of vandalism and attempted break-ins over summer 2024.

Volunteering

175 volunteers gave 5,776 hours of their time to BMT during 2024-25. The volunteer satisfaction average score remained at 4.3 out of 5. A review of volunteering practice was carried out, which resulted in a five-year plan for volunteering, along with updated recruitment processes and support meetings for volunteers and staff. Further links with local universities and colleges have been established, helping to diversify our pool of volunteers.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Participation

The Community Welcome Pass continued to support access to BMT sites and exhibitions for audiences who would not ordinarily access visit, bringing 2,172 participants to BMT sites who would not otherwise have been able to attend.

The partnership with Birmingham City Council's Public Health Team continued to grow, exploring how museum collections can be used as a nostalgia tool for health and wellbeing.

The Dynamic Collections programme continued to support groups to audit BMT's collections in person at the MCC and digitise the accession registers online.

Community voices helped shape the reopening of Birmingham Museum & Art Gallery:

- Made in Birmingham - displays developed with SIFA Fireside and Handsworth Gurdwara. A new 9-metre-long accessible community display space, in the Made in Birmingham gallery, has hosted art displays by Birmingham people. Displays include Arts Therapies UK Step On groups (Hawkesley, Shard End and Northfield Libraries) and the Refugee and Migrant Centre (Homes for Ukraine).
- The Elephant in the Room: The Roots and Routes of the City's Collections - External curator Paulette Francis Green worked with BMT Participation Manager and an internal steering group to develop this groundbreaking display on the origins of the collection. External partners and experts, including Stacey Anne Bagdi, Casey Bailey, Nur Sobers Khan, Kate Nicholls, Anisha Parmar, and Walsall Community Partner Panel also supported the development of this gallery.

BMT worked with a wide range of community partners across the year, including: Blackstory Partnership, Forward Carers, Midland Mencap, BRUM YODO, Edgbaston Community Hub, Black Heritage Walks, Take A Part Good Neighbours, Desiblitiz, Heart of Birmingham Vocational College, Birmingham City University, Local Welcome, CASBA, Jericho Foundation, Culture Central, Nechells Pod, Ladywood Neighbourhood Network Scheme, and Re.Future Collective.

Learning and Research

2024-25 saw the creation of our new Learning and Research Department, working to establish meaningful learning provisions for lifelong learners across Birmingham Museums. We have welcomed a total of 11,832 school children to BMAG and 21,371 to Thinktank (delivering a total of 1169 workshops/shows/planetarium shows to 33,203 children). We have introduced a comprehensive five-year Learning and Research Plan, outlined our strategic objectives and highlighting our ambition to embed research informed practice across the organisation. Alongside our core operation, there have been several bespoke partnership projects with partners such as Birmingham Art School, Joseph Chamberlain College, Natural History Museum, Forest School, Queensbridge School and Big Bang Fair.

Climate Action

Our Climate Pledge makes a commitment to reducing the environmental impact of our activities and operating as sustainably as we can. Our ambition is to reach net zero by 2040. The Pledge forms part of the *Our Changing Planet* gallery at Thinktank.

Our Climate Action Plan 2022-26 sets out our aims to lead the way in our approach to environmental responsibility. Since our establishment in 2012 we have taken considerable steps to reduce our waste and energy usage, change to green energy suppliers and reduce the negative impact of our operations on the climate and environment. Progress against our Action Plan is monitored quarterly.

2024 saw the creation of BMT's first Sustainability Officer, to lead on the monitoring and delivery of sustainability and carbon reduction initiatives, including advising on and implementing ways to reduce Birmingham Museums' energy consumption across its nine sites.

BMT commissioned Equity Energy to undertake a review of scope 1,2,3 across BMT sites and develop Birmingham Museums' first Roadmap to Net Zero which will then inform a review in 2025-26 of our wider Climate Action Plan.

We delivered a public engagement biodiversity programme across the year bringing together staff and partners including the Friends of Handsworth Park, Friends of Sennelays Park, the Staffordshire branch of the Ramblers Association, BMT's Biodiversity Volunteers Group, and pond dipping with local with local freshwater and wildlife experts.

We developed a Weoley Castle Biodiversity Plan following input from volunteers and related public programmes.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Fundraising

BMT actively pursues funding from grant makers (trusts, foundations and public funders), corporate supporters and individuals to fund our charitable activities. We work with others to increase our fundraising opportunities including academic partners, specialist sector organisations, charities who align with our purposes, community partners, and other museum and cultural organisations. In 2024-25, thanks to funding from The National Lottery Heritage Fund towards BMT's Laying the Foundations project, a new fundraising strategy has been created.

We use third-party website Just Giving to collect donations online and Goodbox to collect donations in our venues. We offer the option to gift-aid admission charges for entry, donate online with a ticket or shop purchase, or on-site at one of our museums.

We do not undertake street collections or telephone campaigns. Where we collect personal information, this is managed in line with our Data Protection Policy.

BMT is registered with the Fundraising Regulator, the independent regulator of charitable fundraising in England, Wales and Northern Ireland. We have received no complaints regarding our fundraising in 2024-25. BMT abide by the Fundraising Regulator's Code of Practice and uses the Institute of Fundraising guidance for Treating Donors Fairly (2021). BMT's Safeguarding Policy makes specific reference to donors

We are hugely grateful to all our donors, partners and funders for their support.

Key strategic priorities/objectives for BMT over the next 2-3 years

As part of the new laying the foundations strategy, BMT will focus on the key objectives:

PROGRAMMING - We will deliver a programme driven by our mission and vision and representative of Birmingham, creating spaces for discourse on social-political issues relevant to our audiences, and partnering with our communities and stakeholders Audiences will be at the heart of everything we do.

RESEARCH - We will develop the foundations for a Cultural Citizenship Research Centre (CCRC) that integrates collections, audiences and participatory research and enhances university and community partnerships.

BECOMING A TRUSTED DESTINATION - We will become a trusted destination in the region and online for culture and heritage – a keystone partner in the city.

REFURBISHING BIRMINGHAM MUSEUM & ART GALLERY AND ADVANCING PLANS FOR A NEW MUSEUM OF SCIENCE - We're raising funds for Birmingham's largest museums to be refurbished, reorganised and redisplayed in an inclusive way, to appeal to all of Birmingham's communities.

WORKING WITH BIRMINGHAM CITY COUNCIL AND LOCAL CITIZENS TO PUT HISTORIC PROPERTIES AT THE HEART OF OUR COMMUNITIES -The historic properties around Birmingham are vital parts of our city's heritage. They can be hubs for community activity, but current funding is inadequate to maintain, open and deliver a visitor experience at these.

PRESERVING OUR MUSEUM SITES AND PROTECTING THE ENVIRONMENT - We'll work with Birmingham City Council to get ahead of museum site maintenance and repairs, and to reach Net Zero by 2040 engaging our audiences in protecting our city's urban environment.

OPENING UP DIGITAL ACCESS AND INVOLVING PEOPLE IN COLLECTIONS DECISIONS - We are working to make our collections digitally accessible for audiences in Birmingham and beyond. Birmingham's citizens will play an increasingly important role in shaping the future of our collections.

ENGAGING EMPLOYEES AND CITIZENS IN DECISION MAKING - BMT is moving towards a more democratic approach to decision-making and organisational management. BMT is moving away from the traditional top-down model, where audiences are expected to be passive and "done to" by the provider.

REBUILDING OUR VOLUNTEER BASE - We will grow a skilled, supported and diverse volunteer community that can advocate for BMT and reflects Birmingham's population.

IMPROVING OUR EMPLOYEE EXPERIENCE - We will continue to roll out improvements that help our employees to deliver a high-quality, inclusive service.

FINANCIAL - Our five-year financial plan underpins our Strategy and Business Plan: our vision is for a long term resilient and sustainable business model.

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives in planning future activities. In particular, the Trustees have considered how planned activities will contribute to the strategic aims.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

BMT will continue to work closely with Birmingham City Council and will ensure we take all reasonable steps to protect the properties and collections we are responsible for. We have worked together to develop a set of condition surveys to aid prioritising essential maintenance, mechanical and electrical work across our properties. This work will support future applications to improve building infrastructure.

BMT is an Arts Council England National Portfolio Organisation delivering the 2020-30 Let's Create strategy. 2023-24, was the first year in a three-year agreement with Arts Council England, with Arts Council announcing in 2024 that they would invite NPO organisations to apply for an additional year of funding. The Arts Council have confirmed BMT will receive funding for 26-27 and 27-28.

Throughout 2024-25 BMT has actively developed, delivered and monitored the Let's Create outcomes of Creative People, Cultural Communities and A Creative & Cultural Country as well as the Investment Principles of Ambition and Quality, Inclusivity and Relevance, Environmental Responsibility and Dynamism. BMT's vision is fully aligned with these objectives and principles and leading the sector in many areas. For example, our work to explore and test new routes to participation and democratising museum practice through our Dynamic Collections project delivers on all Let's Create outcomes and is becoming a model for the sector.

Financial Review

The financial performance of Birmingham Museums Trust for the year under review and the financial position at the Balance Sheet date are set out in this report. The Statement of Financial Activities (SOFA), which includes both unrestricted and restricted funds, shows the performance of the group during the year.

Like most charities, BMT continues to have faced ongoing challenges in the wider economic climate and rising operational costs. The main financial uncertainty stems from:

- Facing significant loss of revenue, BMT prioritised expenditure that was critical to the delivery of its charitable objectives and looked at new ways of cost-effective working
- Rising costs continue to put a strain on the business
- Negotiations with BCC regarding the Service Level Agreement for the next four years 2026-30. Discussions have started during the financial year 2025-26 and the negotiations are still currently ongoing
- Thinktank lease renewal and again the Trust has started negotiation with the landlord Millennium Point over lease renewal

Total income for the year amounted to £12.6m compared with £13.4m in the previous year representing a decrease of 5.9%. Key income included grants, admissions, trading and retail operations. Expenditure totalled £11.9m reflecting investment in core charitable activities, including exhibitions, educational programmes and conservation of collection alongside essential support and governance costs.

The Group ended the year with net assets of £6.2m, including unrestricted reserves of £4.3m (including designated reserves) which are in line with the reserves policy and provide assurance of financial resilience. The trustees are mindful of the ongoing challenges in generating substantial income and managing inflationary pressures and continue to focus diversifying income streams, strengthening fundraising and pursuing cost efficiencies to ensure the Trust can deliver its charitable objectives in the long term.

The debtor with the Thinktank Trust subsidiary charity of £2.451m is not expected to be recovered and has been provided for in full in the stand alone BMT company accounts. From a standalone perspective, BMT recorded a deficit for the year of £1.931m (2024: surplus £1.673m) after the inter-company debt provision. This takes the overall funds at the year-end for BMT standalone company to £5.984m, which includes unrestricted reserves of £4.113m (see note 17).

Going Concern

On 5 September 2023 Birmingham City Council issued a section 114 notice. Following this Birmingham City Council confirmed it will honour existing contracts. The existing Service Level Agreement (SLA) covers the four-year period to March 2026.

At the time of approving this report, although Birmingham City Council continues to face cost pressures, Birmingham City Council and BMT are working together to agree the SLA for the next four-year funding cycle covering the period April 2026 to March 2030. There are financial and reputation implications if Birmingham City Council were to reduce funding from April 2026. However, in finalising the next SLA both parties must agree the funding provided by Birmingham City Council is in line with service provision expected from BMT. Formal confirmation of the outcome of discussions is expected in February 2026, following ratification of the SLA for the four year cycle via Birmingham City Council governance processes.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

To support ongoing discussions with Birmingham City Council and going concern, substantial budgeting and forecasting due diligence covering the period to March 2030 has been undertaken by senior management and Trustees of BMT. The Trustees consider there is reasonable expectation the company has sufficient resources, (free reserves of £3.508m at March 2025 and £0.994m Museums Renewal Fund grant confirmed in September 2025), to continue in operational existence for the foreseeable future, for this reason they have adopted the going concern basis in preparing the financial statements.

Reserves Policy

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

They take the view that the nature of the BMT's consolidated cash flows is such that they can set as a medium-term objective to maintain unrestricted reserves, excluding defined benefit pension liabilities, at a level of one month's income, or around £1m.

At 31 March 2025 Restricted Funds stand at £1.871m (2024: £1.972m), Unrestricted Funds at £4.334m (2024: £3.954m) and a Pension Reserve of £NIL (2024: £NIL).

While the Pension Reserve has a £NIL balance at 31 March 2025, the FRS102 valuation report from the actuary indicates there is an asset in the scheme of £10.428m (2024: £8.463m). There is significant judgment needed by the Trustees in assessing whether the asset should be recognised in the financial statements. After considering the extent to which a benefit could be derived by BMT from this pension asset, either in the form of reduced contributions or refund from the scheme, the Trustees are of the view that there is no benefit to BMT. As such no pension asset has been recognised in the financial statements at 31 March 2025 (2024 £NIL).

As at the 31 March 2025 Free Reserves, including designated reserves of £0.500m, were £3.508m (2024: £3.391m). The charity will utilise the reserves to enable it to meet its charitable objectives and maintain infrastructure.

The unrestricted reserves are in line with the charity's reserves policy.

Investment Policy

The Trustees have the power to invest funds not immediately required from operational purposes in such investments, securities or property as they see fit.

The underlying investment strategy is to accept only a low level of risk and therefore available funds are invested in low-risk short-term deposits with HSBC plc, a bank which operates in the United Kingdom, and which is subject to regulation under the Financial Services Act 2012.

Related Party

Birmingham City Council, the sole member of the charitable company, has paid fees for services and has provided loan finance to BMT. Any conflicts of interest involving Trustees in this respect are declared where appropriate. The details of the transactions with Birmingham City Council are disclosed in note 20 of the financial statements.

Auditors

The Auditors, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

BIRMINGHAM MUSEUMS TRUST

Statement of Trustees' responsibilities in respect of the Trustees' report and the financial statements

The Trustees (some of whom are also the directors of BMT for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, generally accepted accounting practice entails, the Trustees:

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

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

Approved by the Board of Trustees on 22 October 2025 and signed on their behalf by:

A handwritten signature in dark ink, appearing to be 'Niels de Vos', followed by a long horizontal line extending to the right.

Mr Niels de Vos
Chair

BIRMINGHAM MUSEUMS TRUST

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the groups and parent charitable company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 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 Report of the Trustees and Strategic 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.

BIRMINGHAM MUSEUMS TRUST

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (*continued*)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the charitable company must comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, charities SORP, taxation legislation, data protection and anti-bribery and employment legislation.

BIRMINGHAM MUSEUMS TRUST

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (*continued*)

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities including fraud, included but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence.
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

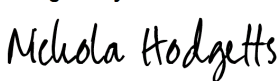
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed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

A further description of our responsibilities for the audit of the financial statements is located 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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:



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Nichola Hodgetts (Senior Statutory Auditor)
Cooper Parry Group Limited
Statutory Auditor

Cubo Birmingham
 4th Floor
 Two Chamberlain Square
 Birmingham
 B3 3AX

Date: 22 December 2025

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2025

	Note	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Funds £	Total 2025 £	Total 2024 £
Income and endowments from:						
Donations and legacies		61,990	51,050	-	113,040	487,080
Investments						
Rental income		23,273	-	-	23,273	19,167
Interest receivable		16,868	-	-	16,868	43,094
Charitable activities						
Visitor admissions and outreach income		2,454,590	-	-	2,454,590	2,563,823
Grants receivable and other income		6,069,692	2,611,350	-	8,681,042	9,174,693
Other trading activities						
Income from trading activities of Subsidiary		1,354,435	-	-	1,354,435	1,197,139
Total Income	4	9,980,848	2,662,400	-	12,643,248	13,484,996
Expenditure on:						
Raising funds						
Expenses from trading activities of Subsidiary		(1,190,995)	-	-	(1,190,995)	(1,116,931)
Fundraising costs		(170,036)	-	-	(170,036)	(32,600)
Charitable activities						
Museum costs		(8,236,803)	(2,767,201)	420,000	(10,584,004)	(10,641,711)
Total Expenditure	5	(9,597,834)	(2,767,201)	420,000	(11,945,035)	(11,791,242)
Net income/(Expenditure)		383,014	(104,801)	420,000	698,213	(1,693,754)
Transfers between Funds	14	(3,155)	3,155	-	-	-
Other recognised gains						
Actuarial loss/gain on scheme assets		-	-	(3,019,000)	(3,019,000)	(857,000)
Actuarial loss/gain on scheme liabilities		-	-	2,599,000	2,599,000	550,000
Net movement on pension fund	22	-	-	(420,000)	(420,000)	(307,000)
Net movement in funds		379,859	(101,646)	-	278,213	1,386,754
Reconciliation of funds						
Fund balances brought forward	14	3,954,009	1,972,315	-	5,926,324	4,539,570
Fund balance carried forward	14	4,333,868	1,870,669	-	6,204,537	5,926,324

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and includes all gains and losses recognised in the year.

The notes on pages 20 to 42 form part of these accounts.

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2024

	Note	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Funds £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and legacies		487,080		-	487,080	22,260
Investments						
Rental income		19,167	-	-	19,167	10,000
Interest receivable		43,094	-		43,094	13,305
Charitable activities						
Visitor admissions and outreach income		2,563,823	-	-	2,563,823	1,816,519
Grants receivable and other income		5,828,576	3,346,117	-	9,174,693	7,845,810
Other trading activities						
Income from trading activities of Subsidiary		1,197,139	-	-	1,197,139	1,607,196
Total Income	4	10,138,879	3,346,117	-	13,484,996	11,315,090
Expenditure on:						
Raising funds						
Expenses from trading activities of Subsidiary		(1,116,931)	-	-	(1,116,931)	(1,479,797)
Fundraising costs		(32,600)	-	-	(32,600)	-
Charitable activities						
Museum costs		(7,339,898)	(3,608,813)	307,000	(10,641,711)	(11,337,309)
Total Expenditure	5	(8,489,429)	(3,608,813)	307,000	(11,791,242)	(12,817,106)
Net (expenditure)/income		1,649,450	(262,696)	307,000	1,693,754	(1,502,016)
Transfers between Funds	14	49,921	(49,921)	-	-	-
Other recognised gains						
Actuarial loss/gain on scheme assets		-	-	(857,000)	(857,000)	(7,262,000)
Actuarial loss/gain on scheme liabilities		-	-	550,000	550,000	8,288,000
Net movement on pension fund	22	-	-	(307,000)	(307,000)	1,026,000
Net movement in funds		1,699,371	(312,617)	-	1,386,754	(476,016)
Reconciliation of funds						
Fund balances brought forward	14	2,254,638	2,284,932	-	4,539,570	5,015,586
Fund balance carried forward	14	3,954,009	1,972,315	-	5,926,324	4,539,570

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and include all gains and losses recognised in the year.

The notes on pages 20 to 42 form part of these accounts.

BIRMINGHAM MUSEUMS TRUST

Consolidated Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed Assets			
Tangible assets	9a	1,349,689	1,292,985
Intangible assets	9b	-	-
		1,349,689	1,292,985
Current Assets			
Stock	10	193,250	138,134
Debtors: amounts falling due in one year	11	1,385,656	1,136,946
Debtors: amounts falling due after more than one year	11	182,228	251,786
Cash at bank and in hand		4,208,620	4,139,331
		5,969,754	5,666,197
Creditors: amounts falling due within one year	12	(932,678)	(781,072)
Net Current Assets		5,037,076	4,885,125
Total Assets less Current Liabilities		6,386,765	6,178,110
Creditors: amounts falling due after more than one year	12	(182,228)	(251,786)
Provisions for liabilities and charges	25	-	-
Defined benefit scheme pension liability	22	-	-
NET ASSETS		6,204,537	5,926,324
Funds			
Unrestricted (Includes designated)	14	4,333,867	3,954,008
Restricted	14	945,400	1,090,165
Endowment	14	925,270	882,151
Pension	14	-	-
TOTAL FUNDS		6,204,537	5,926,324

The notes on pages 20 to 42 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 22 October 2025 and were signed on its behalf by:



Mr Niels de Vos
Chair

Registered No: 07737797

BIRMINGHAM MUSEUMS TRUST

Company Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed Assets			
Tangible assets	9a	1,189,103	1,270,088
Intangible Assets	9b	-	-
		<u>1,189,103</u>	<u>1,270,088</u>
Current Assets			
Debtors: amounts falling due in one year	11	1,509,071	3,428,327
Cash at bank and in hand		4,139,371	3,930,392
		<u>5,648,442</u>	<u>7,358,719</u>
Creditors: amounts falling due within one year	12	(853,476)	(713,426)
Net Current Assets		<u>4,794,966</u>	<u>6,645,293</u>
Total Assets less Current Liabilities		5,984,069	7,915,381
Debtors: amounts falling due after more than one year	11	182,228	251,786
Creditors: amounts falling due after more than one year	12	(182,228)	(251,786)
NET ASSETS		<u>5,984,069</u>	<u>7,915,381</u>
Funds			
Unrestricted (includes designated)	15	4,113,399	5,943,065
Restricted	15	945,400	1,090,165
Endowment	15	925,270	882,151
TOTAL FUNDS		<u>5,984,069</u>	<u>7,915,381</u>

The notes on pages 20 to 42 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 22 October 2025 and were signed on its behalf by:



Mr Niels de Vos
Chair

Registered No: 07737797

BIRMINGHAM MUSEUMS TRUST

Consolidated Cash Flow Statement For the year ended 31 March 2025

	Note	2025 £	2024 £
Cash used in operating activities	a	460,193	1,604,614
Cash flows from investing activities	b	(390,904)	(105,143)
Increase/(Decrease) in cash during the year		69,289	1,499,471

(a) Cash used in operating activities

		2025 £	2024 £
Net incoming / (outgoing) resources		698,213	1,693,754
Adjustments for non-cash items:			
Depreciation and amortisation	9a	334,200	352,311
Pension fund provision		(420,000)	(307,000)
(Increase)/decrease in stocks		(55,116)	12,755
(Increase)/decrease in debtors		(248,710)	171,591
(Decrease)/Increase in creditors		151,606	(318,797)
Net cash inflow/(outflow) from operating activities		460,193	1,604,614

(b) Cash flows from investing activities

		2025 £	2024 £
Purchase of tangible fixed assets	9a	(390,904)	(105,143)
Purchase of intangible fixed assets		-	-
Net cash outflow from investing activities		(390,904)	(105,143)

(c) Analysis of movements in cash and cash equivalents

	2025 £	2024 £
Decrease / Increase in cash and cash equivalents in the year	69,289	1,499,471
Cash and cash equivalents at the beginning of the year	4,139,331	2,639,860
Total cash and cash equivalents at the end of the year	4,208,620	4,139,331

(d) Analysis by cash and net debt

	As At April 2024 £	Cash flows £	Other non- cash flows £	As at March 2025 £
Cash at Bank and in hand	4,139,331	69,289	-	4,208,620

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements

1. General information

Birmingham Museums Trust (BMT) is a charitable company limited by guarantee, incorporated and domiciled in England and Wales (Company number 07737797, Charity number 1147014). The Trust has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The registered office is Birmingham Museums & Art Gallery, Chamberlain Square, Birmingham, B3 3DH.

2. Statement of principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

Basis of accounting

The financial statements have been prepared under the Companies Act 2006 on a going concern basis and under the historical cost convention. The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

BMT meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant account policy notes.

The financial statements are prepared in sterling, to the nearest £1, which is the functional currency of the group and the charity.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies (see note 3).

Going Concern

On 5 September 2023 Birmingham City Council issued a section 114 notice. Following this Birmingham City Council confirmed it will honour existing contracts. The existing Service Level Agreement (SLA) covers the four-year period to March 2026.

At the time of approving this report, although Birmingham City Council continues to face cost pressures, Birmingham City Council and BMT are working together to agree the SLA for the next four-year funding cycle covering the period April 2026 to March 2030. There are financial and reputation implications if Birmingham City Council were to reduce funding from April 2026. However, in finalising the next SLA both parties must agree the funding provided by Birmingham City Council is in line with service provision expected from BMT. Formal confirmation of the outcome of discussions is expected in February 2026, following ratification of the SLA for the four year cycle via Birmingham City Council governance processes.

To support ongoing discussions with Birmingham City Council and going concern, substantial budgeting and forecasting due diligence covering the period to March 2030 has been undertaken by senior management and Trustees of BMT. The Trustees consider there is reasonable expectation the company has sufficient resources, (free reserves of £3.508m at March 2025 and £0.994m Museums Renewal Fund grant confirmed in September 2025), to continue in operational existence for the foreseeable future, for this reason they have adopted the going concern basis in preparing the financial statements.

Basis of consolidation

The consolidated financial statements of BMT include the financial statements of the charitable company, its subsidiary trading company Birmingham Museums Trading Limited, and its subsidiary charity Thinktank Trust. The results of the subsidiaries, as disclosed in note 17 are consolidated on a line by line basis within the consolidated statement of financial activities.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The results of the standalone charity are summarised in note 17.

Statement of financial activities

The incoming resources and resources expended by the Birmingham Museums Trust are detailed below, together with respective accounting treatments.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Incoming resources

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

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

Donations and gifts

Cash donations are included when received.

Legacies

Income is recognised on an accruals basis to the extent that BMT has been notified that it is a beneficiary, receipt is probable and there is a clear indication of the amounts involved.

Grants receivable including government grants

Grants are recognised in the consolidated statement of financial activities when the conditions for receipt have been complied with.

Trading income

Turnover from the staging of events, retail shops and catering outlets operated by Birmingham Museums Trading Limited represents the value of goods sold net of VAT.

Income from investments

Investment income is accounted for on an accruals basis.

Sponsorship in kind

Sponsorship in kind includes provision of commercial services. Such incoming resources are included in the Consolidated Statement of Financial Activities where the benefit to the charity is reasonably quantifiable and measurable. The value placed on these resources is the estimated value to the charity of the service received, being the price, the charity estimates it would pay in the open market for an equivalent service.

Fund accounting

The charitable company maintains three types of funds as follows:

Restricted funds

Restricted funds represent grants and donations receivable which are allocated by the donor for specific purposes. Within restricted funds, endowment funds represent donations receivable which on the instruction of the donor are to be set aside and along with the income applied for a specific purpose. The aim and use of such funds are set out in the notes to the financial statements.

Unrestricted funds

Unrestricted funds represent funds that are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. Within unrestricted funds, designated funds represent unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of such funds are set out in the notes to the financial statements.

Pension funds

Pension funds represent funds relating to the West Midlands Defined Benefit Pension Scheme. The aim and use of such funds are set out in the notes to the financial statements.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing BMT to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Raising funds

These costs are incurred in relation to staff members and consultants who are engaged directly in fundraising and also include the costs of campaigns for raising donations.

Charitable activities

Charitable expenditure includes expenditure associated with the operation of the Birmingham Museums and Art Gallery.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Governance Costs

Governance costs comprise direct costs involving BMT's strategic management and its compliance with legal, constitutional and statutory requirements. These costs include costs related to statutory audit and legal fees.

Redundancy Costs

All redundancy costs and termination payments are recognised in the year.

Basis of allocation of costs

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources. Costs relating to the management of BMT and support departments have been allocated to other functions based on the time they consume in pursuing the objectives of BMT.

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Foreign currency translation

Transactions in foreign currencies are translated into Sterling at the rates of exchange on the transaction day. Foreign currency liabilities in the balance sheet are translated into Sterling at the rates of exchange ruling at the year-end except where hedged. Resulting exchange gains and losses are taken to the Consolidated Statement of Financial Activities in the year in which they arise.

Pension costs

The charitable company operates a stakeholder compliant Group Personal Pension Scheme open to all employees. Certain former staff of Birmingham City Council are members of the West Midlands Pension Scheme which is a defined benefit scheme based on final pensionable salary.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains and losses arising are recognised immediately in the Consolidated Statement of Financial Activities. Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in profit or loss.

The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan.

The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations. Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that BMT has a legal or constructive obligation to settle the liability.

The assets of the scheme are held separately from those of the Trust in an independently administered fund.

Taxation

BMT is exempt from taxation on its income and gains where they are applied for charitable purposes. In the subsidiary financial statements, the policy is to distribute all taxable profits to BMT via gift aid.

Stocks

Stocks are valued at the lower of cost and net realisable value.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Tangible and intangible fixed assets

Operating assets

Operating assets are stated at cost less depreciation/amortisation.

Depreciation is provided on a straight-line basis using rates calculated to write down the cost of each asset to its estimated residual value over its anticipated useful life as follows:

Leasehold improvements	Over 10 years
Plant and equipment	3 to 10 years
Fixtures and fittings	3 to 10 years
Hardware	3 to 5 years
Software	3 to 5 years

Depreciation commences in April following the year of purchase.

Assets in the course of construction are not depreciated until completion where upon they are transferred to the appropriate fixed asset category and depreciated as above.

Fixed asset investments

Investments are held at cost less any permanent diminution in value.

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of loans which are subsequently measured at amortised cost using the effective interest method.

Related party transactions

BMT is the parent undertaking within a group that prepares consolidated financial statements. Related party transactions are disclosed at note 20.

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Operating lease commitments

The group has entered into commercial property leases as a lessee on its property portfolio and as a lessee it obtains use of property, plant and equipment. The classification of such leases as an operating or finance lease requires the group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet. We consider there is no value to be recognised in the peppercorn leases held by BMT. Leasehold improvements are recognised as assets when it is appropriate to do so.

The following are the group's key sources of estimation uncertainty:

Pension and other post-employment benefits

The present value of the defined benefit pension scheme asset or liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension asset or liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pension asset or liability at 31 March 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset or liability.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (continued)

3. Judgements and key sources of estimation uncertainty (continued)

To the extent there is a surplus in the defined benefit pension scheme at the balance sheet date, there is significant judgment needed in assessing whether the surplus should be recognised as a pension asset or whether the surplus should be restricted to some level or in total. This assessment will need to consider whether the charitable company, as the employer, has an unconditional right to a refund of the surplus in the scheme and whether there is an economic accounting benefit available to the charitable company as a contribution reduction, which will also include assessing whether a minimum funding requirement for future service and / or past service exists in the scheme. The impact of these assessments on the extent to which the scheme surplus has been recognised as a pension asset at the balance sheet date are set out in note 22.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the group performs impairment tests based on fair value less costs to sell, or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices.

Impairment of debtors

The company makes an estimate of the recoverable value of trade debtors. When assessing impairment of trade debtors, management consider them individually reviewing the ageing profile of the balance and the historical experience.

Obsolete stock provision

At each balance sheet date, stocks are reviewed for impairment. If stock is impaired the carrying value is reduced. The provision is based upon a percentage reduction linked to the age of the stock item and its sales history.

4. Analysis of incoming resources

	2025	2024
	£	£
General Restricted Funds		
Culture in Community	194,900	-
Dynamic Collections	87,234	163,134
BMAG Reopening	30,000	-
FCC	250,000	-
Laying Foundations	181,533	-
Portable Antiquities Scheme	177,526	106,748
Rent and Service Charge Grant	1,417,000	1,417,000
Rewiring Project	-	1,502,363
Donations	51,050	-
Other	224,588	156,872
	2,613,830	3,346,117
Endowment Fund	48,569	-
Total Restricted Funds	2,662,400	3,346,117
General Unrestricted Funds		
Other Grants Receivable and Other Income	1,514,752	1,563,562
Legacy Income	12,031	468,150
Arts Council England (National Portfolio Organisation)	1,026,108	1,026,108
Donations	49,959	18,930
Birmingham City Council Fees	3,545,700	3,282,000
Visitor Admissions and Outreach Income	2,454,590	2,563,823
Rental Income	23,273	19,167
Trading Activities	1,354,435	1,197,139
Total Unrestricted Funds	9,980,848	10,138,879
Total Incoming Resources	12,643,248	13,484,996

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (continued)

5. Analysis of total resources expended

	Fundraising £	Museum Costs £	Governance £	2025 £	2024 £
Costs directly allocated to activities					
Staff costs	170,036	3,537,928	-	3,707,964	3,376,067
Marketing	-	197,730	-	197,730	149,625
Maintenance	-	339,685	-	339,685	451,019
Finance and Administration	-	3,740	35,000	38,740	48,019
Other operating expenditure	-	5,987,114	-	5,987,114	6,356,700
Depreciation / Amortisation	-	334,200	-	334,200	352,311
Direct Costs Total	170,036	10,400,397	35,000	10,605,433	10,733,741
Support costs allocated to activities					
Staff costs	-	1,537,098	-	1,537,098	1,133,868
Finance and Administration	-	199,554	-	199,554	207,682
Professional fees	-	22,951	-	22,951	22,951
Pension Fund charges	-	(420,000)	-	(420,000)	(307,000)
Support Costs Total	-	1,339,603	-	1,339,603	1,057,501
Total Costs	170,036	11,739,999	35,000	11,945,035	11,791,242

Total resources expended include:

	2025 £	2024 £
Depreciation	334,200	352,311
Amortisation	-	-
Auditor's remuneration – audit of these financial statements	35,000	38,000
Auditor's remuneration – non-audit services	7,467	32,129
Operating lease charges: land and buildings	684,360	667,668
Operating lease charges: other than land and buildings	14,447	14,447

7. Key management remuneration and Trustees' expenses

The key management personnel of the parent company, the Trust, comprise the Trustees and the senior management team as defined in the Trustees' Report. The total employee benefits of the key management personnel of the Trust were £519k (2024: £434k).

The key management personnel of the group comprise those of the Trust and its wholly owned subsidiaries Thinktank Trust and Birmingham Museums Trading Limited. The key management personnel are responsible for the group as a whole and it is not possible to split their employee benefits between each individual entity.

An amount of £7,140 (2024: £9,520) was paid in respect of Trustees and Officers Liability Insurance. The Trustees received no remuneration in the year other than reimbursement of expenses. A total of £1,053 (2024: £267) was reimbursed to trustees in respect of expenses mainly related to travel.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements *(continued)*

8. Employee numbers and costs

a. Average number of persons employed

	Number 2025	Number 2024
Museum	129	121
Fundraising	3	-
Support and administration	29	29
	161	150

b. Full Time Equivalent employed

	FTE 2025	FTE 2024
Museum	94	101
Fundraising	2	-
Support and administration	26	25
	122	126

c. Employee costs

	2025 £	2024 £
Wages and Salaries	4,598,113	3,919,165
Social Security costs	377,308	328,684
Pension costs	269,641	262,087
	5,245,062	4,509,935

Included within wages and salaries figure is an amount of £185k (2024: £104k) in respect of temporary staff costs, £220k (2024: £115k) in respect of casual staff and £145k (2024: Nil) in respect of redundancy and settlement costs.

d. Higher paid employees

The number of employees whose emoluments, fell within the following bands are:

	2025 Number	2024 Number
£60,000 to £69,999	2	1
£70,000 to £79,999	2	2
£90,000 to £99,999	1	-

e. Birmingham Museums Trading Limited

Included in the above staff costs, the subsidiary Birmingham Museums Trading Limited was recharged for 22 staff members (2024: 17 staff) whose costs are wholly or partly included within the results of the subsidiary given at note 17.

The employment costs incurred by Birmingham Museums Trading Limited were:

	2025 £	2024 £
Wages and Salaries	592,351	537,172
Social Security costs	38,102	35,593
Pension costs	17,408	17,841
	647,861	590,606

Included within wages and salaries above is an amount of £129k (2024: £56k) in respect of temporary staff.

None of the Directors of Birmingham Museums Trading Limited received any remuneration in their capacity as Directors.

f. General volunteers

Volunteers welcomed and engaged visitors to our venues, conservation cleaned objects and our sites, supported family activities, worked with our curators, gardened and assisted with our documentation.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (continued)

9. Fixed Assets

a) Tangible Fixed Assets

Group	Leasehold Improvements £	Plant and Equipment £	Fittings £	Equipment £	Total £
Cost					
At 1 April 2024	5,989,072	823,039	8,500,136	899,132	16,211,379
Additions	48,384	-	158,052	184,468	390,904
Disposals	-	-	-	-	-
At 31 March 2025	6,037,456	823,039	8,658,188	1,083,600	16,602,283
Depreciation					
At 1 April 2024	5,558,806	765,587	7,722,935	871,066	14,918,394
Charge for the year	72,599	39,134	211,096	11,371	334,200
At 31 March 2025	5,631,405	804,721	7,934,031	882,437	15,252,594
Net Book Value At 31 March 2025	406,051	18,318	724,157	201,163	1,349,689
Net book Value At 31 March 2024	430,266	57,452	777,201	28,066	1,292,985

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2024: £Nil.).

Company	Leasehold Improvements £	Plant and Equipment £	Fittings £	Computer Equipment £	Total £
Cost					
At 1 April 2024	780,206	625,483	3,265,864	760,020	5,431,573
Additions	48,384	-	158,052	42,200	248,636
Disposals	-	-	-	-	-
At 31 March 2025	828,590	625,483	3,423,916	802,220	5,680,209
Depreciation					
At 1 April 2024	349,940	590,928	2,488,663	731,954	4,161,485
Charge for the year	72,599	34,555	211,096	11,371	329,621
At 31 March 2025	422,539	625,483	2,699,759	743,325	4,491,106
Net Book Value At 31 March 2025	406,051	-	724,157	58,895	1,189,103
Net Book Value At 31st March 2024	430,266	34,555	777,201	28,066	1,270,088

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2024: £Nil.).

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (continued)

9. Fixed Assets (continued)

b) Intangible Fixed Assets

Group and Company	Software
Cost	£
At 1 April 2024	232,628
Disposals	(55,644)
At 31 March 2025	176,984
Depreciation	
At 1 April 2024	232,628
Depreciation on Disposals	(55,644)
At 31 March 2025	176,984
Net Book Value At 31 March 2025	-
Net Book Value At 31 March 2024	-

10. Stocks

	Group 2025 £	Company 2025 £	Group 2024 £	Company 2024 £
Goods for resale	193,250	-	138,134	-

Stock recognised as expense during the year was £415k (2024: £439k)

11. Debtors

Amounts due in one year

	Group 2025 £	Company 2025 £	Group 2024 £	Company 2024 £
Trade debtors	219,926	159,487	196,258	120,429
Amounts owed by group companies	-	203,375	-	2,375,926
VAT recoverable	54,849	56,438	-	19,934
Other debtors	25,312	4,202	31,370	2,720
Prepayments and accrued income	1,016,011	1,016,011	831,472	831,472
Birmingham City Council	69,558	69,558	77,846	77,846
	1,385,656	1,509,071	1,136,946	3,428,327

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements *(continued)*

11. Debtors *(continued)*

Amounts due after more than one year:

	Group 2025 £	Company 2025 £	Group 2024 £	Company 2024 £
Birmingham City Council	182,228	182,228	251,786	251,786

12. Creditors

Amounts due within one year:

	Group 2025 £	Company 2025 £	Group 2024 £	Company 2024 £
Trade creditors	97,551	67,886	86,755	84,848
VAT, Tax and social security	96,259	96,259	96,121	78,424
Loan from Birmingham City Council	69,558	69,558	77,846	77,846
Other creditors	95,103	92,949	78,136	78,136
Accruals and deferred income	574,207	526,824	442,214	394,172
	932,678	853,476	781,072	713,426

Amounts due after more than one year:

	Group 2025 £	Company 2025 £	Group 2024 £	Company 2024 £
Loan from Birmingham City Council	182,228	182,228	251,786	251,786

Deferred income (group and company)

Deferred income comprises grants received in advance of expenditure.

	Group £	Company £
Balance as at 1 April 2024	80,642	51,856
Amount released to income from Charitable Activities	(80,642)	(51,856)
Amount deferred in year	12,323	-
Balance as at 31 March 2025	12,323	-

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (continued)

13. Financial instruments

	Group 2025	Company 2025	Group 2024	Company 2024
	£	£	£	£
Financial Assets				
Financial assets measured at fair value through statement of financial activities	4,208,620	4,139,371	4,139,331	3,930,392
Financial assets that are debt instruments measured at amortised cost	553,462	675,288	577,194	2,848,641
	4,762,082	4,814,659	4,716,525	6,779,033
Financial liabilities				
Financial liabilities measured at amortised cost	686,586	621,861	705,183	684,020

Financial assets are measured at fair value through statement of financial activities comprises cash held at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprises trade and other debtors, VAT recoverable, amounts owed by group undertakings and loan with Birmingham City Council.

Financial liabilities measured at amortised cost comprises Trade and other creditors, other taxation and social security, amounts owed to group undertakings, accruals and a loan from Birmingham City Council as explained below.

Birmingham City Council Loan

The loan falls due for repayment as follows:

	Group 2025	Company 2025	Group 2024	Company 2024
	£	£	£	£
Within one year	69,558	69,558	77,846	77,846
In 1-2 years	60,187	60,187	69,558	69,558
In 2-5 years	112,096	112,096	147,654	147,654
Over 5 years	9,945	9,945	34,574	34,574
	251,786	251,786	329,632	329,632

The above unsecured loan is held by BMT. The loan was approved by Birmingham City Council in March 2012 with interest charged at 4.5% per annum and is repayable commencing 1 April 2012 and terminating on 1 January 2031. The loan was made to Thinktank Trust then transferred to BMT in April 2012.

In addition, Birmingham City Council has identified a source of funding and will not less than 5 business days in advance of each interest payment date grant aid to BMT a sum equivalent to the amount of interest and capital required to be paid by BMT to Birmingham City Council, to be held on trust by BMT and hypothecated to the payments of the loan as they fall due.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (continued)

14. Funds Analysis - consolidated

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2024 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2025 £
General Restricted Funds						
BMAG Re-opening 2024	(2,355)	280,000	(280,800)	3,155	-	-
Culture in Community		194,900	(203,145)	-	-	(8,245)
Dynamic Collections	96,359	87,234	(77,584)	-	-	106,009
Laying Foundations	(7,500)	181,533	(226,184)	-	-	(52,151)
Millennium Point Trust	22,277	-	10	-	-	22,287
Minibrum	716,600	-	(203,778)	-	-	512,822
Portable Antiquities Scheme	34,393	177,526	(159,222)	-	-	52,697
Rent and Service Charge	-	1,417,000	(1,417,000)	-	-	-
Grant Reset and Innovation	12,484	-	(1,784)	-	-	10,700
Rewiring Project	35,656	-	(35,656)	-	-	-
Legacy Gift	75,321	-	-	-	-	75,321
Welcome All	409	-	(409)	-	-	-
Donations	-	51,050	-	-	-	51,050
Other	106,521	224,588	(156,199)	-	-	174,910
	1,090,165	2,613,831	(2,761,751)	3,155	-	945,400
Endowment Fund	882,151	48,569	(5,450)	-	-	925,270
Total Restricted Funds	1,972,316	2,662,400	(2,767,201)	3,155	-	1,870,670
Designated Funds						
Infrastructure Reserve	500,000	-	-	-	-	500,000
	500,000	-	-	-	-	500,000
General Unrestricted Funds						
General Fund	3,439,968	8,626,413	(8,406,840)	(3,155)	-	3,656,387
Trading Reserve	14,040	1,354,435	(1,190,994)	-	-	177,480
	3,454,008	9,980,848	(9,597,834)	(3,155)	-	3,833,867
Total Unrestricted Funds	3,954,008	9,980,848	(9,597,834)	(3,155)	-	4,333,867
Pension Deficit	-	-	420,000	-	(420,000)	-
Total Funds	5,926,324	12,643,248	(11,945,035)	-	(420,000)	6,204,537

The carry forward balance reflects the netbook value of tangible fixed assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds analysis - consolidated (*continued*)

Restricted funds

The restricted funds held at the year-end are to be applied for the purposes of the specific projects (as shown under the headings above) to develop:

- a. BMAG Reopening 2024 – Support from FCC Communities Foundation, Friends of Birmingham Museums and Art Gallery and DCMS/Wolfson Museums and Galleries Improvement Fund.
- b. Culture in Communities – Grant from The Shared Prosperity Fund to increase opening days of Sarehole mill, Blakesley hall and Aston Hall.
- c. Dynamic Collections – Support from multiple Trusts and Foundations – To fund innovative methods of opening up BMT's collections.
- d. Laying the Foundations – Grant from The National Lottery Heritage Fund – Towards research, insights and the development of a five year strategic plan.
- e. Millennium Point Trust - Grant to support programmes and projects at Thinktank, Birmingham Science Museum.
- f. Minibrum – New gallery and education programme, grants from Inspiring Science Fund co-funded by the Department for Business, Energy & Industrial Strategy (BEIS), UK Research and Innovation (UKRI) and Wellcome, Garfield Weston Foundation, Stavros Niarchos Foundation, The Wolfson Foundation, The 29th May 1961 Charity, Grimmitt Trust, Rowlands Trust and other donors.
- g. Portable Antiquities Scheme - Recording archaeological objects found by members of the public in England and Wales; DCMS grant support, administered by the British Museum.
- h. Rent and Service Charge Grant - Grant support from Birmingham City Council at Thinktank.
- i. Reset and Innovation – Grant to pilot our work with sociocracy, to democratise our decision making
- j. Rewiring Project – BCC funding for the collections and non-collections packing, decant, and temporary storage as well as re-installation due to rewiring of the Council House complex including BMAG
- k. Legacy Gift – A bequest in a will to “buy major print acquisitions”.
- l. Welcome All - project to improve access at the Museum & Art Gallery; grant support from DCMS/Wolfson Museum & Art Galleries Improvement Fund 2011-16, Friends of Birmingham Museums Trust and City of Birmingham Museums & Galleries Development Trust, and Arts Council England Major Partner Museum funding 2015-18. This fund will be released as the asset is depreciated.
- m. Donations – from private individuals for use on collections care and display.
- n. Other – Small grants from various organisations, with specific restrictions on use of the fund.

Endowment fund

This represents the legacy gift income restricted for the purchase of painting or artefact for display at the Central Birmingham Museum and Art Gallery.

Designated funds

£500k has been set aside to replace assets that are in disrepair having reached the end of useful life.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (continued)

14. Funds Analysis – consolidated (continued)

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2023 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2024 £
General Restricted Funds						
BMOSI	(37,966)	-	(945)	38,911	-	-
BMAG Re-opening 2024	-	-	(2,355)	-	-	(2,355)
Commonwealth Games	24,375	-	-	(24,375)	-	-
Dynamic Collections	-	163,134	(66,775)	-	-	96,359
Laying Foundations	-	-	(7,500)	-	-	(7,500)
Millennium Point Trust	125,291	-	(103,014)	-	-	22,277
Minibrium	946,777	-	(207,818)	(22,359)	-	716,600
Portable Antiquities Scheme	65,170	106,748	(137,525)	-	-	34,393
Rent and Service Charge Grant	-	1,417,000	(1,417,000)	-	-	-
Reset and Innovation	26,892	-	(14,594)	186	-	12,484
Rewiring Project	28,565	1,502,363	(1,495,272)	-	-	35,656
Legacy Gift	85,921	-	(10,600)	-	-	75,321
Welcome All	818	-	(409)	-	-	409
WCF-97011	58,890	-	5,535	(64,425)	-	-
Other	75,799	156,872	(148,291)	22,141	-	106,521
	1,400,532	3,346,117	(3,606,563)	(49,921)	-	1,090,165
Endowment Fund	884,401	-	(2,250)	-	-	882,151
Total Restricted Funds	2,284,933	3,346,117	(3,608,813)	(49,921)	-	1,972,316
Designated Funds						
Infrastructure Reserve	-	-	-	500,000	-	500,000
	-	-	-	500,000	-	500,000
General Unrestricted Funds						
General Fund	2,320,805	8,941,740	(7,372,498)	(450,079)	-	3,439,968
Trading Reserve	(66,168)	1,197,139	(1,116,931)	-	-	14,040
	2,254,637	10,138,879	(8,489,429)	49,921	-	3,454,008
Total Unrestricted Funds	2,254,637	10,138,879	(8,489,429)	49,921	-	3,954,008
Pension Deficit	-	-	307,000	-	(307,000)	-
Total Funds	4,539,570	13,484,996	(11,791,242)	-	(307,000)	5,926,324

The carry forward balance reflects the netbook value of tangible fixed assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements *(continued)*

15. Funds analysis - Company

The charity holds restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2024 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss)	Balance at 31 March 2025 £
Restricted Funds						
BMAG Re-opening 2024	(2,355)	30,000	(30,800)	3,155	-	-
Culture in Community	-	194,900	(203,145)	-	-	(8,245)
Dynamic Collections	96,359	87,234	(77,584)	-	-	106,009
FCC	-	250,000	(250,000)	-	-	-
Laying Foundations	(7,500)	181,533	(226,184)	-	-	(52,151)
Millennium Point Trust	22,277	-	10	-	-	22,287
MiniBrum	716,600	-	(203,778)	-	-	512,822
Portable Antiquities Scheme	34,393	177,526	(159,222)	-	-	52,697
Reset and Innovation	12,484	-	(1,784)	-	-	10,700
Rewiring Project	35,656	-	(35,656)	-	-	-
Legacy Gift	75,321	-	-	-	-	75,321
Welcome All	409	-	(409)	-	-	-
Donations	-	51,050	-	-	-	51,050
Other	106,521	224,588	(156,199)	-	-	174,910
	1,090,165	1,196,831	(1,344,751)	3,155	-	945,400
Endowment Funds						
Legacy gift (including interest receivable)	882,151	48,569	(5,450)	-	-	925,270
Total Restricted Funds	1,972,316	1,245,400	(1,350,201)	3,155	-	1,870,670
Designated Funds						
Infrastructure Reserve	500,000	-	-	-	-	500,000
Unrestricted Funds	5,443,065	8,626,413	(10,452,924)	(3,155)	-	3,613,399
Total Unrestricted Funds	5,943,065	8,626,413	(10,452,294)	(3,155)	-	4,113,399
Pension Deficit	-	-	420,000	-	(420,000)	-
Total	7,915,381	9,871,813	(11,383,125)	-	(420,000)	5,984,069

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements *(continued)*

15. Funds analysis – Company *(continued)*

The charity holds restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2023	Incoming Resources	Outgoing Resources	Funds Transfer	Other Gain (Loss)	Balance at 31 March 2024
	£	£	£	£		£
Restricted Funds						
BMOSI	(37,966)	-	(945)	38,911	-	-
BMAG Re-opening 2024	-	-	(2,355)	-	-	(2,355)
Commonwealth Games	24,375	-	-	(24,375)	-	-
Dynamic Collections	-	163,134	(66,775)	-	-	96,359
Laying Foundations	-	-	(7,500)	-	-	(7,500)
Millennium Point Trust	125,291	-	(103,014)	-	-	22,277
MiniBrum	946,777	-	(207,818)	(22,359)	-	716,600
Portable Antiquities Scheme	65,170	106,748	(137,525)	-	-	34,393
Reset and Innovation	26,892	-	(14,594)	186	-	12,484
Rewiring Project	28,564	1,502,363	(1,495,272)	-	-	35,656
Legacy Gift	85,921	-	(10,600)	-	-	75,321
Welcome All	818	-	(409)	-	-	409
WCF-97011	58,890	-	5,535	(64,425)	-	-
Other	75,799	156,872	(148,291)	22,141	-	106,521
	1,400,532	1,929,117	(2,189,563)	(49,921)	-	1,090,165
Endowment Funds						
Legacy Gift (including interest receivable)	884,401	-	(2,250)	-	-	882,151
Total Restricted Funds	2,284,933	1,929,117	(2,191,813)	(49,921)	-	1,972,316
Designated Funds						
Infrastructure Reserve	-	-	-	500,000	-	500,000
Unrestricted Funds	3,957,304	8,941,740	(7,005,900)	(450,079)	-	5,443,065
Total Unrestricted Funds	3,957,304	8,941,740	(7,005,900)	49,921	-	5,943,065
Pension Deficit	-	-	307,000	-	(307,000)	-
Total	6,242,237	10,870,857	(8,890,713)	-	(307,000)	7,915,381

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

16. Analysis of net assets between funds - consolidated

	Restricted	Pension	Unrestricted	Total
	£	£	£	£
Fixed Assets	523,523	-	826,166	1,349,689
Net Current Assets	1,347,147	-	3,689,929	5,037,076
Creditors (amounts falling due after more than one year)	-	-	(182,228)	(182,228)
Total as At March 2025	1,870,670	-	4,333,867	6,204,537
Fixed Assets	729,494	-	563,491	1,292,985
Net Current Assets	1,242,822	-	3,642,303	4,885,125
Creditors (amounts falling due after more than one year)	-	-	(251,786)	(251,786)
Total as At March 2024	1,972,316	-	3,954,008	5,926,324

17. Financial performance of undertakings

Company Statement of Financial Activities

The consolidated statement of financial activities includes the results of the company's subsidiaries, Birmingham Museums Trading Limited and Thinktank Trust. The summary financial performance of the company alone is:

	2025 £	2024 £
Income	9,871,813	10,870,857
Gift Aid from subsidiary company	-	-
Total Income	9,871,813	10,870,857
Expenditure on Charitable Activities	(11,383,125)	(8,890,713)
Net Income	(1,511,312)	1,980,144
Other recognised gains/(losses)	(420,000)	(307,000)
Net Movements in funds	(1,931,312)	1,673,144
Total funds brought forward	7,915,381	6,242,237
Total Funds carried forward	5,984,069	7,915,381
Represented by:		
Unrestricted funds	4,113,399	5,943,065
Restricted funds	1,870,670	1,972,316
Pension	-	-
Net Funds	5,984,069	7,915,381

In the year ended 31 March 2025, the debtor with Thinktank Trust of £2.451m has been provided for in the Stand-alone company accounts.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements *(continued)*

17. Financial performance of undertakings *(continued)*

The summary financial performance of the wholly owned subsidiaries are as follows:

Birmingham Museums Trading Limited

Registered Company Number: 04221635

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	2025 £	2024 £
Profit & Loss Account		
Turnover	1,354,435	1,197,139
Cost of Sales	(463,672)	(439,273)
Gross Profit	890,763	757,866
Administrative expenses	(727,323)	(677,658)
Profit on ordinary activities before Gift Aid	163,440	80,208
Gift Aid to parent undertaking	-	-
Retained Profit / (Loss) for the year	163,440	80,208
The aggregated assets and liabilities of the subsidiary were		
Assets	495,113	444,554
Liabilities	(317,633)	(430,514)
Net Funds	163,440	14,040

Thinktank Trust

Registered Company Number: 03239119

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	Unrestricted funds £	Restricted funds £	Total funds £
Total incoming resources	-	1,417,000	1,417,000
Total resources expended	(405,354)	(1,417,000)	(1,822,354)
Net incoming / (outgoing) resources	(405,354)	-	(405,354)
Transfer between funds	-	-	-
Net movement in funds	(405,354)	-	(405,354)
Fund balances brought forward	(2,003,097)	-	(2,003,097)
Fund balances carried forward	(2,408,451)	-	(2,408,451)

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

18. Taxation

The charitable company's income is exempt from taxation under section 505 of the Income and Corporation Taxes Act 1988 and its chargeable gains are exempt under section 256 of the Taxation of Capital Gains Act 1992.

19. Financial Commitments

Debentures and charges

Thinktank Trust has granted a first mortgage charge over certain of its assets to the Millennium Commission to secure all monies owing to the Commission by the Trust under the terms of a grant agreement dated 10 December 2004.

The Thinktank Trust has granted a mortgage charge over certain of its assets to the National Heritage Memorial Fund under the terms of an agreement date 20 April 2011.

Value Added Tax

As a result of group registration arrangements for Value Added Tax (VAT), the charitable company is jointly and severally liable with other members of the group for any VAT due by the representative member of the group. At 31 March 2025 the group's net receivable in respect of VAT was £55k (2024: £18k).

20. Related Party Transactions

Owing to the nature of the Charitable Company's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the provisions of the Charitable Company's Articles of Association, the requirements of the Charities Act 2011, the Companies Act 2006 and the Trust's normal procurement procedures, and none of the Trustees benefit personally from any such transactions.

The following transactions took place with related parties during the year ended 31 March 2025:

Birmingham Museums Trading Limited

As detailed in note 17 of the financial statements, Birmingham Museums Trading Limited is a wholly owned subsidiary company of the Charitable Company. The Charitable Company levied a management charge on Birmingham Museums Trading Limited for the year ended 31 March 2025 amounting to £647k (2024: £591k). The management charge for both years includes the recharge of staff by the Charitable Company to Birmingham Museum Trading Limited as disclosed in Note 8(e) of the financial statements.

At 31 March 2025, the Charitable Company was owed an amount of £203k (2024: £343k) from Birmingham Museums Trading Limited.

Thinktank Trust

As detailed in note 17 of the financial statements, Thinktank Trust is a wholly owned subsidiary charitable company of the Charitable Company. The Charitable Company levied a management charge on Thinktank Trust for the year ended 31 March 2025 amounting to £Nil (2024: £Nil).

At 31 March 2025, the Charitable Company was owed an amount of £2,451k (2024: £2,033k) from Thinktank Trust.

Birmingham City Council

Birmingham City Council (BCC) is the sole member of the Charitable Company and, under the Articles of Association, two of the Charitable Company's Trustees are also officers of BCC.

BCC receives contractual services from the Charitable Company and the total contractual payments received in the year ended 31 March 2025 by the Charitable Company for the services undertaken amount to a fixed fee of £3.546m (2024: £3.282m). During the year ended 31 March 2025, BCC also provided funding of £Nil (2024: £1,502k) for the rewiring project at the Museum, compensation of £420k (2024: £420k) for loss of earnings due the extended closure of certain Museum facilities, a Shared Prosperity Fund grant of 195k (2024: £Nil), other grants of £120k (2024: £81k) and other income and funding of £67k (2024: £28k).

At 31 March 2025, an amount of £9k (2024: £12k) was owed to the Charitable Company from BCC.

The Charitable Company also has outstanding loan arrangements with BCC at 31 March 2025 as disclosed in Notes 11 and 12 of the financial statements.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (continued)

20. Related Party Transactions (continued)

In addition, Thinktank Trust received a grant from BCC of £1.417m during the year ended 31 March 2025 (2024: £1.417m) to assist in the payment of lease rental payments on the Thinktank Science Museum to Millennium Point Property Limited.

Other related parties

Mr Clive Bawden, a Trustee of the Charitable Company, is also a Director and majority shareholder of Board Secure Limited. During the year ended 31 March 2025, there was Charitable Company purchased services from Board Secure Limited totalling £2k (2024: £Nil). There are no amounts owed to or by the Charitable Company at the year-end (2024: £Nil).

21. Members

The charity is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £10 in the event of the company being wound up. At 31 March 2025 Birmingham City Council was the sole member of BMT.

22. Pension Schemes

The company operates Defined Benefit and Defined Contribution Schemes.

Defined Benefit Scheme

As detailed in note 2, certain of the charitable company’s employees belong to the West Midlands Pension Fund which is a Local Government Pension Scheme defined benefit scheme. The West Midlands Pension Fund is a funded defined benefit scheme, with the assets held in a separate trustee-administered fund. The latest actuarial valuation of the West Midlands Pension Fund was at 31 March 2022. The total contributions made for the year ended 31 March 2025 were £156,000 (2024: £171,000) of which employer’s contributions totalled £121,000 (2024: £133,000) and employees’ contributions totalled £35,000 (2024: £38,000). The agreed employer contribution rates for the year ending 31 March 2026 is 22.8% after which the contribution rates will be revisited as part of the 31 March 2025 triennial actuarial valuation of the scheme

The defined benefit pension scheme is accounted for in accordance with applicable accounting standards within the United Kingdom. Consequently, a liability of Nil (2024: £Nil) is shown in BMT’s consolidated balance sheet. However, in accordance with the terms and conditions of the Local Government Pension Scheme, any liability is reversed over time through an increase in the contribution from current members to the scheme, on a mutualised basis across the whole of Local Government Pension Scheme.

The major assumptions used by the actuary were (in nominal terms):		At 31 March 2025	At 31 March 2024
Rate of increase in salaries		3.75%	3.75%
Rate of increase to pensions		2.75%	2.75%
Discount rate		5.80%	4.85%
Inflation assumption – CPI		2.75%	2.75%
Assumed life expectations on retirement at age 65 are:		At 31 March 2024	At 31 March 2023
Retiring today	Males	19.9	20.0
	Females	23.6	23.7
Retiring in 20 years’ time	Males	21.2	21.3
	Females	25.3	25.3

The assumptions used in determining the overall expected return of the scheme have been set with reference to yields available on government bonds and appropriate risk margins.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements *(continued)*

22. Pension Schemes *(continued)*

Defined Benefit Scheme *(continued)*

The assets in the scheme and the expected rates of return were:

	Fair value at 31 March 2025 £000	Fair value at 31 March 2024 £000
Equities	11,441	14,454
Bonds	8,639	6,635
Property	1,635	1,422
Cash	1,634	1,185
Fair value of plan assets	23,349	23,696

The actual return/(loss) on assets over the year was

93	2,107
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The total value of plan asset recorded under the 'Share of scheme assets' above of £23,349,000 has not been reduced in respect of asset ceiling restriction and represents the rolled forward fair value of scheme assets at 31 March 2025. The total surplus in the scheme at 31 March 2025 that has been restricted and hence not recognised in the financial statements is £10,428,000 (2024: £8,463,000).

The amounts recognised in the balance sheet are as follows

	2025 £000	2024 £000
Present value of scheme liabilities	(12,921)	(15,233)
Fair value of scheme assets (net of asset ceiling restrictions)	12,921	15,233
Net pension liability	-	-

Analysis of the amount charged to Statement of Financial Activities:

Current service cost	111	136
Administration cost	-	-
Interest on the defined liability/(asset)	410	72
Total	529	208

Analysis of the amount recognised in other recognised gains and losses:

Actuarial (loss)/gain on scheme assets	(2,599)	(857)
Actuarial (loss)/gain on scheme liabilities	3,019	550
Actuarial (loss)/gain recognised	(420)	(307)

Changes to the present value of the defined benefit obligation:

Opening defined benefit obligations	15,233	15,250
Current service cost	111	136
Interest cost	728	720
Contributions by scheme participants	35	38
Actuarial loss/(gain)	(2,439)	(940)
Benefits paid	(587)	(361)
Changes in demographic assumptions	(26)	(92)
Experience loss/(gain) on defined benefit obligation	(134)	482
Closing defined benefit obligations	12,921	15,233

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (continued)

22. Pension Schemes (continued)

Defined Benefit Scheme (continued)

Changes in the fair value of plan assets

Opening plan assets	15,233	15,250
Interest on assets	1,138	1,030
Return on assets less interest	(1,054)	1,077
Pension asset restriction	(1,965)	(1,934)
Administration expenses	-	-
Contributions by employers	121	133
Contributions by scheme participants	35	38
Benefits paid	(587)	(361)
Closing plan assets	12,921	15,233

Sensitivity Analysis

Change in defined benefit obligations from change in	31 March 2025	31 March 2024
Assumptions of	£000s	£000s
0.1% Decrease in Real Discount rate	239	296
1 year increase in member life expectancy	517	609
0.1% Increase in the Salary Increase Rate	10	33
0.1% Increase in the Pension Increase Rate (CPI)	235	268

Defined Contribution Scheme

The charitable company operates a stakeholder compliant Group Personal Pension Scheme run by Standard Life PLC open to all employees. The Trust makes matching contributions to this scheme for employees making contributions, subject to a minimum contribution of 3% per month per employee.

23. Lease Commitments

Land and Building Leases

At 31 March 2025 the group had future minimum lease payments, in relation to land and building leases for Thinktank Trust at Millennium Point, under non-cancellable operating leases as follows:

	2025	2024
	£	£
Within one year	701,469	684,360
Between two to five years	2,019,021	2,720,490
Total	2,720,490	3,404,850

The company had no leases in respect of land and buildings.

Other Operating Leases

At 31 March 2025 the group and company had future minimum lease payments, in relation to other operating leases, under non-cancellable operating leases as follows:

	Group	Company	Group	Company
	2025	2025	2024	2024
	£	£	£	£
Within one year	11,219	11,219	11,839	11,839
Between two to five years	11,640	11,640	19,954	19,954
More than five years	-	-	1,663	1,663
Total	22,859	22,859	33,456	33,456

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements *(continued)*

24. Post Balance Sheet Events

There are no post balance sheet events

25. Provisions for liabilities and charges

There are no provisions for liabilities or charges in the consolidated accounts.

BIRMINGHAM MUSEUMS TRUST

England & Wales - Charity number 1147014

Accounts

BIRMINGHAM MUSEUMS TRUST

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

BIRMINGHAM MUSEUMS TRUST
*Annual Report and Consolidated Financial Statements for the year ended
31 March 2024*

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BIRMINGHAM MUSEUMS TRUST

Company Details

Charity Name	Birmingham Museums Trust
Charity Registration Number	1147014
Company Registration Number	07737797
Registered Office	Birmingham Museum and Art Gallery Chamberlain Square Birmingham B3 3DH
Auditors	Cooper Parry Group Limited Cubo Birmingham Office 301 Two Chamberlain Square Birmingham B3 3AX
Bankers	HSBC Bank plc 130 New Street Birmingham B2 4JU
Solicitors	Higgs & Sons LLP Waterfront Business Park 3 Brierley Hill Dudley DY5 1LX

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report

The Board is pleased to present their Annual Report and Consolidated Financial Statements for the year ended 31 March 2024. This includes the contents of a Strategic Report as required by the Companies Act 2006.

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

Board of Trustees of Birmingham Museums Trust

The Trustees of Birmingham Museums Trust (who are also directors for the purposes of company law) served during the year and up to the date of this report are:

Mr Niels de Vos (Chair)
 Councillor Robert Alden
 Mr Clive Bawden
 Dr Louise Brooke-Smith OBE
 Mr Liam Darbon
 Cllr Phil Davis MBE
 Mr John Diviney (resigned 24 July 2024)
 Ms Sapreena Kumari
 Ms Jess Phillips MP (appointed 26 July 2023) (resigned 20 August 2024)
 Mr Jonnie Turpie MBE
 Ms Elly Porter (resigned 24 July 2024)
 Mr Tony Simpson
 Ms Tracey Stephenson

In addition, the charity has two subsidiary companies. It is the sole shareholder of Birmingham Museums Trading Limited and the sole member of Thinktank Trust.

Directors of these two companies who served during the year and up to the date of this report are:

Birmingham Museums Trading Limited
 Mr Liam Darbon (Chair)
 Mr Zak Mensah
 Mr Kingston Myles (appointed 13 November 2023)
 Mr John Diviney (Resigned 24 July 2024)
 Ms Tracey Stephenson

Thinktank Trust
 Mr Niels de Vos

Legal status

Birmingham Museums Trust ("BMT") is a registered charity (number 1147014) and a company limited by guarantee (number 07737797), incorporated on 11 August 2011, and is governed by its Articles of Association ("Articles"). In the event the charitable company is wound up, members are required to contribute an amount not exceeding £10.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Achieving Objects and activities for the public benefit

In considering the strategies and policies of the charity, the trustees have had due regard for the public benefit guidance published by the Charity Commission, in accordance with the Charities Act 2011.

The charity's objects as set out in its Articles are:

To advance education by the operation, maintenance, development and promotion of museums, galleries and libraries in Birmingham, together with associated facilities and related programmes of outreach and research, fostering knowledge and understanding, appreciation and enjoyment of the arts, history, science and technology by residents and visitors to the City of Birmingham.

We have reviewed the fundamental purpose of Birmingham Museums Trust (BMT) and our activities critically and systematically, from the management culture to our business and commercial strategies, and our creative and intellectual assets and ambitions. We have begun a process of change engaging our trustees, workforce, stakeholders, community partners and the wider public in our mission to rethink what a museum is. The table below articulates the challenge we face, why we believe BMT is well-positioned to respond, and our purposeful vision or Cause.

PROBLEM The challenge we face	BELIEF The conviction that fuels our commitment	MISSION What we exist to do	PURPOSE Value and importance of what we do	VISION How the world would be better if we succeed
Structural inequality is thwarting Birmingham's potential.	We acknowledge our history, its injustices and innovations as an ethical foundation for our work.	We harness all the people's collections, heritage and creativity to tell stories that make meaning.	This embraces Birmingham's super-diversity generating hope, building social trust and increasing belonging and solidarity.	We will empower people and communities to imagine and shape an ambitious, vibrant, creative, multicultural city.
Birmingham's huge potential as a vibrant, creative, convivial, multicultural city is greatly diminished by structural inequality, deprivation and social injustice. This hinders aspiration and hope, undermines trust in institutions, weakens civic pride and the connections between and within communities, and disempowers its citizens.	We will exercise intellectual and cultural leadership in addressing the issues of an increasingly polarised society, while also exploring historic injustices within an overall context of Birmingham as a city of belonging, capable of containing multiple identities and a plurality of views.	Audiences and communities will play a leading role in shaping Birmingham Museums through consultation, collaboration and coproduction. We will work with cultural and community partners and individuals, to reflect the stories and characters of the people and city today, their shared experiences and untold histories.	Birmingham Museums will be an ambitious, authentic expression of the best of the people of the city and the region. If interaction and understanding are sought diversity is a great strength. We will explore how cultural resources can be shared and cultural participation and expression can be enabled within a complex cultural ecosystem.	We will activate and amplify Birmingham's rich cultural inheritance and vibrant cultural life. We will renew/reinvent our buildings and programmes to redefine the museum so that it is a catalyst for active citizenship, democratic renewal and inclusive pride in Birmingham.
CAUSE Our Purposeful Vision				
We harness all the people's collections, heritage and creativity to tell stories that make meaning. This embraces Birmingham's super-diversity generating hope, building social trust and increasing belonging and solidarity. We will empower people and communities to imagine and shape an ambitious, vibrant, creative, multicultural city.				

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives in planning future activities. In particular the Trustees have considered how planned activities will contribute to the strategic aims. The objects of the charity are achieved through capital developments and gallery redisplay, public programmes of exhibitions and events across the nine venues, formal and informal learning programmes for schools, families and adults, public access, including digital access, to the collection on display and in store, collections care, loans and commercial activities including retail, catering and event hire.

The charity's priorities are aligned with those of its major public funders, Birmingham City Council and Arts Council England.

Structure, Governance and Management

The Board of Trustees has responsibility for the on-going strategic direction of BMT overseeing its finances and approving the budget, working with the Co-CEOs and Senior Leadership Team in the development and implementation of policy to meet BMT's objects and to ensure that it fulfils its statutory duties. The Board meets at least four times a year.

Day to day management is delegated to Co-CEOs Sara Wajid and Zak Mensah. They are assisted by Rowena Dean - Director of Development, Charlotte Holmes - Director of Engagement, Rob Lewis Director of transformation, Rachael Minott Director of Engagement (left March 2024), Kingston Myles - Director of Enterprise and Innovation, and Toby Watley - Director of Collections.

Recruitment and Appointment of Trustees/Directors

The Articles provide that two directors shall be appointed who are members or officers of Birmingham City Council in accordance with the nomination of the City Council. Other directors may not be members or officers of the City Council and may only be appointed after a recommendation of the directors after they have considered the desirability of:

- making such a recommendation after the advertisement of the vacancy and the response to such an advertisement;
- a board of Directors with a range of skills experience and abilities relevant to the objects and activities of the charity; and
- a board of Directors representative of the people of Birmingham.

Trustee induction and training

All Trustees are provided with an induction to the organisation on appointment.

Remuneration of management personnel

Remuneration for management personnel is set by comparison internally with similar posts when possible, benchmarking with similar external organisations and with reference to Croner's Salary Search.

Employment of people with disabilities

BMT is committed to the employment, support and training of people with disabilities. Employment policy is included in the staff handbook and is available to employees on the intranet.

Informing Employees

Keeping our workforce informed is important to us. Performance information is circulated monthly to all staff by email and by cascade via the management team. "All Staff Briefings" are held monthly which also provide opportunity for question and answer sessions.

Risk Management

The Trustees actively and regularly review the major risks to which BMT is exposed and have implemented procedures to manage and minimise any potential impact should any of the identified risks materialise. A Risk Framework, supported by a Risk Register, is maintained setting out an assessment of the likelihood and impact of risks, with required actions identified to manage the risk. This is reviewed and updated no less than quarterly. The Trustees are satisfied that there are clear lines of delegation and authority to staff regarding risk management, and that staff are aware of the need to address risks in their areas of activity.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Key risks

- Impact due to Birmingham City Council issuing Section 114 notices in September 2023
- Rising costs (goods, services, energy, cost of living impact)
- Largescale electrical rewiring programme at BCC Council House forcing continued closure of Birmingham Museum and Art Gallery (BMAG)
- Physical deterioration of Historic Properties and Museum Collections Centre
- Existing multi-year grants do not increase in line with inflation
- Construction of High Speed Rail (HS2) near two of our sites
- Ability to meet obligations as they fall – BMT needs sufficient cash to meet its financial obligations at any given time

Achievements & Performance 2023-24

23-24 saw approx. 305,000 total visitors including 57,638 school visits.

It continues to be a difficult climate to operate in. However highlights include the launch of Thinktank's new exhibitions space, the reopening of Birmingham Museum and Art Gallery's Gas Hall, the completion of BMAG's rewiring and building works, the start of a 10 year BMT's Dynamic Collections programme, the delivery of popular biodiversity programmes across Historic Properties, and a steady growth in our volunteering programme.

The Museum of the Jewellery Quarter remains closed due to ongoing essential roof work delays by the landlord (Birmingham City Council), and a closure of Soho House for health & safety reasons due to a blocked and leaking sewer caused by factors far beyond BMT's premises. Our main stakeholder, Birmingham City Council, issued a Section 114 notice in September 2023, effectively declaring itself near bankrupt. The immediate impact has been a delay in securing additional council money to support BMAG's reopening plans and potential for a new Museum of Science and Industry. BMT has been working with the cultural organisations in the city highlighting the cultural value of the museum collection and estate, as well as the liabilities tied up in these for both the Trust and Council if funding were to decrease or assets sold off. By March 2024 the Council had confirmed its commitment to the existing funding agreement which runs in four year cycles (2022-2026) as part of 25 year agreement which runs until 2043.

Some of BMT's key achievements during 2023-24:

Completion of Birmingham City Council-funded rewiring works and ACE MEND-funded roof, heating and lift works at Birmingham Museum and Art Gallery included the creation of an additional painting store and a new fine art works on paper store to improve access and better care for the collection. The fine artworks returned to site from temporary, storage whilst BMT also began the process of reinstating offices and shared user spaces on site.

A total of 8,930,433 people saw loans from Birmingham's collection on public display at venues worldwide in 2023-24. Of these, 281,910 visitors attended 13 temporary exhibitions featuring 45 objects on short-term loan from our collections at venues including Sharjah Art Foundation, the National Gallery of Ireland, Ulster Museum in Belfast and Ashmolean Museum in Oxford. A further 8,648,523 visitors attended museums featuring 1,542 objects or groups of objects on long-term loan from the collection.

Two venues continued to host 'star' loans of well-known fine art paintings during the closure of Birmingham Museum and Art Gallery: The National Gallery showed *The Rest on the Flight into Egypt* by Orazio Gentileschi, where it was enjoyed by 3,097,135 visitors. The Barber Institute also played host to *Erminia and the Shepherd* by Guercino, *The Last of England* by Ford Madox Brown, and *Christ as the Man of Sorrows*, by Petrus Christus up until October 2023, meaning that Birmingham audiences continued to be able to enjoy these iconic and important works.

2024 saw the start of BMT's 'Dynamic Collections' 10-year programme, to create a complete searchable and publicly accessible collections catalogue. It aims to transform the accessibility of the collection by finding ways to involve people in this work, breaking down the collections management activities into smaller participatory and joy sparking sessions. Under this wider programme, two projects began this year: a 16-month Fidelity Foundation funded project for on-site and online collections activities, and a 3 year 'Voices of the City' oral history project funded by Esmée Fairbairn Foundation.

The Documentation Detectives: Transcribing the Accession Registers project launched in March on the Zooniverse crowdsourcing online platform, with 1,530 instances of participation online and 27,264 paper records digitally transcribed within just a few weeks.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

On 22 July 2023 BMT launched the exhibition 'Makers and Machines: Creativity in the Computer Age' part-funded by Millennium Point Trust. The exhibition explored the surprising long history of coding and told the incredible stories of local people, past and present, who use coding in their work. It looked at how local weavers and knitters, mathematicians and scientists, artists and gamers all use coding. The exhibition also explored the implications of new technology such as artificial intelligence (AI) for human creativity, as well as showcasing rare and important collection objects such as the HEC computer, one of the oldest surviving electronic computers in the world

During the year Thinktank also launched a display in partnership with HS2 and Balfour Beatty Vinci about railway engineering, featuring a 6m long model of an HS2 tunnel boring machine. In addition, Thinktank opened up its new 'Think Code Play Interactive Arcade' featuring 8 vintage original arcade machines from the late-twentieth century. Each machine is interpreted with a 'Top Trumps' style fact file, and the overall display tells the story of the birth of video gaming as a pastime in the context of the local games development industry.

Birmingham Museum and Art Gallery remained closed to the public due to the building works. In February 2024 BMAG Gas Hall reopened with the exhibition, 'Victorian Radicals: From the Pre-Raphaelites to the Arts and Crafts Movement'. The exhibition sees Birmingham's world-famous collection of Pre-Raphaelite art and design on display in the city for the first time in over five years, following a successful tour of the US. This special homecoming exhibition gives visitors the opportunity to discover the story of the Pre-Raphaelites and their influence on artists and makers well into the 20th century.

Whilst Birmingham City Council had to withdraw its financial support to BMAG reopening costs, BMT still successfully secured £250k from FCC Communities Foundation funding and an additional grant from DCMS/Wolfson Foundation to support the costs of a phased partial reopening of the museum later in 2024.

At Soho House Visitor Centre, the exhibition 'Blood & Fire: Our Journey Through Vanley Burke's History' reopened for a second season with images taken by renowned photographer Vanley Burke alongside archival material from his personal collection, taking visitors on a journey through the artist's history and the Black British experience.

At the Museum Collections Centre (MCC) we increased public access in 2023-24 with weekly instead of bi-weekly 'Explore the Store' tours. In previous years MCC held an annual open day in September. Due to popular demand a second MCC Open Day has been added to April. Over 1600 visitors were attracted to these days over the course of the year.

Volunteering

Volunteers gave 5,088 hours of their time including 936 Corporate volunteer hours.

At the beginning of 2023 a Volunteer Manager was recruited to relaunch volunteer efforts which have been low since the Covid era. Key priorities included a review of all activity. Throughout the year systems and processes were reset, a Volunteer Management system was introduced which ensures accurate report on our volunteers, managing rotas and communication. In a bid to experiment BMT hosted our first Volunteer Fair.

A wellbeing survey was conducted with a score of 4.3 out of 5 for six measures of volunteer satisfaction.

The second and final year of the Volunteer Futures programme was carried out (looking at dispersed model of volunteering in North and East Birmingham). Activity included Co-creation of a book of photos taken of/by asylum seekers living in Rowton Hotel, working with GRAIN Photography (book launched June 2024), Partnership with Kings Rise Academy, Kingstanding, supporting the use of archives and pupil-led oral histories to empower young people and parents in the area, Community art project working with archives on the Bromford Estate, with the co-creation of artworks which are now on permanent display on the estate, Relationship building with partners including Sophie Hayes Foundation, Heart of Birmingham Vocational College, Open Door Theatre Company to link partners into other BMT projects and celebration and sharing event held at Thinktank with all partners and stakeholders to share learning and best practice in community volunteering.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Participation

Successfully continued delivery of the Community Welcome Pass, providing access to BMT sites/exhibitions for those facing financial barriers to engagement. Across 2023-24, the number of Community Welcome Pass holders increased to 68 people from 40 grassroots organisations and CICs in the city. CWP holders booked 70 group visits across the year, bringing 1,770 participants to BMT sites who would not otherwise be able to visit.

2023-24 was the first year of a partnership between BMT and Birmingham City Council's Public Health Team. A Research Officer was recruited, with similar roles being recruited in three other cultural venues in the city. BMT's activity looks at how museum collections (with an initial focus on oral history collections around food and drink) can be used as a tool for health behavioural change and discussion.

Since starting in May 2023, activity has included, Developing a new model for mixed AI- and volunteer-transcription, making the oral histories accessible for the first time, Creating a framework for coding collections in line with Public Health outcomes, Community consultation around the collection and food/drink, Partnerships with Aston University and local artists, reaching a wider audience, Partnership with the Ikon Gallery to use BMT's collections to inspire discussion around motherhood and breastfeeding, Linking Public Health outcomes and research into the Thinktank schools learning programme.

Since starting in June 2023, the Dynamic Collections Participation Officer has developed a method for engaging local groups with the collections responsively, meeting local need through collections work. Activities have included: Delivering in-reach and outreach activity with groups as diverse as Heart of Birmingham Vocational College (16+ age learners with SEN), Sophie Hayes Foundation (survivors of modern slavery), Nechells Pod (local residents) and BCU (local HE students), offering social connection, employability skills, confidence building and more. Supporting the delivery of a model for ethical approaches to sensitive language in the collections, via Zooniverse. Working with an external Critical Friend to deliver an impact report, evaluation framework, community partner panel discussions.

Regarding our learning services, 53,664 children and young people from schools or alternative educational provisions engaged with BMT museums and collections in 2023/24 through a combination of facilitated learning sessions and self-guided resource learning across all key stages. Of these, 42,555 (79%) children and young people attended as part of school visits, with 49.7% coming from a Birmingham school and 50.3% coming from beyond Birmingham, including West Midlands schools in Sandwell, Staffordshire, Wolverhampton and Coventry.

The BMT 'Museum in a Box' service has continued to help the city's collections reach school audiences who may be restricted in accessing museum visits. Through term-based hires the museum in a box service delivered 180 box hires and engaged with 5,758 children and young people in schools.

BMT's learning outreach programmes commenced in September 2023 after a 3-year gap. Outreach has been heavily supported by the provision of a new Mobile Planetarium which delivered 60 outreach sessions to 60 schools and engaged with 3,437 pupils. Staff have also been piloting mobile planetarium at events across MCC and the historic properties to gauge interest in its popularity for wider public programming.

40 teachers accessed continued professional development activities through partnership exhibitions and focused projects such as the 'Urban Nature' programme, helping teachers find new ways to explore biodiversity and natural history learning programmes with their learners.

BMT's informal learning programming (live public events) engaged with 42,569 people in total in 2023/24. 55% of these were children and young people under 19 years of age, and 45% over 20 years of age [adults]. Highlights included the BlackSTEAM festival (Blastfest), a pioneering pop-up festival exploring science and technology through Black arts and culture, with a mission to build community 'science capital' by championing Black brilliance, cultivating connected communities and fostering critical curiosity, creative action and positive change.

Other key events included the showcasing of Pogus Caesar's 'A Tiny Spark' film screening (commissioned by Birmingham Museums Trust) which reimagined the 1985 Birmingham Handsworth riots. The screening took place over two events where BMT had the great honour of hosting the late Benjamin Zephaniah as part of its post-screening in-conversation event, who featured in the film. At Soho House BMT worked with the Birmingham Black Arts Forum to support creative craft programming and Caribbean story telling with artist, Miss P, and performance artist, Charles Kouasseu; whilst at Aston Hall we hosted Sonia Sabris Mughal Miniature performances as part of the city's wider South Asian History Month programme.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Community development activity

Engagement in a group discussing arts-based approaches to healing and dialogue around the Gaza/Israel conflict.

Visitor engagement in new Thinktank display Makers and Machines including engaging local residents in AI, developing content in the gallery and evaluation.

Supporting development of the Citizen's Jury which is due to run 2024-25.

Partnerships with local organisations including Geese Theatre, Saheli Hub and Mencap, to develop asset-based approaches to working with local providers.

Climate Action

Our Climate Pledge (Sept 2021) makes a commitment to reducing the environmental impact of our activities and operating as sustainably as we can. Our ambition is to reach net zero by 2040. The Pledge forms part of the *Our Changing Planet* gallery at Thinktank.

Our Climate Action Plan 2022-26 sets out our aims to lead the way in our approach to environmental responsibility. Since our establishment in 2012 we have taken considerable steps to reduce our waste and energy usage, change to green energy suppliers and reduce the negative impact of our operations on the climate and environment. Progress against our Action Plan is monitored quarterly.

Our Climate Action Plan recognises our role in public engagement on environmental action, as well as responding to public, partner, stakeholder and funder expectations. One of our major funders, Birmingham City Council has undertaken an Environment and Sustainability Assessment of our work to assess its impact on and understand how we are tackling Climate Change. As an Arts Council England National Portfolio Organisation we are required to improve our environmental performance, reduce carbon emissions and manage our collections sustainably, collecting data and submitted evidence annually to ACE's Sustainability Partner Julie's Bicycle.

2023-24 saw the delivery of a wide range of biodiversity-related programmes across our Historic Properties, funded with the support of Arts Council England NPO funding, including an Earth Day event at Weoley Castle and Urban Nature Day events at Blakesley Hall, Sarehole Mill, Aston Hall and Weoley Castle, attracting over 1,000 participants.

As part of these events BMT trained and worked with volunteers to undertake ecological surveys which led to the development of biodiversity plans for Aston Hall and Weoley Castle, with the aim to develop further plans at our other sites in the coming 2 years. We also helped share knowledge and understanding of Birmingham's biodiversity through giving talks to numerous neighbourhood nature groups including Selly Park Gardening Club and the West Midlands Fungus Group!

Fundraising

BMT actively pursues funding from grant makers (trusts, foundations and public funders), corporate supporters and individuals to fund our charitable activities. We work with others to increase our fundraising opportunities including academic partners, specialist sector organisations, charities who align with our purposes, community partners, and other museum and cultural organisations. A grant from National Lottery Heritage Fund was awarded to undertake business planning through our 'Laying the Foundations' project to which a new fundraising strategy will be created in tandem. The project will run throughout 2024-25.

We use third-party website Just Giving to collect donations, and Donr to collect donations via SMS. We offer the option to gift-aid admission charges for entry, make a donation online with a ticket or shop purchase, or on-site at one of our museums.

We do not employ the services of professional or commercial fundraisers. We do not undertake street collections or telephone campaigns. Where we collect personal information, this is managed in line with our Data Protection Policy.

BMT is registered with the Fundraising Regulator, the independent regulator of charitable fundraising in England, Wales and Northern Ireland. We have received no complaints regarding our fundraising in 2023/24.

BMT's Safeguarding Policy makes specific reference to donors. BMT abide by the Fundraising Regulator's Code of Practice and uses the Institute of Fundraising guidance for Treating Donors Fairly (2021).

We are hugely grateful to all our donors, partners and funders for their support.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Key strategic priorities/objectives for BMT over the next 2-3 years

BMT's Business Plan 2022-26 states that our Co-CEO's Sara Wajid and Zak Mensah's brief is to lead a multi-year transformation towards a socially purposeful museum service rooted in the distinctive cultural heritage of this region. Radical transformation takes time and we are committed. 2024-25 will be the third year of our change programme and we are determined to emerge from the pandemic a more dynamic organisation that better contributes to our society. We will fulfil our cause by taking forward actions that meet our 10 Strategic Aims:

AIM 1. Democratise our governance

We believe ideas and leadership can and should come from anywhere. We will adapt and augment to create a more sustainable, agile and porous structure. We will create a democratic decision-making process and new groups of influence.

AIM 2. Nurture a creative, enabling internal culture

Deliberate coordinated method to change our culture collectively. Become an experimental learning organisation driven by evidence-based decision making.

AIM 3. Grow a rich workforce eco-system

Design a workforce with the capabilities to develop the service and deliver our Cause. Grow our own pipeline of talent through our programming and provision of career and skills development opportunities. Inclusive of the wider workforce of creatives, freelancers, contracted staff and partners.

AIM 4. Design a radical, sustainable new museum operating model

We will re-think what a museum is and its relationship to its city and environment. We believe that BMT is more than a collection of buildings and objects. We see our role not only as a guardian but as an agency of social change. We will explore new and different ways to manage, use and rationalise our estate and our physical and digital assets to identify the options that best support our future viability and resilience and that can best deliver our Cause.

AIM 5. Redefine the cultural value of collections

We will change how our collections are understood, accessed and used and we will reframe how we measure cultural value of our collections to Birmingham and its citizens. We will build new partnerships and develop new channels that enable people to play a fuller role in using, researching, borrowing, augmenting and interpreting our collections and curating their own. We will explore repatriation and deaccession for long-term sustainability.

AIM 6. Pioneer experiments in mass-participation

We will make a paradigm shift that moves BMT away from the dominant model of passive visitor-ship. In its place we will forge a new model of active engagement: experiments that enable non-visitors to share their heritage and creativity and share their stories and ours. We want to make the people's culture popular culture. We will devise new measures that evidence the impact on individual, community, civic and societal change.

AIM 7. Reposition BMT as critical to the city's future

Reposition Birmingham Museums as a critical key driver of social, cultural, and economic creativity and innovation. Identify new audiences, advocates, partners, and stakeholders to help us deliver our Cause.

AIM 8. Build our own segmented mass channel

Use direct email to create our own channel to increase user engagement and participation. Underpinned by our website, CRM and ticketing systems and backed up by a social media strategy.

AIM 9. Cultivate connections

Become an anchor organisation in a vibrant city-wide network of organisations and individuals.

AIM 10. Diversify and increase our income

Respond to the changing markets and circumstances, adapting and evolving our trading opportunities to maximise income.

We will:

- Engage our existing relationship partners and seek new voices to reimagine our vision for BMT. The outcome will be a service direction that uses socially engaged practice. At our core will be a work programme that always focuses on the needs of our users. 2024-25 will see our first use of a Citizen's Assembly to get the views from a group of representative people across the city.
- We will experiment with reaching new audiences through local, national, and international partnerships.
- Re-imagine who the buildings and collection are for and collaborate with the people and communities who are critical to the future of Birmingham Museums for the next 50 years and beyond.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

BMT will demonstrate a commitment to increase educational/outreach work through:

- Without Walls, a programme to engage audiences online and offsite. Includes taking artworks and items from the collection into schools and communities, inviting Birmingham citizens to co-produce new displays for when BMAG reopens, sharing content through our digital platforms, and delivering outdoor exhibitions.
- New online services and activity taking the outcomes of our new Digital Strategy forward
- New public participation in shaping the direction of the organisation under the leadership of our Co-CEOs
- The change in approach envisions a shift with decreasing education and participation numbers onsite and increasing offsite and online attendance and participation.

BMT will continue to work closely with Birmingham City Council and will ensure we take all reasonable steps to protect the properties and collections we are responsible for. We have worked together to develop a set of condition surveys to aid prioritising essential maintenance, mechanical and electrical work across our properties. This work will support future applications to improve building infrastructure.

BMT is an Arts Council England National Portfolio Organisation delivering the 2020 – 2030 Let's Create strategy. This year, 2023-24, was the first year in a three year agreement with Arts Council England, with Arts Council announcing in 2024 that they would invite NPO organisations to apply for an additional year of funding, extending the agreement to 2026/27.

Throughout 2023-24 BMT has actively developed, delivered and monitored the Let's Create outcomes of Creative People, Cultural Communities and A Creative & Cultural Country as well as the Investment Principles of Ambition and Quality, Inclusivity and Relevance, Environmental Responsibility and Dynamism. BMT's vision is fully aligned with these objectives and principles and leading the sector in many areas. For example, our work to explore and test new routes to participation and democratising museum practice through our Dynamic Collections project delivers on all Let's Create outcomes and is becoming a model for the sector.

Financial Review

The financial performance of the Museum for the year under review and the financial position at the Balance Sheet date are set out in this report. In particular the Statement of Financial Activities (SOFA), which includes both unrestricted and restricted funds, shows the performance of the group during the year.

Like the vast majority of charities, BMT continues to recover from the impact of COVID-19. The main financial impacts have been:

- Nationally museums saw between 25% to 50% less visitors nationally than pre-pandemic
- Facing significant loss of revenue, BMT prioritised expenditure that was critical to the delivery of its charitable objectives and looked at new ways of cost effective working
- Birmingham Museum & Art Gallery remained fully or partially closed for the majority of the reporting period as part of electrical rewiring works across the building complex, which traditionally attracted the majority of visitors and secondary spend
- Rising costs continue to put a strain on the business

The cost of governance activities was £0.044m (2023: £0.034m). Direct governance costs have been included in accordance with the Charity SORP 2019 and include audit fees, legal fees and Trustee expenses.

Going Concern

On 5 September 2023 Birmingham City Council issued a section 114 notice. Following this Birmingham City Council confirmed it will honour existing contracts. The existing Service Level Agreement (SLA) covers the four year period to March 2026, so there are no short term risks to SLA funding. However, Birmingham City Council continues to look at areas of cost savings for the financial year 2025-26 and onwards. At time of writing Birmingham City Council and Birmingham Museums Trust are working together to look at the next four year funding cycle 2026-30. There are financial and reputation implications if the Birmingham City Council were to reduce funding from April 2026. However in finalising the next SLA both parties have to agree the funding provided by Birmingham City Council is in line with service provision expected from Birmingham Museums Trust.

The financial statements have been prepared on a going concern basis. Substantial budgeting and forecasting due diligence has been undertaken by senior management and Trustees. The Trustees consider there is a reasonable expectation that the company has sufficient resources to continue in operational existence for the foreseeable future and, for this reason they have adopted the going concern basis in preparing the financial statements.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Reserves Policy

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

They take the view that the nature of the BMT's consolidated cash flows is such that they can set as a medium-term objective to maintain unrestricted reserves, excluding defined benefit pension liabilities, at a level of one month's income, or around £1m.

At 31 March 2024 Restricted Funds stand at £1.972m (2023: £2.285m), Unrestricted Funds at £3.954m (2023: £2.255m) and a Pension Reserve of £NIL (2023: £NIL).

While the Pension Reserve has a £NIL balance at 31 March 2024, the FRS102 valuation report from the actuary indicates there is an asset in the scheme of £8.463m (2023: £6.529m). There is significant judgment needed by the Trustees in assessing whether the asset should be recognised in the financial statements. After considering the extent to which a benefit could be derived by BMT from this pension asset, either in the form of reduced contributions or refund from the scheme, the Trustees are of the view that there is no benefit to BMT. As such no pension asset has been recognised in the financial statements at 31 March 2024 (2023 £NIL).

As at the 31 March 2024 Free Reserves, including designated reserves of £0.500m, were £3.391m (2023: £1.654m).

The unrestricted reserves are in line with the charity's reserves policy.

Investment Policy

The Trustees have the power to invest funds not immediately required from operational purposes in such investments, securities or property as they see fit.

The underlying investment strategy is to accept only a low level of risk and therefore available funds are invested in low risk short-term deposits with HSBC plc, a bank which operates in the United Kingdom and which is subject to regulation under the Financial Services Act 2012.

Related Party

Birmingham City Council, the sole member of the charitable company, has paid fees for services and has provided loan finance to Birmingham Museums Trust. Any conflicts of interest involving Trustees in this respect are declared where appropriate.

Auditor

The Auditor, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

BIRMINGHAM MUSEUMS TRUST

Statement of Trustees' responsibilities in respect of the Trustees' report and the financial statements

The Trustees (some of whom are also the directors of Thinktank Trust and Birmingham Museums Trading Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, generally accepted accounting practice entails, the Trustees:

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

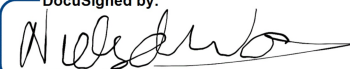
The Trustees are responsible for keeping proper and adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

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

Approved by the Board of Trustees on 24 July 2024 and signed on their behalf by:

DocuSigned by:

 814878EFCCE3442...
Mr Niels de Vos
Chair

BIRMINGHAM MUSEUMS TRUST

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust

Opinion

We have audited the financial statements of Birmingham Museums Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 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 Report of the Trustees and Strategic 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.

BIRMINGHAM MUSEUMS TRUST

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (*continued*)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, charities SORP, taxation legislation, data protection and anti-bribery and employment legislation.

BIRMINGHAM MUSEUMS TRUST

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (*continued*)

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities including fraud, included but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

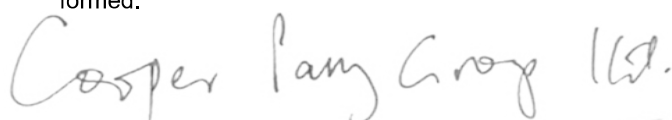
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

A further description of our responsibilities for the audit of the financial statements is located 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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Cooper Parry Group Limited
Statutory Auditor**

Cubo Birmingham
Office 301
Two Chamberlain Square
Birmingham
B3 3AX

Date: **13 November 2024**

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2024

	Note	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Funds £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and legacies		487,080		-	487,080	22,260
Investments						
Rental income		19,167	-	-	19,167	10,000
Interest receivable		43,094	-		43,094	13,305
Charitable activities						
Visitor admissions and outreach income		2,563,823	-	-	2,563,823	1,816,519
Grants receivable and other income		5,828,576	3,346,117	-	9,174,693	7,845,810
Other trading activities						
Income from trading activities of Subsidiary		1,197,139	-	-	1,197,139	1,607,196
Total Income	4	10,138,879	3,346,117	-	13,484,996	11,315,090
Expenditure on:						
Raising funds						
Expenses from trading activities of Subsidiary		(1,116,931)	-	-	(1,116,931)	(1,479,797)
Fundraising costs		(32,600)	-	-	(32,600)	-
Charitable activities						
Museum costs		(7,339,899)	(3,608,812)	307,000	(10,641,711)	(11,337,309)
Total Expenditure	5	(8,489,430)	(3,608,812)	307,000	(11,791,242)	(12,817,106)
Net income/(Expenditure)		1,649,449	(262,695)	307,000	1,693,754	(1,502,016)
Transfers between Funds	14	49,922	(49,922)	-	-	-
Other recognised gains						
Actuarial loss/gain on scheme assets		-	-	(857,000)	(857,000)	(7,262,000)
Actuarial loss/gain on scheme liabilities		-	-	550,000	550,000	8,288,000
Net movement on pension fund	22	-	-	(307,000)	(307,000)	1,026,000
Net movement in funds		1,699,371	(312,617)	-	1,386,754	(476,016)
Reconciliation of funds						
Fund balances brought forward	14	2,254,637	2,284,933	-	4,539,570	5,015,586
Fund balance carried forward	14	3,954,008	1,972,316	-	5,926,324	4,539,570

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and includes all gains and losses recognised in the year.

The notes on pages 21 to 43 form part of these accounts.

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2023

	Note	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Funds £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and legacies		22,260	-	-	22,260	37,748
Investments						
Rental income		10,000	-	-	10,000	14,082
Interest receivable		13,305	-	-	13,305	729
Charitable activities						
Visitor admissions and outreach income		1,816,519	-	-	1,816,519	1,572,553
Grants receivable and other income		4,996,447	2,849,363	-	7,845,810	9,868,984
Other trading activities						
Income from trading activities of Subsidiary		1,607,196	-	-	1,607,196	797,234
Total Income	4	8,465,727	2,849,363	-	11,315,090	12,291,330
Expenditure on:						
Raising funds						
Expenses from trading activities of Subsidiary		(1,479,797)	-	-	(1,479,797)	(742,110)
Fundraising costs		-	-	-	-	(8,847)
Charitable activities						
Museum costs		(7,505,574)	(3,643,735)	(188,000)	(11,337,309)	(11,448,907)
Total Expenditure	5	(8,985,371)	(3,643,735)	(188,000)	(12,817,106)	(12,199,864)
Net (expenditure)/income		(519,644)	(794,372)	(188,000)	(1,502,016)	91,466
Transfers between Funds	14	12,735	(12,735)	-	-	-
Other recognised gains						
Actuarial loss/gain on scheme assets		-	-	(7,262,000)	(7,262,000)	1,232,000
Actuarial loss/gain on scheme liabilities		-	-	8,288,000	8,288,000	2,306,000
Net movement on pension fund	22	-	-	1,026,000	1,026,000	3,538,000
Net movement in funds		(506,909)	(807,107)	838,000	(476,016)	3,629,466
Reconciliation of funds						
Fund balances brought forward	14	2,761,546	3,092,040	(838,000)	5,015,586	1,386,120
Fund balance carried forward	14	2,254,637	2,284,933	-	4,539,570	5,015,586

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and includes all gains and losses recognised in the year.

The notes on pages 21 to 43 form part of these accounts.

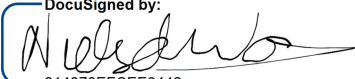
BIRMINGHAM MUSEUMS TRUST

Consolidated Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed Assets			
Tangible assets	9a	1,292,985	1,540,153
Intangible assets	9b	-	-
		<u>1,292,985</u>	<u>1,540,153</u>
Current Assets			
Stock	10	138,134	150,889
Debtors: amounts falling due in one year	11	1,136,946	1,308,536
Debtors: amounts falling due after more than one year	11	251,786	329,632
Cash at bank and in hand		<u>4,139,331</u>	<u>2,639,861</u>
		5,666,197	4,428,918
Creditors: amounts falling due within one year	12	(781,072)	(1,099,869)
Net Current Assets		<u>4,885,125</u>	<u>3,329,049</u>
Total Assets less Current Liabilities		6,178,110	4,869,202
Creditors: amounts falling due after more than one year	12	(251,786)	(329,632)
Provisions for liabilities and charges	25	-	-
Defined benefit scheme pension liability	22	-	-
NET ASSETS		<u>5,926,324</u>	<u>4,539,570</u>
Funds			
Unrestricted (Includes designated)	14	3,954,008	2,254,637
Restricted	14	1,090,165	1,400,532
Endowment	14	882,151	884,401
Pension	14	-	-
TOTAL FUNDS		<u>5,926,324</u>	<u>4,539,570</u>

The notes on pages 21 to 43 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 24 July 2024 and were signed on its behalf by:

DocuSigned by:

 814878EFC EE3442...

Mr Niels de Vos
Chair

Registered No: 07737797

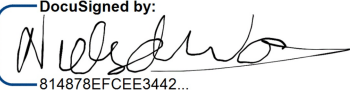
BIRMINGHAM MUSEUMS TRUST

Company Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed Assets			
Tangible assets	9a	1,270,088	1,537,183
Intangible Assets	9b	-	-
		<u>1,270,088</u>	<u>1,537,183</u>
Current Assets			
Debtors: amounts falling due in one year	11	3,428,327	4,262,531
Debtors: amounts falling due after more than one year	11	251,786	348,584
Cash at bank and in hand		3,930,392	1,496,062
		<u>7,610,505</u>	<u>6,107,177</u>
Creditors: amounts falling due within one year	12	(713,426)	(1,072,491)
Net Current Assets		<u>6,897,079</u>	<u>5,034,686</u>
Total Assets less Current Liabilities		8,167,167	6,571,869
Creditors: amounts falling due after more than one year	12	(251,786)	(329,632)
Defined benefit scheme pension liability	22	-	-
NET ASSETS		<u>7,915,381</u>	<u>6,242,237</u>
Funds			
Unrestricted (includes designated)	15	5,943,065	3,957,304
Restricted	15	1,090,165	1,400,532
Endowment	15	882,151	884,401
Pension	15	-	-
TOTAL FUNDS		<u>7,915,381</u>	<u>6,242,237</u>

The notes on pages 21 to 43 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 24 July 2024 and were signed on its behalf by:

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 814878EFC EE3442...
Mr Niels de Vos
Chair

Registered No: 07737797

BIRMINGHAM MUSEUMS TRUST

Consolidated Cash Flow Statement For the year ended 31 March 2024

	Note	2024 £	2023 £
Cash used in operating activities	a	1,604,614	(1,031,154)
Cash flows from investing activities	b	(105,143)	(299,884)
Increase/(Decrease) in cash during the year		1,499,471	(1,331,038)

(a) Cash used in operating activities

	2024 £	2023 £
Net incoming / (outgoing) resources	1,693,754	(1,502,016)
Adjustments for non-cash items:		
Depreciation and amortisation	352,311	714,227
Pension fund provision	(307,000)	188,000
(Increase)/decrease in stocks	12,755	13,920
(Increase)/decrease in debtors	171,591	616,801
(Decrease)/Increase in creditors	(318,797)	(537,086)
(Decrease)/increase in provision	-	(525,000)
Net cash inflow/(outflow) from operating activities	1,604,614	(1,031,154)

(b) Cash flows from investing activities

	2024 £	2023 £
Purchase of tangible fixed assets	(105,143)	(299,884)
Purchase of intangible fixed assets	-	-
Net cash outflow from investing activities	(105,143)	(299,884)

(c) Analysis of movements in cash and cash equivalents

	2024 £	2023 £
Decrease / Increase in cash and cash equivalents in the year	1,499,471	(1,331,038)
Cash and cash equivalents at the beginning of the year	2,639,860	3,970,898
Total cash and cash equivalents at the end of the year	4,139,331	2,639,860

(d) Analysis by cash and net debt

	As At April 2023 £	Cash flows £	Other non- cash flows £	As at March 2024 £
Cash at Bank and in hand	2,639,860	1,499,471	-	4,139,331

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements

1. General information

Birmingham Museums Trust is a charitable company limited by guarantee, incorporated and domiciled in England and Wales (Company number 07737797, Charity number 1147014). The Trust has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The registered office is Birmingham Museums & Art Gallery, Chamberlain Square, Birmingham, B3 3DH.

2. Statement of principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

Basis of accounting

The financial statements have been prepared under the Companies Act 2006 on a going concern basis and under the historical cost convention. The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Birmingham Museums Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant account policy notes.

The financial statements are prepared in sterling, to the nearest £1, which is the functional currency of the group and the charity.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies (see note 3).

Going Concern

On 5 September 2023 Birmingham City Council issued a section 114 notice. Following this Birmingham City Council confirmed it will honour existing contracts. The existing Service Level Agreement (SLA) covers the four year period to March 2026, so there are no short term risks to SLA funding. However, Birmingham City Council continues to look at areas of cost savings for the financial year 2025-26 and onwards. At time of writing Birmingham City Council and Birmingham Museums Trust are working together to look at the next four year funding cycle 2026-30. There are financial and reputation implications if the Birmingham City Council were to reduce funding from April 2026. However in finalising the next SLA both parties have to agree the funding provided by Birmingham City Council is in line with service provision expected from Birmingham Museums Trust.

The financial statements have been prepared on a going concern basis. Substantial budgeting and forecasting due diligence has been undertaken. The Directors consider that there is a reasonable expectation that the company has sufficient resources to continue in operational existence for the foreseeable future and, for this reason they have adopted the going concern basis in preparing the financial statements.

Basis of consolidation

The consolidated financial statements of Birmingham Museums Trust include the financial statements of the charitable company, its subsidiary trading company Birmingham Museums Trading Limited, and its subsidiary charity Thinktank Trust. The results of the subsidiaries, as disclosed in note 17 are consolidated on a line by line basis within the consolidated statement of financial activities.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The results of the standalone charity are summarised in note 17.

Statement of financial activities

The incoming resources and resources expended by the Birmingham Museums Trust are detailed below, together with respective accounting treatments.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Incoming resources

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

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

Donations and gifts

Cash donations are included when received.

Legacies

Income is recognised on an accruals basis to the extent that Birmingham Museums Trust has been notified that it is a beneficiary, receipt is probable and there is a clear indication of the amounts involved.

Grants receivable including government grants

Grants are recognised in the consolidated statement of financial activities when the conditions for receipt have been complied with.

Trading income

Turnover from the staging of events, retail shops and catering outlets operated by Birmingham Museums Trading Limited represents the value of goods sold net of VAT.

Income from investments

Investment income is accounted for on an accruals basis.

Sponsorship in kind

Sponsorship in kind includes provision of commercial services. Such incoming resources are included in the Consolidated Statement of Financial Activities where the benefit to the charity is reasonably quantifiable and measurable. The value placed on these resources is the estimated value to the charity of the service received, being the price, the charity estimates it would pay in the open market for an equivalent service.

Fund accounting

The charitable company maintains three types of funds as follows:

Restricted funds

Restricted funds represent grants and donations receivable which are allocated by the donor for specific purposes. Within restricted funds, endowment funds represent donations receivable which on the instruction of the donor are to be set aside and along with the income applied for a specific purpose. The aim and use of such funds are set out in the notes to the financial statements.

Unrestricted funds

Unrestricted funds represent funds that are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. Within unrestricted funds, designated funds represent unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of such funds are set out in the notes to the financial statements.

Pension funds

Pension funds represent funds relating to the West Midlands Defined Benefit Pension Scheme. The aim and use of such funds are set out in the notes to the financial statements.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing Birmingham Museums Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Raising funds

These costs are incurred in relation to staff members and consultants who are engaged directly in fundraising and also include the costs of campaigns for raising donations.

Charitable activities

Charitable expenditure includes expenditure associated with the operation of the Birmingham Museums and Art Gallery.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Governance Costs

Governance costs comprise direct costs involving Birmingham Museum's Trust's strategic management and its compliance with legal, constitutional and statutory requirements. These costs include costs related to statutory audit and legal fees.

Redundancy Costs

All redundancy costs and termination payments are recognised in the year.

Basis of allocation of costs

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources. Costs relating to the management of Birmingham Museums Trust and support departments have been allocated to other functions based on the time they consume in pursuing the objectives of Birmingham Museums Trust.

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Foreign currency translation

Transactions in foreign currencies are translated into Sterling at the rates of exchange on the transaction day. Foreign currency liabilities in the balance sheet are translated into Sterling at the rates of exchange ruling at the year-end except where hedged. Resulting exchange gains and losses are taken to the Consolidated Statement of Financial Activities in the year in which they arise.

Pension costs

The charitable company operates a stakeholder compliant Group Personal Pension Scheme open to all employees.

Certain former staff of Birmingham City Council are members of the West Midlands Pension Scheme which is a defined benefit scheme based on final pensionable salary.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains and losses arising are recognised immediately in the Consolidated Statement of Financial Activities.

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in profit or loss.

The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan.

The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that BMT has a legal or constructive obligation to settle the liability.

The assets of the scheme are held separately from those of the Trust in an independently administered fund.

Taxation

Birmingham Museums Trust is exempt from taxation on its income and gains where they are applied for charitable purposes.

In the subsidiary financial statements, the policy is to distribute all taxable profits to Birmingham Museums Trust via gift aid.

Stocks

Stocks are valued at the lower of cost and net realisable value.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Tangible and intangible fixed assets

Operating assets

Operating assets are stated at cost less depreciation/amortisation.

Depreciation is provided on a straight-line basis using rates calculated to write down the cost of each asset to its estimated residual value over its anticipated useful life as follows:

Leasehold improvements	Over 10 years
Plant and equipment	3 to 10 years
Fixtures and fittings	3 to 10 years
Hardware	3 to 5 years
Software	3 to 5 years

Depreciation commences in April following the year of purchase.

Assets in the course of construction are not depreciated until completion where upon they are transferred to the appropriate fixed asset category and depreciated as above.

Fixed asset investments

Investments are held at cost less any permanent diminution in value.

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of loans which are subsequently measured at amortised cost using the effective interest method.

Related party transactions

Birmingham Museums Trust is the parent undertaking within a group that prepares consolidated financial statements. Related party transactions are disclosed at note 20.

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Operating lease commitments

The group has entered into commercial property leases as a lessee on its property portfolio and as a lessee it obtains use of property, plant and equipment. The classification of such leases as an operating or finance lease requires the group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet. We consider there is no value to be recognised in the peppercorn leases held by Birmingham Museums Trust or the commercial lease held by Thinktank Trust. Leasehold improvements are recognised as assets when it is appropriate to do so.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

3. Judgements and key sources of estimation uncertainty (*continued*)

The following are the group's key sources of estimation uncertainty:

Pension and other post-employment benefits

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Future salary increases and pension increases are based on expected future inflation rates. Further details are given in note 22.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the group performs impairment tests based on fair value less costs to sell, or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices.

Impairment of debtors

The company makes an estimate of the recoverable value of trade debtors. When assessing impairment of trade debtors, management consider them individually reviewing the ageing profit of the balance and the historical experience.

Obsolete stock provision

At each balance sheet date, stocks are reviewed for impairment. If stock is impaired the carrying value is reduced. The provision is based upon a percentage reduction linked to the age of the stock item and its sales history.

4. Analysis of incoming resources

	2024	2023
	£	£
General Restricted Funds		
Commonwealth Games	-	22,950
Dynamic Collections	163,134	-
Millennium Point Trust	-	160,000
Minibrum	-	33,363
Portable Antiquities Scheme	106,748	120,224
Rent and Service Charge Grant	1,417,000	1,417,000
Rewiring Project	1,502,363	945,999
Reset and Innovation	-	46,490
Vanley Burke Exhibition	-	29,120
Other	156,872	74,217
Total Restricted Funds	3,346,117	2,849,363
General Unrestricted Funds		
Other Grants Receivable and Other Income	1,563,562	701,644
Legacy Income	468,150	-
Arts Council England (National Portfolio Organisation)	1,026,108	1,026,108
Donations	18,930	22,260
Birmingham City Council Fees	3,282,000	3,282,000
Visitor Admissions and Outreach Income	2,563,823	1,816,519
Rental Income	19,167	10,000
Trading Activities	1,197,139	1,607,196
Total Unrestricted Funds	10,138,879	8,465,727
Total Incoming Resources	13,484,996	11,315,090

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

5. Analysis of total resources expended

	Fundraising £	Museum Costs £	Governance £	2024 £	2023 £
Costs directly allocated to activities					
Staff costs	32,600	3,343,467	-	3,376,067	3,649,539
Marketing	-	149,625	-	149,625	205,717
Maintenance	-	451,019	-	451,019	366,279
Finance and Administration	-	3,806	44,213	48,019	43,268
Other operating expenditure	-	6,356,700	-	6,356,700	6,348,199
Depreciation / Amortisation	-	352,311	-	352,311	714,226
Direct Costs Total	32,600	10,656,928	44,213	10,733,741	11,327,228
Support costs allocated to activities					
Staff costs	-	1,133,868	-	1,133,868	1,051,678
Finance and Administration	-	207,682	-	207,682	232,858
Professional fees	-	22,951	-	22,951	17,342
Pension Fund charges	-	(307,000)	-	(307,000)	188,000
Support Costs Total	-	1,057,501	-	1,057,501	1,489,878
Total Costs	32,600	11,714,429	44,213	11,791,242	12,817,106

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

6. Analysis of total resources expended (*continued*)

Total resources expended include:

	2024 £	2023 £
Depreciation	352,311	666,948
Amortisation	-	47,279
Auditor's remuneration – audit of these financial statements	38,000	35,000
Auditor's remuneration – non-audit services	32,129	59,099
Operating lease charges: land and buildings	667,668	651,384
Operating lease charges: other than land and buildings	14,447	12,170

7. Key management remuneration and Trustees' expenses

The key management personnel of the parent company, the Trust, comprise the Trustees and the senior management team as defined in the Trustees' Report. The total employee benefits of the key management personnel of the Trust were £434k (2023: £391k).

The key management personnel of the group comprise those of the Trust and its wholly owned subsidiaries Thinktank Trust and Birmingham Museums Trading Limited. The key management personnel are responsible for the group as a whole and it is not possible to split their employee benefits between each individual entity.

An amount of £9,520 (2023: £9,520) was paid in respect of Trustees and Officers Liability Insurance. The Trustees received no remuneration in the year other than reimbursement of expenses. A total of £267 (2023: £Nil) was reimbursed to trustees in respect of expenses mainly related to travel.

8. Employee numbers and costs

a. Average number of persons employed

	Number 2024	Number 2023
Museum	121	106
Support and administration	29	25
	150	131

b. Full Time Equivalent employed

	FTE 2024	FTE 2023
Museum	101	92
Support and administration	25	22
	126	114

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

8. Employee numbers and costs (*continued*)

c. Employee costs

	2024	2023
	£	£
Wages and Salaries	3,919,165	4,097,084
Social Security costs	328,684	332,595
Pension costs	262,087	269,385
	4,509,935	4,699,064

Included within wages and salaries figure is an amount of £104k (2023: £284k) in respect of temporary staff costs, £115k (2023: £198k) in respect of casual staff and Nil (2022: £36k) in respect of redundancy and settlement costs.

d. Higher paid employees

The number of employees whose emoluments, fell within the following bands are:

	2024	2023
	Number	Number
£70,000 to £79,999	-	2
£60,000 to £69,999	1	1

e. Birmingham Museums Trading Limited

Included in the above staff costs, the subsidiary Birmingham Museums Trading Limited was recharged for 17 staff members (2023: 22 staff) whose costs are wholly or partly included within the results of the subsidiary given at note 17.

The employment costs incurred by Birmingham Museums Trading Limited were:

	2023	2023
	£	£
Wages and Salaries	537,172	684,403
Social Security costs	35,593	32,026
Pension costs	17,841	14,878
	590,606	731,307

Included within wages and salaries above is an amount of £56k (2023: £200k) in respect of temporary staff.

None of the Directors of Birmingham Museums Trading Limited received any remuneration in their capacity as Directors.

f. General volunteers

Volunteers welcomed and engaged visitors to our venues, conservation cleaned objects and our sites, supported family activities, worked with our curators, gardened and assisted with our documentation.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

9. Fixed Assets

a) Tangible Fixed Assets

Group	Leasehold Improvements £	Plant and Equipment £	Fittings £	Equipment £	Total £
Cost					
At 1 April 2023	5,955,685	800,142	8,451,277	899,132	16,106,236
Additions	33,387	22,897	48,859	-	105,143
Disposals	-	-	-	-	-
At 31 March 2024	5,989,072	823,039	8,500,136	899,132	16,211,379
Depreciation					
At 1 April 2023	5,490,378	724,024	7,517,947	833,733	14,566,083
Charge for the year	68,426	41,563	204,988	37,334	352,311
At 31 March 2024	5,558,805	765,587	7,722,935	871,067	14,918,394
Net Book Value At 31 March 2024	430,267	57,452	777,201	28,065	1,292,985
Net book Value At 31 March 2023	465,306	76,118	933,330	65,399	1,540,153

All fixed assets are held for charitable purposes.

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2022: £Nil.).

Company	Leasehold Improvements £	Plant and Equipment £	Fittings £	Computer Equipment £	Total £
Cost					
At 1 April 2023	746,819	625,483	3,217,005	760,020	5,349,327
Additions	33,387	-	48,859	-	82,246
Disposals	-	-	-	-	-
At 31 March 2024	780,206	625,483	3,265,864	760,020	5,431,573
Depreciation					
At 1 April 2023	281,513	552,335	2,283,675	694,621	3,812,144
Charge for the year	68,426	38,593	204,988	37,334	349,341
At 31 March 2024	349,939	590,928	2,488,663	731,955	4,161,485
Net Book Value At 31 March 2024	430,267	34,555	777,201	28,065	1,270,088
Net Book Value At 31st March 2023	465,306	73,148	933,330	65,399	1,537,183

All fixed assets are held for charitable purposes.

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2023: £Nil.).

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

9. Fixed Assets (*continued*)

b) Intangible Fixed Assets

Group and Company	Software £
Cost	
At 1 April 2023	232,628
Additions	-
At 31 March 2024	232,628
Depreciation	
At 1 April 2023	232,628
Charge for the year	-
At 31 March 2024	232,628
Net Book Value At 31 March 2024	-
Net Book Value At 31 March 2023	-

10. Stocks

	Group 2024 £	Company 2024 £	Group 2023 £	Company 2023 £
Goods for resale	138,134	-	150,889	-

Stock recognised as expense during the year was £439k (2023: £629k)

11. Debtors

Amounts due in one year

	Group 2024 £	Company 2024 £	Group 2023 £	Company 2023 £
Trade debtors	196,258	120,429	426,500	215,058
Amounts owed by group companies	-	2,375,926	-	3,514,749
VAT recoverable	-	19,934	-	-
Other debtors	31,370	2,720	10,587	2,258
Prepayments and accrued income	831,472	831,472	786,314	369,520
Amounts owed by group companies - Loan	-	-	-	75,810
Birmingham City Council	77,846	77,846	85,136	85,136
	1,136,946	3,428,327	1,308,537	4,262,531

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

11. Debtors (*continued*)

Amounts due after more than one year:

	Group 2024	Company 2024	Group 2023	Company 2023
	£	£	£	£
Birmingham City Council	251,786	251,786	329,632	329,632
Amount owed by group companies	-	-	-	18,952
	251,786	251,786	329,632	348,584

12. Creditors

Amounts due within one year:

	Group 2024	Company 2024	Group 2023	Company 2023
	£	£	£	£
Trade creditors	86,755	84,848	280,397	244,077
VAT, Tax and social security	96,121	78,424	361,069	405,318
Loan from Birmingham City Council	77,846	77,846	85,136	85,136
Other creditors	78,136	78,136	32,820	32,820
Accruals and deferred income	442,214	394,172	340,447	305,140
	781,072	713,426	1,099,869	1,072,491

Amounts due after more than one year:

	Group 2024	Company 2024	Group 2023	Company 2023
	£	£	£	£
Loan from Birmingham City Council	251,786	251,786	329,632	329,632

Deferred income (group and company)

Deferred income comprises grants received in advance of expenditure.

	Group £	Company £
Balance as at 1 April 2023	-	-
Amount released to income from Charitable Activities	-	-
Amount deferred in year	80,642	51,856
Balance as at 31 March 2024	80,642	51,856

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

13. Financial instruments

	Group 2024 £	Company 2024 £	Group 2023 £	Company 2023 £
Financial assets				
Financial assets measured at fair value through statement of financial activities	4,139,331	3,930,392	2,639,861	1,496,062
Financial assets that are debt instruments measured at amortised cost	499,349	2,770,795	835,693	4,137,506
	4,638,680	6,701,187	3,475,544	5,633,568

Financial liabilities

Financial liabilities measured at amortised cost	705,183	684,020	1,238,909	1,167,281
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Financial assets are measured at fair value through statement of financial activities comprises cash held at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprises trade and other debtors, other taxation and social security and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprises Trade and other creditors, other taxation and social security, amounts owed to group undertakings, accruals and a loan from Birmingham City Council as explained below.

Birmingham City Council Loan

The loan falls due for repayment as follows:

	Group 2024 £	Company 2024 £	Group 2023 £	Company 2023 £
Within one year	77,846	77,846	85,136	85,136
In 1-2 years	69,558	69,558	77,846	77,846
In 2-5 years	147,654	147,654	179,387	179,387
Over 5 years	34,574	34,574	72,399	72,399
	329,632	329,632	414,768	414,768

The above unsecured loan is held by Birmingham Museums Trust. The loan was approved by Birmingham City Council in March 2012 with interest charged at 4.5% per annum and is repayable commencing 1 April 2012 and terminating on 1 January 2031. The loan was made to Thinktank Trust then transferred to Birmingham Museums Trust in April 2012.

In addition, Birmingham City Council has identified a source of funding and will not less than 5 business days in advance of each interest payment date grant aid to BMT a sum equivalent to the amount of interest and capital required to be paid by BMT to Birmingham City Council, to be held on trust by BMT and hypothecated to the payments of the loan as they fall due.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds Analysis - consolidated

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2023 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2024 £
General Restricted Funds						
BMOSI	(37,966)	-	(945)	38,911	-	-
BMAG Re-opening	-	-	(2,355)	-	-	(2,355)
Commonwealth Games	24,376	-	-	(24,376)	-	-
Dynamic Collections	-	163,134	(66,775)	-	-	96,359
Laying Foundations	-	-	(7,500)	-	-	(7,500)
Millennium Point Trust	125,291	-	(103,014)	-	-	22,277
Minibrium	946,777	-	(207,818)	(22,359)	-	716,600
Portable Antiquities Scheme	65,170	106,748	(137,525)	-	-	34,393
Rent and Service Charge Grant	-	1,417,000	(1,417,000)	-	-	-
Reset and Innovation	26,892	-	(14,594)	186	-	12,484
Rewiring Project	28,564	1,502,363	(1,495,271)	-	-	35,656
Tessa Sidey Bequest	85,921	-	(10,600)	-	-	75,321
Welcome All	818	-	(409)	-	-	409
WCF-97011	58,890	-	5,535	(64,425)	-	-
Other	75,799	156,872	(148,291)	22,141	-	106,521
	1,400,532	3,346,117	(3,606,562)	(49,922)	-	1,090,165
Endowment Fund	884,401	-	(2,250)	-	-	882,151
Total Restricted Funds	2,284,933	3,346,117	(3,608,812)	(49,922)	-	1,972,316
Designated Funds						
Infrastructure Reserve	-	-	-	500,000	-	500,000
	-	-	-	500,000	-	500,000
General Unrestricted Funds						
General Fund	2,320,805	8,941,740	(7,372,499)	(450,080)	-	3,439,968
Trading Reserve	(66,168)	1,197,139	(1,116,931)	-	-	14,040
	2,254,637	10,138,879	(8,489,430)	49,922	-	3,454,008
Total Unrestricted Funds	2,254,637	10,138,879	(8,489,430)	49,922	-	3,954,008
Pension Deficit	-	-	307,000	-	(307,000)	-
Total Funds	4,539,570	13,484,996	(11,791,242)	-	(307,000)	5,926,324

The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds analysis - consolidated (*continued*)

Restricted funds

The restricted funds held at the year-end are to be applied for the purposes of the specific projects (as shown under the headings above) to develop:

- a. BMAG Reopening – Support from FCC Communities Foundation and Friend of Birmingham Museums Trust
- b. Commonwealth Games - Birmingham 2022 Cultural Festival, We Are Birmingham (BMAG) Black British History: A Journey through the Life of Vanley Burke (Soho House). Exhibitions supported by Birmingham Organising Committee for the 2022 Commonwealth Games Limited.
- c. Dynamics Collection – Support from Fidelity Uk and Esmeé Fairbairn Foundation
- d. Laying the Foundations – Grant from National Lottery Heritage Fund
- e. Millennium Point Trust - Grant to support programmes and projects at Thinktank, Birmingham Science Museum.
- f. Minibrium – New gallery and education programme, grants from Inspiring Science Fund co-funded by the Department for Business, Energy & Industrial Strategy (BEIS), UK Research and Innovation (UKRI) and Wellcome, Garfield Weston Foundation, Stavros Niarchos Foundation, The Wolfson Foundation, The 29th May 1961 Charity, Grimmitt Trust, Rowlands Trust and other donors.
- g. Portable Antiquities Scheme - Recording archaeological objects found by members of the public in England and Wales; DCMS grant support, administered by the British Museum.
- h. Rent and Service Charge Grant - Grant support from Birmingham City Council at Thinktank.
- i. Rewiring Project – BCC funding for the collections and non-collections packing, decant, and temporary storage as well as re-installation due to rewiring of the Council House complex including BMAG
- j. Tessa Sidey Bequest – A bequest in the will of Tessa Sidey (1955-2011) a curator at BMAG (1983-2011) to “buy major print acquisitions”.
- k. Welcome All - project to improve access at the Museum & Art Gallery; grant support from DCMS/Wolfson Museum & Art Galleries Improvement Fund 2011-16, Friends of Birmingham Museums Trust and City of Birmingham Museums & Galleries Development Trust, and Arts Council England Major Partner Museum funding 2015-18. This fund will be released as the asset is depreciated.
- l. WCF-97011 – Garfield Weston fund to invest in our digital offer and technology infrastructure.

Endowment fund

This represents the Ivan Witton legacy income restricted for the purchase of painting or artefact for display at the Central Birmingham Museum and Art Gallery.

Designated funds

£500k has been set aside to replace assets that are in disrepair having reached the end of useful life.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds Analysis – consolidated (*continued*)

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2023 £
General Restricted Funds						
Aston Hall Refurbishment	9,668	-	(9,933)	265	-	-
BMOSI	10,720	-	(48,686)	-	-	(37,966)
Commonwealth Games	11,700	52,070	(39,394)	-	-	24,376
Made in Birmingham	137,681	-	(137,681)	-	-	-
Millennium Point Trust	25,225	160,000	(59,934)	-	-	125,291
Minibrum	1,117,346	33,363	(203,932)	-	-	946,777
Portable Antiquities Scheme	45,726	120,224	(100,780)	-	-	65,170
Rent and Service Charge Grant	-	1,417,000	(1,417,000)	-	-	-
Reset and Innovation	-	46,490	(19,598)	-	-	26,892
Rewiring Project	15,220	945,999	(932,655)	-	-	28,564
Science for all Seasons	134,511	-	(134,511)	-	-	-
Spitfire Gallery	9,773	-	(9,773)	-	-	-
Staffordshire Hoard Gallery	53,312	-	(53,312)	-	-	-
Tessa Sidey Bequest	85,921	-	-	-	-	85,921
Welcome All	1,227	-	(409)	-	-	818
WCF-97011	448,150	-	(389,260)	-	-	58,890
Other	98,479	74,217	(83,897)	(13,000)	-	75,799
	2,204,659	2,849,363	(3,640,755)	(12,735)	-	1,400,532
Endowment Fund	887,381	-	(2,980)	-	-	884,401
Total Restricted Funds	3,092,040	2,849,363	(3,643,735)	(12,735)	-	2,284,933
General Unrestricted Funds						
General Fund	2,955,113	6,858,531	(7,505,574)	12,735	-	2,320,805
Trading Reserve	(193,567)	1,607,196	(1,479,797)	-	-	(66,168)
Total Unrestricted Funds	2,761,546	8,465,727	(8,985,371)	12,735	-	2,254,637
Pension Deficit	(838,000)	-	(188,000)	-	1,026,000	-
Total Funds	5,015,586	11,315,090	(12,817,106)	-	1,026,000	4,539,570

The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

15. Funds analysis - Company

The charity holds restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2023 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss)	Balance at 31 March 2024 £
Restricted Funds						
BMOSI	(37,966)	-	(945)	38,911	-	-
BMAG Re-opening	-	-	(2,355)	-	-	(2,355)
Commonwealth Games	24,376	-	-	(24,376)	-	-
Dynamic Collections	-	163,134	(66,775)	-	-	96,359
Laying Foundations	-	-	(7,500)	-	-	(7,500)
Millennium Point Trust	125,291	-	(103,014)	-	-	22,277
MiniBrum	946,777	-	(207,818)	(22,359)	-	716,600
Portable Antiquities Scheme	65,170	106,748	(137,525)	-	-	34,393
Reset and Innovation	26,892	-	(14,594)	186	-	12,484
Rewiring Project	28,564	1,502,363	(1,495,271)	-	-	35,656
Tessa Sidey Bequest	85,921	-	(10,600)	-	-	75,321
Welcome All	818	-	(409)	-	-	409
WCF-97011	58,890	-	5,535	(64,425)	-	-
Other	75,799	156,872	(148,291)	22,141	-	106,521
	1,400,532	1,929,117	(2,189,562)	(49,922)	-	1,090,165
Endowment Funds						
Ivan Witton Legacy (including interest receivable)	884,401	-	(2,250)	-	-	882,151
Total Restricted Funds	2,284,933	1,929,117	(2,191,812)	(49,922)	-	1,972,316
Designated Funds						
Infrastructure Reserve	-	-	-	500,000	-	500,000
Unrestricted Funds	3,957,304	8,941,740	(7,005,900)	(450,078)	-	5,442,167
Total Unrestricted Funds	3,957,304	8,941,740	(7,005,900)	49,922	-	5,943,065
Pension Deficit	-	-	307,000	-	(307,000)	-
Total	6,242,237	10,870,857	(8,890,713)	-	(307,000)	7,915,381

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

15. Funds analysis – Company (*continued*)

The charity holds restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss)	Balance at 31 March 2023 £
Restricted Funds						
Aston Hall Refurbishment	9,668	-	(9,933)	265	-	-
BMOSI	10,720	-	(48,686)	-	-	(37,966)
Commonwealth Games	11,700	52,070	(39,394)	-	-	24,376
Millennium Point Trust	25,225	160,000	(59,934)	-	-	125,291
MiniBrum	1,117,346	33,363	(203,932)	-	-	946,777
Portable Antiquities Scheme	45,726	120,224	(100,780)	-	-	65,170
Reset and Innovation	-	46,490	(19,598)	-	-	26,892
Rewiring Project	15,220	945,999	(932,655)	-	-	28,564
Spitfire Gallery	9,773	-	(9,773)	-	-	-
Staffordshire Hoard Gallery	53,312	-	(53,312)	-	-	-
Tessa Sidey Bequest	85,921	-	-	-	-	85,921
Welcome All	1,227	-	(409)	-	-	818
WCF-97011	448,150	-	(389,260)	-	-	58,890
Other	98,479	74,217	(83,897)	(13,000)	-	75,799
	1,932,467	1,432,363	(1,951,563)	(12,735)	-	1,400,532
Endowment Funds						
Ivan Witton Legacy (including interest receivable)	887,381	-	(2,980)	-	-	884,401
Total Restricted Funds	2,819,848	1,432,363	(1,954,543)	(12,735)	-	2,284,933
Total Unrestricted Funds	4,296,875	6,858,531	(7,210,837)	12,735	-	3,957,304
Pension Deficit	(838,000)	-	(188,000)	-	1,026,000	-
Total	6,278,723	8,290,894	(9,353,380)	-	1,026,000	6,242,237

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

16. Analysis of net assets between funds - consolidated

	Restricted £	Pension £	Unrestricted £	Total £
Fixed Assets	729,494	-	563,491	1,292,985
Net Current Assets	1,242,822	-	3,642,303	4,885,125
Creditors (amounts falling due after more than one year)	-	-	(251,786)	(251,786)
Provision for liabilities and charges			-	-
Total as At March 2024	1,972,316	-	3,954,008	5,926,324

Fixed Assets	939,503	-	600,649	1,540,152
Net Current Assets	1,345,430	-	1,983,620	3,329,050
Creditors (amounts falling due after more than one year)	-	-	(329,632)	(329,632)
Provision for liabilities and charges			-	-
Total as At March 2023	2,284,933	-	2,254,637	4,539,570

17. Financial performance of undertakings

Company Statement of Financial Activities

The consolidated statement of financial activities includes the results of the company's subsidiaries, Birmingham Museums Trading Limited and Thinktank Trust. The summary financial performance of the company alone is:

	2024 £	2023 £
Income	10,870,857	8,290,894
Gift Aid from subsidiary company	-	-
Total Income	10,870,857	8,290,894
Expenditure on Charitable Activities	(8,890,713)	(9,353,380)
Net Income	1,980,144	(1,062,486)
Other recognised gains/(losses)	(307,000)	1,026,000
Net Movements in funds	1,673,144	(36,486)
Total funds brought forward	6,242,237	6,278,723
Total Funds carried forward	7,915,381	6,242,237
Represented by:		
Unrestricted income funds	5,943,065	3,957,304
Restricted funds	1,972,316	2,284,933
Pension	-	-
Net Funds	7,915,381	6,242,237

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

17. Financial performance of undertakings (*continued*)

The summary financial performance of the wholly owned subsidiaries are as follows:

Birmingham Museums Trading Limited

Registered Company Number: 04221635

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	2024 £	2023 £
Profit & Loss Account		
Turnover	1,197,139	1,607,196
Cost of Sales	(439,274)	(629,243)
Gross Profit	757,865	977,953
Administrative expenses	(677,657)	(850,554)
Profit on ordinary activities before Gift Aid	80,208	127,399
Gift Aid to parent undertaking	-	-
Retained Profit / (Loss) for the year	80,208	127,399
The aggregated assets and liabilities of the subsidiary were		
Assets	444,554	1,334,844
Liabilities	(430,514)	(1,401,012)
Net Funds	14,040	(66,168)

Thinktank Trust

Registered Company Number: 03239119

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	Unrestricted funds £	Restricted funds £	Total funds £
Total incoming resources	-	1,417,000	1,417,000
Total resources expended	(366,598)	(1,417,000)	(1,783,598)
Net incoming / (outgoing) resources	(366,598)	-	(366,598)
Transfer between funds	-	-	-
Net movement in funds	(366,598)	-	(366,598)
Fund balances brought forward	(1,636,499)	-	(1,636,499)
Fund balances carried forward	(2,003,097)	-	(2,003,097)

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

18. Taxation

The charitable company's income is exempt from taxation under section 505 of the Income and Corporation Taxes Act 1988 and its chargeable gains are exempt under section 256 of the Taxation of Capital Gains Act 1992.

19. Financial Commitments

Debentures and charges

Thinktank Trust has granted a first mortgage charge over certain of its assets to the Millennium Commission to secure all monies owing to the Commission by the Trust under the terms of a grant agreement dated 10 December 2004.

The Thinktank Trust has granted a mortgage charge over certain of its assets to the National Heritage Memorial Fund under the terms of an agreement date 20 April 2011.

Value Added Tax

As a result of group registration arrangements for Value Added Tax (VAT), the charitable company is jointly and severally liable with other members of the group for any VAT due by the representative member of the group. At 31 March 2024 the group's net payable in respect of VAT was £18k (2023: £291k).

20. Related Party Transactions

During the year, the Company conducted the following transactions with its two subsidiaries, ThinkTank Trust and Birmingham Museums Trading Limited, and had the following debt positions with these subsidiaries at 31 March 2024.

Birmingham Museums Trading Limited

The Company levied a management charge on Birmingham Museums Trading Limited for the year ended 31 March 2024 amounting to £591k (2023: £731k). The management charge for both years includes the recharge of staff by the Company to Birmingham Museum Trading as disclosed in Note 8e to the consolidated financial statements.

Birmingham Museums Trading Limited made a gift aid donation to the Company of £nil for the year ended 31 March 2024 (2023: £Nil) as disclosed in Note 17 to the consolidated financial statements.

At 31 March 2024, the Company was due an amount of £343k from Birmingham Museums Trading Limited (2023: £1,301k).

Thinktank Trust

The Company levied a management charge on Thinktank Trust for the year ended 31 March 2024 amounting to Nil.

At 31 March 2024, the Company was due an amount of £2,033k (2023: £2,305k) from Thinktank Trust.

At 31 March 2024, Birmingham Museums Trading Limited was due an amount of £Nil from Thinktank Trust (2023: £Nil)

Birmingham City Council (BCC)

In addition to the above listed related party transactions, the following transactions took place with BCC, the sole member of the Company, during the year.

BCC received services from the Company and contractual payments received in the year by the Company for services undertaken amounted to a fixed fee of £3.282m (2023: £3.282m) and variable performance payments amounting to £2.508m (2023: £1.924m).

The Company has an outstanding loan with BCC as disclosed in Notes 11 and 12.

BCC funded £1,502k (2023: £946k) for the rewiring project and provided compensation of £420k (2023: £420k) for loss of earnings.

In addition, Thinktank Trust received a grant from BCC of £1.417m during the year (2023: £1.417m) to assist in the provision of lease payments on Thinktank to Millennium Point Property Ltd.

In the prior year one of the Trustees was employed by TATE. During the prior year there were 8 sales totalling £3,780 with TATE. One of the Trustees is also a Trustee of Greater Birmingham and Solihull LEP. During the prior year we received a grant of £25,000. All transactions were at arm's length.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

21. Members

The charity is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £10 in the event of the company being wound up. At 31 March 2024 Birmingham City Council was the sole member of Birmingham Museums Trust.

22. Pension Schemes

The company operates Defined Benefit and Defined Contribution Schemes.

Defined Benefit Scheme

The defined benefit pension scheme is accounted for in accordance with applicable accounting standards within the United Kingdom. As a consequence, a liability of Nil (2023: £Nil) is shown in BMT's consolidated balance sheet. However, in accordance with the terms and conditions of the Local Government Pension Scheme, any liability is reversed over time through an increase in the contribution from current members to the scheme, on a mutualised basis across the whole of Local Government Pension Scheme, and BMT is not required to specifically fund the deficit that relates to its current and deferred members.

The major assumptions used by the actuary were (in nominal terms):		At 31 March 2024	At 31 March 2023
Rate of increase in salaries		3.75%	3.95%
Rate of increase to pensions		2.75%	2.95%
Discount rate		4.85%	4.75%
Inflation assumption – CPI		2.75%	2.95%
Assumed life expectations on retirement at age 65 are:		At 31 March 2024	At 31 March 2022
Retiring today	Males	20.0	20.2
	Females	23.7	23.9
Retiring in 20 years' time	Males	21.3	21.5
	Females	25.3	25.6

The assumptions used in determining the overall expected return of the scheme have been set with reference to yields available on government bonds and appropriate risk margins.

The assets in the scheme and the expected rates of return were:

	Fair value at 31 March 2024 £000	Fair value at 31 March 2023 £000
Equities	14,454	14,810
Bonds	6,635	4,791
Property	1,422	1,525
Cash	1,185	653
Fair value of plan assets	23,696	21,779
The actual return/(loss) on assets over the year was		2,107 (128)

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

22. Pension Schemes (*continued*)

Defined Benefit Scheme (*continued*)

The amounts recognised in the balance sheet are as follows

	2024 £000	2023 £000
Present value of scheme liabilities	(15,233)	(15,250)
Fair value of scheme assets	15,233	15,250
Net pension liability	-	-

Analysis of the amount charged to Statement of Financial Activities:

Current service cost	136	311
Administration cost	-	-
Interest on the defined liability/(asset)	72	25
Total	208	336

Analysis of the amount recognised in other recognised gains and losses:

Actuarial (loss)/gain on scheme assets	(857)	(7,262)
Actuarial (loss)/gain on scheme liabilities	550	8,288
Actuarial (loss)/gain recognised	(307)	1,026

Changes to the present value of the defined benefit obligation:

Opening defined benefit obligations	15,250	22,945
Current service cost	136	311
Interest cost	720	630
Contributions by scheme participants	38	48
Actuarial loss/(gain)	(940)	(8,373)
Benefits paid	(361)	(396)
Changes in demographic assumptions	(92)	(697)
Experience loss/(gain) on defined benefit obligation	482	782
Closing defined benefit obligations	15,233	15,250

Changes in the fair value of plan assets

Opening plan assets	15,250	22,107
Interest on assets	1,030	605
Return on assets less interest	1,077	(733)
Pension asset restriction	(1,934)	(6,529)
Administration expenses	-	-
Contributions by employers	133	148
Contributions by scheme participants	38	48
Benefits paid	(361)	(396)
Closing plan assets	15,233	15,250

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

22. Pension Schemes (*continued*)

Defined Benefit Scheme (continued)

Sensitivity Analysis

Change in assumptions as at	31 March 2024	31 March 2023
	£000s	£000s
0.1% Decrease in Real Discount rate	296	294
1 year increase in member life expectancy	609	610
0.1% Increase in the Salary Increase Rate	33	34
0.1% Increase in the Pension Increase Rate (CPI)	268	264

Defined Contribution Scheme

The charitable company operates a stakeholder compliant Group Personal Pension Scheme run by Standard Life PLC open to all employees. The Trust makes matching contributions to this scheme for employees making contributions, subject to a minimum contribution of 3% per month per employee.

23. Lease Commitments

Land and Building Leases

At 31 March 2024 the group had future minimum lease payments, in relation to land and building leases for Thinktank Trust at Millennium Point, under non-cancellable operating leases as follows:

	2024	2023
	£	£
Within one year	680,109	663,521
Between two to five years	2,894,768	2,824,164
More than five years	577,111	1,327,824
Total	4,151,988	4,815,509

The company had no leases in respect of land and buildings.

Other Operating Leases

At 31 March 2024 the group and company had future minimum lease payments, in relation to other operating leases, under non-cancellable operating leases as follows:

	Group	Company	Group	Company
	2024	2024	2023	2023
	£	£	£	£
Within one year	11,839	11,839	6,570	6,570
Between two to five years	19,954	19,954	6,333	6,333
More than five years	1,663	1,663	-	-
Total	33,456	54,241	12,903	12,903

24. Post Balance Sheet Events

There are no post balance sheet events

25. Provisions for liabilities and charges

There are no provisions in the accounts.

BIRMINGHAM MUSEUMS TRUST

England & Wales - Charity number 1147014

Accounts

BIRMINGHAM MUSEUMS TRUST

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

BIRMINGHAM MUSEUMS TRUST
Annual Report and Consolidated Financial Statements for the year ended
31 March 2023

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BIRMINGHAM MUSEUMS TRUST

Company Details

Charity Name	Birmingham Museums Trust
Charity Registration Number	1147014
Company Registration Number	07737797
Registered Office	Birmingham Museum and Art Gallery Chamberlain Square Birmingham B3 3DH
Auditors	Cooper Parry Group Limited Cubo Birmingham Office 401, 4 th Floor Two Chamberlain Square Birmingham B3 3AX
Bankers	HSBC Bank plc 130 New Street Birmingham B2 4JU
Solicitors	Higgs & Sons LLP Waterfront Business Park 3 Brierley Hill Dudley DY5 1LX

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report

The Board is pleased to present their Annual Report and Consolidated Financial Statements for the year ended 31 March 2023. This includes the contents of a Strategic Report as required by the Companies Act 2006.

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

Board of Trustees of Birmingham Museums Trust

The Trustees of Birmingham Museums Trust (who are also directors for the purposes of company law) served during the year and up to the date of this report are:

Mr Niels de Vos (Chair)
 Mr Mohammed Ali MBE (resigned 29 December 2022)
 Councillor Robert Alden
 Mr Clive Bawden
 Dr Louise Brooke-Smith OBE
 Rt Hon Liam Byrne MP (resigned 28 December 2022)
 Mr Liam Darbon
 Cllr Phil Davis MBE
 Mr John Diviney
 Ms Sapreena Kumari
 Mr Jonnie Turpie MBE
 Mrs Claire Williamson (resigned 29 March 2023)
 Ms Elly Porter
 Mr Tony Simpson
 Ms Tracey Stephenson (appointed 29 March 2023)
 Ms Jess Rose Phillips (appointed 26 July 2023)

In addition, the charity has two subsidiaries. It is the sole shareholder of Birmingham Museums Trading Limited and the sole member of Thinktank Trust.

Directors of these two companies who served during the year and up to the date of this report are:

Birmingham Museums Trading Limited

Ms Tracey Stephenson (Chair)
 Mr Liam Darbon
 Mr Zak Mensah
 Ms Sapreena Kumari (resigned 22 August 2022)
 Mr John Diviney (appointed 18 July 2022)

Thinktank Trust

Mr Niels de Vos

Legal status

Birmingham Museums Trust ("BMT") is a registered charity (number 1147014) and a private limited company limited by guarantee (number 07737797), incorporated on 11 August 2011, and is governed by its Articles of Association ("Articles"). In the event the charitable company is wound up, members are required to contribute an amount not exceeding £10.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Achieving Objects and activities for the public benefit

In considering the strategies and policies of the charity, the trustees have had due regard for the public benefit guidance published by the Charity Commission, in accordance with the Charities Act 2011.

The charity's objects as set out in its Articles are:

To advance education by the operation, maintenance, development and promotion of museums, galleries and libraries in Birmingham, together with associated facilities and related programmes of outreach and research, fostering knowledge and understanding, appreciation and enjoyment of the arts, history, science and technology by residents and visitors to the City of Birmingham.

We have reviewed the fundamental purpose of Birmingham Museums Trust (BMT) and our activities critically and systematically, from the management culture to our business and commercial strategies, and our creative and intellectual assets and ambitions. We have begun a process of change engaging our trustees, workforce, stakeholders, community partners and the wider public in our mission to rethink what a museum is. In January 2022 we reviewed our consultation and discussions to date and have formalised our strategic approach. The table below articulates the challenge we face, why we believe BMT is well-positioned to respond, and our purposeful vision or Cause.

PROBLEM	BELIEF	MISSION	PURPOSE	VISION
The challenge we face	The conviction that fuels our commitment	What we exist to do	Value and importance of what we do	How the world would be better if we succeed
Structural inequality is thwarting Birmingham's potential.	We acknowledge our history, its injustices and innovations as an ethical foundation for our work.	We harness all the people's collections, heritage and creativity to tell stories that make meaning.	This embraces Birmingham's super-diversity generating hope, building social trust and increasing belonging and solidarity.	We will empower people and communities to imagine and shape an ambitious, vibrant, creative, multicultural city.
Birmingham's huge potential as a vibrant, creative, convivial, multicultural city is greatly diminished by structural inequality, deprivation and social injustice. This hinders aspiration and hope, undermines trust in institutions, weakens civic pride and the connections between and within communities, and disempowers its citizens.	We will exercise intellectual and cultural leadership in addressing the issues of an increasingly polarised society, while also exploring historic injustices within an overall context of Birmingham as a city of belonging, capable of containing multiple identities and a plurality of views.	Audiences and communities will play a leading role in shaping Birmingham Museums through consultation, collaboration and coproduction. We will work with cultural and community partners and individuals, to reflect the stories and characters of the people and city today, their shared experiences and untold histories.	Birmingham Museums will be an ambitious, authentic expression of the best of the people of the city and the region. If interaction and understanding are sought diversity is a great strength. We will explore how cultural resources can be shared and cultural participation and expression can be enabled within a complex cultural ecosystem.	We will activate and amplify Birmingham's rich cultural inheritance and vibrant cultural life. We will renew/reinvent our buildings and programmes to redefine the museum so that it is a catalyst for active citizenship, democratic renewal and inclusive pride in Birmingham.
CAUSE Our Purposeful Vision				
We harness all the people's collections, heritage and creativity to tell stories that make meaning. This embraces Birmingham's super-diversity generating hope, building social trust and increasing belonging and solidarity. We will empower people and communities to imagine and shape an ambitious, vibrant, creative, multicultural city.				

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives in planning future activities. In particular the Trustees have considered how planned activities will contribute to the strategic aims. The objects of the charity are achieved through capital developments and gallery redisplay, public programmes of exhibitions and events across the nine venues, formal and informal learning programmes for schools, families and adults, public access, including digital access, to the collection on display and in store, collections care, loans and commercial activities including retail, catering and event hire.

The charity's priorities are aligned with those of its major public funders, Birmingham City Council and Arts Council England.

Structure, Governance and Management

The Board of Trustees has responsibility for the on-going strategic direction of BMT overseeing its finances and approving the budget, working with the Co-CEOs and Senior Leadership Team in the development and implementation of policy to meet BMT's objects and to ensure that it fulfils its statutory duties. The Board meets at least four times a year.

Day to day management is delegated to Co-CEOs Sara Wajid and Zak Mensah. They are assisted by Toby Watley, Direct of Collections, Rachel Cockett, Director of Development (until March 2023), and Janine Eason, Director of Engagement.

Recruitment and Appointment of Trustees/Directors

The Articles provide that two directors shall be appointed who are members or officers of Birmingham City Council in accordance with the nomination of the City Council. Other directors may not be members or officers of the City Council and may only be appointed after a recommendation of the directors after they have considered the desirability of:

- making such a recommendation after the advertisement of the vacancy and the response to such an advertisement;
- a board of Directors with a range of skills experience and abilities relevant to the objects and activities of the charity; and
- a board of Directors representative of the people of Birmingham.

Trustee induction and training

All Trustees are provided with an induction to the organisation on appointment.

Remuneration of management personnel

Remuneration for management personnel is set by comparison internally with similar posts when possible, benchmarking with similar external organisations and with reference to Croner's Salary Search.

Employment of people with disabilities

BMT is committed to the employment, support and training of people with disabilities. Employment policy is included in the staff handbook and is available to employees on the intranet.

Informing Employees

Keeping our workforce informed is important to us. Performance information is circulated monthly to all staff by email and by cascade via the management team. "All Staff Briefings" are held monthly which also provide opportunity for question and answer sessions.

Risk Management

The Trustees actively and regularly review the major risks to which BMT is exposed and have implemented procedures to manage and minimise any potential impact should any of the identified risks materialise. A Risk Framework, supported by a Risk Register, is maintained setting out an assessment of the likelihood and impact of risks, with required actions identified to manage the risk. This is reviewed and updated no less than quarterly. The Trustees are satisfied that there are clear lines of delegation and authority to staff regarding risk management, and that staff are aware of the need to address risks in their areas of activity.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Key risks

- Rising costs (goods, services, energy, living wage) will limit ability to generate income and create uncertainty in budget forecasting.
- Largescale electrical rewiring programme at BCC Council House forcing closure of BMAG and reducing BMT's operational activity.
- Physical deterioration of Historic Properties and Museum Collections Centre; risk to buildings and collections; realisation could reduce physical access for staff and contractors as well as delivering poor visitor experience.
- Long term grants do not increase with inflation meaning real term reductions in core operating grants over the year.
- High Speed Rail – this could lead to disruption (vibration, noise and dust) for both Museum Collections Centre and Thinktank during the construction period, affecting both the collection and BMT's ability to generate income.
- Ability to meet obligations as they fall – BMT needs sufficient cash to meet its financial obligations going forward. BMT is working closely with its major partners to ensure cash doesn't become an issue.

Achievements & Performance 2022/23

2022-23 has been a transitional year for Birmingham Museums Trust as the removal of COVID-19 restrictions saw us increase our public facing activities, while some impactful building-centred projects continued to focus our efforts.

2022 saw the partial re-opening of Birmingham Museum & Art Gallery (BMAG) in April, to coincide with the Birmingham 2022 Festival and Commonwealth Games. To mark this milestone we handed the museum over to a number of creatives, with a co-curated programme that included working with Don't Settle and Beatfrecks on We Are Birmingham, a contemporary re-display of the Round Room. In the Industrial Gallery, Birmingham Music Archive C.I.C. curated the In The Que display, SaVÅge K'lub created Vā TAMATEA, Kalaboration Arts worked in partnership with BMT to create Blacklash, and Flatpack worked in partnership with BMT to create Wonderland. Additional displays by BMT teams included Collection Stories and Unprecedented Times. Meanwhile the Gas Hall hosted the Found Cities, Lost Objects: Women in the City touring exhibition, curated by Lubaina Himid CBE in partnership with Arts Council Collection.

Evaluation showed that in 2022 BMAG attracted a younger more ethnically diverse audience. With BMAG seeing 409,784 visitors during its limited reopening.

BMAG closed again in Nov 2022 for the completion of the phase 2 electrical works and to also undertake essential roof repairs, heating improvements and lift replacements having been awarded just under £5m (BCC as grant recipient) of Arts Council England MEND funding to address long-standing and critical building issues.

In order to focus on the major work at Birmingham Museum & Art Gallery, we introduced a formal loans moratorium from May 2022, which meant that we lent to fewer venues in 2022-23, with a total of 65 objects lent to short term exhibitions, although 873 objects or groups of objects remained on long-term loan. However, a number of 'star' loans were displayed in major venues, including *The Rest on the Flight to Egypt* at the National Gallery, and more locally, *Erminia and the Shepherd*, *The Last of England*, and *Christ as the Man of Sorrows* at The Barber Institute, continuing to support the reach of the City's museum collection, contributing to almost 10 million visitors seeing loans from the collection at venues worldwide.

Elsewhere across BMT's sites we opened Phase 2 of Aston Hall's 'Aston Retold' programme in February 2023, with five new room displays. An Aston link also fed through at Thinktank, where exhibition sponsors National Grid supported the display of a new acquisition, part of the very large and well-known Windsor Street Gasholders. At Soho House, Blood and Fire, an evocative display of images by photographer Vanley Burke was staged in the Visitor Centre involving guest curators as a co-commissioned Birmingham Festival 2022 project.

Soho House itself remained closed to visitors during 2022-23, as did the Museum of the Jewellery Quarter, although both were featured as part of The Museum of Us, which also saw us loan items

Sarehole Mill remained open with the bakehouse continuing, while Blakesley Hall, the Tudor house a few miles from the centre of Birmingham, opened for the Summer season. Public access also returned at the Museum Collection Centre from March 2022. Along with Thinktank, this took our total visitors to 707,193 during the year.

An international co-consultancy project, Solidarity in Action Network, was established, where 10 BMT staff members, 10 local Birmingham partners, and 20 international partners from Greece, South Africa, Denmark,

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Germany and Poland came together to understand over 5 sessions how we can work better with non-museum partners to tackle global issues through solidarity.

We were supported by 341 volunteers in FY 2022-2023. We launched, with Culture Central, the West Midlands Volunteer Futures project in collaboration with Creative Black Country, Stoke Creates and Open Theatre. Our Volunteering for Veterans project, a health and wellbeing project for ex-servicemen and women, who participated in the conservation of vintage motorcycles at the Museum Collection Centre, was brought to a close. The close of 2022-23 also saw the successful appointment of a new volunteer manager, who will ensure that volunteers will be re-engaged, and volunteering revitalised in 2023-24.

There were several key acquisitions during the year, including items from the *Eagle & Tun* pub – of UB40 ‘Red Red Wine’ fame – that was demolished by HS2 as part of their Curzon St works. We also worked with significant speed and flexibility to ensure that BMT could acquire a range of items from the Commonwealth Games, including medals, participant outfits, and items from the opening and closing ceremonies. Purchases during the year included a number of works by artist Arpita Shah through Birmingham-based GRAIN Projects.

Balancing our acquisitions into the collection, as part of a sound and ethical approach to the management of the City’s collection, we have normalised our approach to deaccessioning as a positive aspect of how we care for the collection, with 18 objects in irreparable poor condition deaccessioned this year. We also developed a pragmatic approach to disposing of items that are not formally part of the collection. Sharing our work on this within the sector, our Collections team has worked with the Museums Association in their review of museum disposals, with updated guidance due in 2023.

At the Museum Collection Centre, the Collections Care teams continued to undertake storage improvements, with an urgency dictated by the need to accommodate collections moved across from Birmingham Museum & Art Gallery. Investment into the improved storage of Natural Sciences material collated material, improved storage conditions, and created significant space. As part of this work, we also – for the first time – centralised all paper based collections documentation in a drive to make it more accessible to both staff and researchers, which was enabled by the move of the material from the basement of BMAG to the Museum Collection Centre.

The site also saw a denser period of HS2 related activity with the conclusion of enabling works by Severn Trent Water, diverting the drainage pipe that runs through the courtyard. We were particularly pleased that these works concluded largely without incident, leading to the handover to HS2’s main works contractor, BBV, who prepared for their own works to commence.

This year also saw us develop a transformational programme of collections work, entitled Dynamic Collections, which we took to several funders. The programme is intended to democratise our use and management of the collection, creating opportunities for public participation, while ultimately moving us to a position where we can share publicly our collections information and images. Three strands of work, with funding from Arts Council England through our NPO Application, Esmée Fairbairn, and Fidelity, will allow three strands of work that contribute to this programme in 2023-24.

We continue to support BCC in the management of its Public Art portfolio and were particularly delighted this year to have been able to reassemble and relocate the Gas Workers War Memorial, now incorporated into a new Cadent facility (the successor company to the Gas Board). We also supported BCC in the return to the Public Realm of *Iron:Man of River and Youth* (the sculptural elements of the Victoria Square Fountain), and of *Boulton, Mudock and Watt*.

June 2022 saw the completion of the ‘Birmingham: City of Ideas’ Feasibility Study for a possible new science museum (and delivery model) in Birmingham since Thinktank’s lease comes to an end in 2029. Working with project partners BCC, the Science Museum Group, and support from Greater Birmingham & Solihull LEP, the Study included a site options appraisal, masterplan and business case for a potential new flagship museum of science and industry alongside a dispersed and ongoing participation programme of STEM and cultural engagement across neighbourhoods co-created with Birmingham people.

Climate Action

Our Climate Pledge (Sept 2021) makes a commitment to reducing the environmental impact of our activities and operating as sustainably as we can. Our ambition is to reach net zero by 2040. The Pledge forms part of the *Our Changing Planet* gallery at Thinktank.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Our Climate Action Plan 2022-26 sets out our BMT intends to lead the way in our approach to environmental responsibility. Since our establishment in 2012 we have taken considerable steps to reduce our waste and energy usage, change to green energy suppliers and reduce the negative impact of our operations on the climate and environment. Progress against our Action Plan is monitored quarterly.

Our Climate Action Plan recognises our role in public engagement on environmental action, as well as responding to public, partner, stakeholder and funder expectations. One of our major funders, Birmingham City Council has undertaken an Environment and Sustainability Assessment of our work to assess its impact on and understand how we are tackling Climate Change. As an Arts Council England National Portfolio Organisation we are required to improve our environmental performance, reduce carbon emissions and manage our collections sustainably, collecting data and submitted evidence annually to ACE's Sustainability Partner Julie's Bicycle.

Fundraising

BMT actively pursues funding from grant makers (trusts, foundations and public funders), corporate supporters and individuals to fund our charitable activities. We work with others to increase our fundraising opportunities including academic partners, specialist sector organisations, charities who align with our purposes, community partners, and other museum and cultural organisations. A grant of £590k from Garfield Weston Fund allowed us to invest in our digital offer and technology infrastructure.

We use third-party website Just Giving to collect donations, and Donr to collect donations via SMS. We offer the option to gift-aid admission charges for entry, make a donation online with a ticket or shop purchase, or on-site at one of our museums.

We do not employ the services of professional or commercial fundraisers. We do not undertake street collections or telephone campaigns. Where we collect personal information, this is managed in line with our Data Protection Policy.

BMT is registered with the Fundraising Regulator, the independent regulator of charitable fundraising in England, Wales and Northern Ireland. We have received no complaints regarding our fundraising in 2022/23.

BMT's Safeguarding Policy makes specific reference to donors. BMT abide by the Fundraising Regulator's Code of Practice and uses the Institute of Fundraising guidance for Treating Donors Fairly (2021).

Key strategic priorities/objectives for BMT over the next 2-3 years

BMT's Business Plan 2022-26 states that our Co-CEO's Sara Wajid and Zak Mensah's brief is to lead a multi-year transformation towards a socially purposeful museum service rooted in the distinctive cultural heritage of this region. Radical transformation takes time and we are committed. 2022-23 will be the second year of our change programme and we are determined to emerge from the pandemic a more dynamic organisation that better contributes to our society. We will fulfil our cause by taking forward actions that meet our 10 Strategic Aims (below).

AIM 1. Democratise our governance

We believe ideas and leadership can and should come from anywhere. We will adapt and augment to create a more sustainable, agile and porous structure. We will create a democratic decision-making process and new groups of influence.

AIM 2. Nurture a creative, enabling internal culture

Deliberate coordinated method to change our culture collectively. Become an experimental learning organisation driven by evidence-based decision making.

AIM 3. Grow a rich workforce eco-system

Design a workforce with the capabilities to develop the service and deliver our Cause. Grow our own pipeline of talent through our programming and provision of career and skills development opportunities. Inclusive of the wider workforce of creatives, freelancers, contracted staff and partners.

AIM 4. Design a radical, sustainable new museum operating model

We will re-think what a museum is and its relationship to its city and environment. We believe that BMT is more than a collection of buildings and objects. We see our role not only as a guardian but as an agency of social change. We will explore new and different ways to manage, use and rationalise our estate and our physical and digital assets to identify the options that best support our future viability and resilience and that can best deliver our Cause.

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

AIM 5. Redefine the cultural value of collections

We will change how our collections are understood, accessed and used and we will reframe how we measure cultural value of our collections to Birmingham and its citizens. We will build new partnerships and develop new channels that enable people to play a fuller role in using, researching, borrowing, augmenting and interpreting our collections and curating their own. We will explore repatriation and deaccession for long-term sustainability.

AIM 6. Pioneer experiments in mass-participation

We will make a paradigm shift that moves BMT away from the dominant model of passive visitor-ship. In its place we will forge a new model of active engagement: experiments that enable non-visitors to share their heritage and creativity and share their stories and ours. We want to make the people's culture popular culture. We will devise new measures that evidence the impact on individual, community, civic and societal change.

AIM 7. Reposition BMT as critical to the city's future

Reposition Birmingham Museums as a critical key driver of social, cultural, and economic creativity and innovation. Identify new audiences, advocates, partners, and stakeholders to help us deliver our Cause.

AIM 8. Build our own segmented mass channel

Use direct email to create our own channel to increase user engagement and participation. Underpinned by our website, CRM and ticketing systems and backed up by a social media strategy.

AIM 9. Cultivate connections

Become an anchor organisation in a vibrant city-wide network of organisations and individuals.

AIM 10. Diversify and increase our income

Respond to the changing markets and circumstances, adapting and evolving our trading opportunities to maximise income.

We will:

- Engage our existing relationship partners and seek new voices to reimagine our vision for BMT. The outcome will be a service direction that uses socially engaged practice. At our core will be a work programme that always focuses on the needs of our users.
- We will experiment with reaching new audiences through local, national, and international partnerships.
- Re-imagine who the buildings and collection are for and collaborate with the people and communities who are critical to the future of Birmingham Museums for the next 50 years and beyond.

BMT will demonstrate a commitment to increase educational/outreach work through:

- Without Walls, a programme to engage audiences online and offsite. Includes taking artworks and items from the collection into schools and communities, inviting Birmingham citizens to co-produce new displays for when BMAG reopens, sharing content through our digital platforms, and delivering outdoor exhibitions.
- New online services and activity taking the outcomes of our new Digital Strategy forward
- New public participation in shaping the direction of the organisation under the leadership of our Co-CEOs
- The change in approach envisions a shift with decreasing education and participation numbers onsite and increasing offsite and online attendance and participation.

BMT will continue to work closely with Birmingham City Council and will ensure we take all reasonable steps to protect the properties and collections we are responsible for. We have worked together to develop a set of condition surveys to aid prioritising essential maintenance, mechanical and electrical work across our properties. This work will support future applications to improve building infrastructure.

In addition to financial stabilisation and continuing to respond to the ever-changing landscape, there are a number of projects that will continue including:

- The rewiring and essential building repairs at BMAG continues. There was a partial reopening of BMAG in summer 2022 before it reclosed due to capital works. The museum will have a phased re-opening from 2025.
- Taking forward the feasibility study for the Birmingham: City of Ideas project which includes the development of a new flagship museum for science and industry to replace Thinktank.
- The next development phase of the Museum Collection Store, to ensure longer term sustainability of and access to the building and the collections

BIRMINGHAM MUSEUMS TRUST

Report of the Trustees and Strategic Report (*continued*)

Financial Review / Key Financial Performance Indicators

The financial performance of the Museum for the year under review and the financial position at the Balance Sheet date are set out in this report. In particular the Statement of Financial Activities (SOFA), which includes both unrestricted and restricted funds, shows the performance of the group during the year.

Like the vast majority of charities, BMT continued to be severely impacted by COVID-19 and national restrictions. The main financial impacts have been:

- Nationally museums saw between 25% to 50% less visitors nationally than pre-pandemic
- Facing significant loss of revenue, BMT prioritised expenditure that was critical to the delivery of its charitable objectives and looked at new ways of cost effective working
- Forecasting has been difficult sent against national restrictions and changing public sentiment
- Birmingham Museum & Art Gallery remained fully or partially closed for the majority of the reporting period as part of electrical rewiring works across the building complex, which traditionally attracted the majority of visitors and secondary spend

The cost of governance activities was £0.034m (2022: £0.036m). Direct governance costs have been included in accordance with the Charity SORP 2019 and include audit fees, legal fees and Trustee expenses.

Going Concern

The announcement on 5 September 2023 of a Section 114 by Birmingham City Council may have implications for Birmingham Museums Trust going forward. The group's current funding agreement with BCC remains in force until 31 March 2026 and the official statements from BCC outline that existing contracts will continue to be honoured. However, as BCC continues to look at areas of cost saving in its budget setting process for the 2024/25 year onwards, the extent of the financial impact on the group is unknown at this stage.

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

Reserves Statement

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

They take the view that the nature of the BMT's consolidated cash flows is such that they can set as a medium-term objective to maintain unrestricted reserves, excluding defined benefit pension liabilities, at a level of one month's income, or around £1m.

At 31 March 2023 Restricted Funds stand at £2.285m (2022: £3.092m), Unrestricted Funds at £2.255m (2022: £2.762m) and a Pension Reserve of £NIL (2022: £0.838m deficit). Free reserves as at the 31 March 2023 were £1.654m (2022: £2.300m).

The unrestricted reserves are in line with the charity's reserves policy.

Investment Policy

The Trustees have the power to invest funds not immediately required from operational purposes in such investments, securities or property as they see fit.

The underlying investment strategy is to accept only a low level of risk and therefore available funds are invested in low risk short-term deposits with HSBC plc, a bank which operates in the United Kingdom and which is subject to regulation under the Financial Services Act 2012.

Related Party

Birmingham City Council, the sole member of the charitable company, has paid fees for services and has provided loan finance to Birmingham Museums Trust. Any conflicts of interest involving Trustees in this respect are declared where appropriate.

Auditor

The Auditor, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

BIRMINGHAM MUSEUMS TRUST

Statement of Trustees' responsibilities in respect of the Trustees' report and the financial statements

The Trustees (some of whom are also the directors of Thinktank Trust and Birmingham Museums Trading Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, generally accepted accounting practice entails, the Trustees:

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

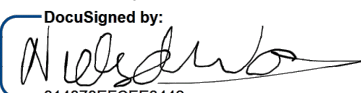
The Trustees are responsible for keeping proper and adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

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

Approved by the Board of Trustees on 15 December 2023 and signed on their behalf by:

DocuSigned by:

814678F0CFE3442
Mr Niels de Vos
Chair

BIRMINGHAM MUSEUMS TRUST

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust

Opinion

We have audited the financial statements of Birmingham Museums Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 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 Report of the Trustees and Strategic 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.

BIRMINGHAM MUSEUMS TRUST

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (*continued*)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection and anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities including fraud, but was not limited to, the following:

BIRMINGHAM MUSEUMS TRUST

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (*continued*)

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

A further description of our responsibilities for the audit of the financial statements is located 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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Atkins FCA
Senior Statutory Auditor

For and on behalf of Cooper Parry Group Limited

Cubo Birmingham
Floor 401, 4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 19 December 2023

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2023

	Note	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Funds £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and legacies		22,260	-	-	22,260	37,748
Investments						
Rental income		10,000	-	-	10,000	14,082
Interest receivable		13,305	-	-	13,305	729
Charitable activities						
Visitor admissions and outreach income		1,816,520	-	-	1,816,520	1,572,553
Grants receivable and other income		4,996,446	2,849,363	-	7,845,809	9,868,984
Other trading activities						
Income from trading activities of Subsidiary		1,607,196	-	-	1,607,196	797,234
Total Income	4	8,465,727	2,849,363	-	11,315,090	12,291,330
Expenditure on:						
Raising funds						
Expenses from trading activities of Subsidiary		(1,479,797)	-	-	(1,479,797)	(742,110)
Fundraising costs		-	-	-	-	(8,847)
Charitable activities						
Museum costs		(7,505,572)	(3,643,737)	(188,000)	(11,337,309)	(11,448,907)
Total Expenditure	5	(8,985,369)	(3,643,737)	(188,000)	(12,817,106)	(12,199,864)
Net (expenditure)/income		(519,642)	(794,374)	(188,000)	(1,502,016)	91,466
Transfers between Funds	14	12,735	(12,735)	-	-	-
Other recognised gains						
Actuarial (loss)/gain on scheme assets		-	-	(7,262,000)	(7,262,000)	1,232,000
Actuarial (loss)/gain on scheme liabilities		-	-	8,288,000	8,288,000	2,306,000
Net movement on pension fund	22	-	-	1,026,000	1,026,000	3,538,000
Net movement in funds		(506,907)	(807,109)	838,000	(476,016)	3,629,466
Reconciliation of funds						
Fund balances brought forward		2,761,546	3,092,041	(838,000)	5,015,587	1,386,121
Fund balance carried forward		2,254,639	2,284,932	-	4,539,571	5,015,587

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and includes all gains and losses recognised in the year.

The notes on pages 19 to 41 form part of these accounts.

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2022

	Note	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Funds £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and legacies		23,541	14,207	-	37,748	115,408
Investments						
Rental income		14,082	-	-	14,082	3,015
Interest receivable		729	-		729	-
Charitable activities						
Visitor admissions and outreach income		1,572,553	-	-	1,572,553	56,187
Grants receivable and other income		5,636,166	4,232,818	-	9,868,984	9,871,257
Other trading activities						
Income from trading activities of Subsidiary		797,234	-	-	797,234	414,764
Total Income	4	8,044,305	4,247,025	-	12,291,330	10,460,631
Expenditure on:						
Raising funds						
Expenses from trading activities of Subsidiary		(742,110)	-	-	(742,110)	(683,399)
Fundraising costs		(8,847)	-	-	(8,847)	(62,854)
Charitable activities						
Museum costs		(7,030,383)	(4,156,524)	(262,000)	(11,448,907)	(10,452,546)
Total Expenditure	5	(7,781,340)	(4,156,524)	(262,000)	(12,199,864)	(11,198,799)
Net (expenditure)/income		262,965	90,501	(262,000)	91,466	(738,169)
Transfers between Funds	14	465,549	(465,549)	-	-	-
Other recognised gains						
Return on Pension Fund Assets		-	-	1,232,000	1,232,000	(6,001,000)
Change in financial assumptions		-	-	2,306,000	2,306,000	3,527,000
Net movement on pension fund	22	-	-	3,538,000	3,538,000	(2,474,000)
Net movement in funds		728,514	(375,048)	3,276,000	3,629,466	(3,212,169)
Reconciliation of funds						
Fund balances brought forward		2,033,032	3,467,089	(4,114,000)	1,386,121	4,598,289
Fund balance carried forward		2,761,546	3,092,041	(838,000)	5,015,587	1,386,120

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and includes all gains and losses recognised in the year.

The notes on pages 19 to 41 form part of these accounts.

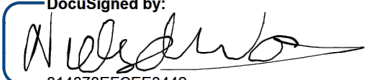
BIRMINGHAM MUSEUMS TRUST

Consolidated Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible assets	9a	1,540,153	1,907,217
Intangible assets	9b	-	47,279
		<u>1,540,153</u>	<u>1,954,496</u>
Current Assets			
Stock	10	150,889	164,809
Debtors: amounts falling due in one year	11	1,308,536	1,925,340
Debtors: amounts falling due after more than one year	11	329,632	414,768
Cash at bank and in hand		<u>2,639,861</u>	<u>3,970,896</u>
		4,428,918	6,475,813
Creditors: amounts falling due within one year	12	(1,099,868)	(1,636,954)
Net Current Assets		<u>3,329,050</u>	<u>4,838,859</u>
Total Assets less Current Liabilities		4,869,203	6,793,355
Creditors: amounts falling due after more than one year	12	(329,632)	(414,768)
Provisions for liabilities and charges	25	-	(525,000)
Defined benefit scheme pension liability	22	-	(838,000)
NET ASSETS		<u>4,539,571</u>	<u>5,015,587</u>
Funds			
Unrestricted	14	2,254,639	2,761,546
Restricted	14	1,400,531	2,204,660
Endowment	14	884,401	887,381
Pension	14	-	(838,000)
TOTAL FUNDS		<u>4,539,571</u>	<u>5,015,587</u>

The notes on pages 19 to 41 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 15 December 2023 and were signed on its behalf by:

DocuSigned by:

 814878EFCFE3442...
Mr Niels de Vos
Chair

Registered No: 07737797

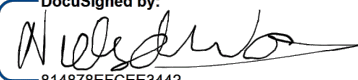
BIRMINGHAM MUSEUMS TRUST

Company Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible assets	9a	1,537,183	1,627,357
Intangible Assets	9b	-	47,279
		<u>1,537,183</u>	<u>1,674,636</u>
Current Assets			
Debtors: amounts falling due in one year	11	4,262,530	4,173,508
Debtors: amounts falling due after more than one year	11	348,584	509,530
Cash at bank and in hand		<u>1,496,062</u>	<u>3,233,927</u>
		6,107,176	7,916,965
Creditors: amounts falling due within one year	12	(1,072,490)	(1,535,109)
Net Current Assets		<u>5,034,686</u>	<u>6,381,856</u>
Total Assets less Current Liabilities		6,571,869	8,056,492
Creditors: amounts falling due after more than one year	12	(329,632)	(414,768)
Provisions for liabilities and charges	25		(525,000)
Defined benefit scheme pension liability	22		(838,000)
NET ASSETS		<u>6,242,237</u>	<u>6,278,724</u>
Funds			
Unrestricted	15	3,957,305	4,296,876
Restricted	15	1,400,531	1,932,467
Endowment	15	884,401	887,381
Pension	15	-	(838,000)
TOTAL FUNDS		<u>6,242,237</u>	<u>6,278,724</u>

The notes on pages 19 to 41 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 15 December 2023 and were signed on its behalf by:

DocuSigned by:

 814878EFC EE3442...
Mr Niels de Vos
Chair

Registered No: 07737797

BIRMINGHAM MUSEUMS TRUST

Consolidated Cash Flow Statement For the year ended 31 March 2023

	Note	2023 £	2022 £
Cash used in operating activities	a	(1,031,154)	768,096
Cash flows from investing activities	b	(299,884)	(56,665)
Decrease / Increase in cash during the year		(1,331,038)	711,431

(a) Cash used in operating activities

	2023 £	2022 £
Net incoming / (outgoing) resources	(1,502,016)	91,466
Adjustments for non-cash items:		
Depreciation and amortisation	714,227	993,655
Pension fund provision	188,000	262,000
(Increase)/decrease in stocks	13,920	(14,444)
(Increase)/decrease in debtors	616,801	(523,634)
(Decrease)/Increase in creditors	(537,086)	(565,947)
(Decrease)/increase in provision	(525,000)	525,000
Net cash inflow from operating activities	(1,031,154)	768,096

(b) Cash flows from investing activities

	2023 £	2022 £
Purchase of tangible fixed assets	(299,884)	(56,665)
Purchase of intangible fixed assets	-	-
Net cash outflow from investing activities	(299,884)	(56,665)

(c) Analysis of movements in cash and cash equivalents

	2023 £	2022 £
Decrease / Increase in cash and cash equivalents in the year	(1,331,038)	711,431
Cash and cash equivalents at the beginning of the year	3,970,898	3,259,466
Total cash and cash equivalents at the end of the year	2,639,860	3,970,898

(d) Analysis by cash and net debt

	As At April 2022 £	Cash flows £	Other non- cash flows £	As at March 2023 £
Cash at Bank and in hand	3,970,898	(1,331,038)	-	2,639,860
Debt due after one year	414,768	-	(85,136)	329,632
Debt due within one year	91,508	-	(6,372)	85,136
	4,477,174	(1,331,038)	(91,508)	3,054,629

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements

1. General information

Birmingham Museum trust is a charitable company limited by guarantee, incorporated and domiciled in England and Wales (Company number 07737797, Charity number 1147014). The Trust has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The registered office is Birmingham Museums & Art Gallery, Chamberlain Square, Birmingham, B3 3DH.

2. Statement of principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

Basis of accounting

The financial statements have been prepared under the Companies Act 2006 on a going concern basis and under the historical cost convention. The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Birmingham Museum Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant account policy notes.

The financial statements are prepared in sterling, to the nearest £1, which is the functional currency of the group and the charity.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies (see note 3).

The announcement on 5 September 2023 of a Section 114 by Birmingham City Council may have implications for Birmingham Museums Trust going forward. However, as BCC continues to look at areas of cost saving in its budget setting process for the 2024/25 year onwards, the extent of the financial impact on the group is unknown at this stage.

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

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements of Birmingham Museums Trust include the financial statements of the charitable company, its subsidiary trading company Birmingham Museums Trading Limited, and its subsidiary charity Thinktank Trust. The results of the subsidiaries, as disclosed in note 17 are consolidated on a line by line basis within the consolidated statement of financial activities.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The results of the standalone charity are summarised in note 17.

Statement of financial activities

The incoming resources and resources expended by the Birmingham Museums Trust are detailed below, together with respective accounting treatments.

Incoming resources

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

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

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Donations and gifts

Cash donations are included when received.

Legacies

Income is recognised on an accruals basis to the extent that Birmingham Museums Trust has been notified that it is a beneficiary, receipt is probable and there is a clear indication of the amounts involved.

Grants receivable including government grants

Grants are recognised in the consolidated statement of financial activities when the conditions for receipt have been complied with.

Trading income

Turnover from the staging of events, retail shops and catering outlets operated by Birmingham Museums Trading Limited represents the value of goods sold net of VAT.

Income from investments

Investment income is accounted for on an accruals basis.

Sponsorship in kind

Sponsorship in kind includes provision of commercial services. Such incoming resources are included in the Consolidated Statement of Financial Activities where the benefit to the charity is reasonably quantifiable and measurable. The value placed on these resources is the estimated value to the charity of the service received, being the price, the charity estimates it would pay in the open market for an equivalent service.

Fund accounting

The charitable company maintains three types of funds as follows:

Restricted funds

Restricted funds represent grants and donations receivable which are allocated by the donor for specific purposes. Within restricted funds, endowment funds represent donations receivable which on the instruction of the donor are to be set aside and along with the income applied for a specific purpose. The aim and use of such funds are set out in the notes to the financial statements.

Unrestricted funds

Unrestricted funds represent funds that are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. Within unrestricted funds, designated funds represent unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of such funds are set out in the notes to the financial statements.

Pension funds

Pension funds represent funds relating to the West Midlands Defined Benefit Pension Scheme. The aim and use of such funds are set out in the notes to the financial statements.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing Birmingham Museums Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Raising funds

These costs are incurred in relation to staff members and consultants who are engaged directly in fundraising and also include the costs of campaigns for raising donations.

Charitable activities

Charitable expenditure includes expenditure associated with the operation of the Birmingham Museums and Art Gallery.

Governance Costs

Governance costs comprise direct costs involving Birmingham Museum's Trust's strategic management and its compliance with legal, constitutional and statutory requirements. These costs include costs related to statutory audit and legal fees.

Redundancy Costs

All redundancy costs and termination payments are recognised in the year.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Basis of allocation of costs

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources. Costs relating to the management of Birmingham Museums Trust and support departments have been allocated to other functions based on the time they consume in pursuing the objectives of Birmingham Museums Trust.

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Foreign currency translation

Transactions in foreign currencies are translated into Sterling at the rates of exchange current at the dates of the transactions. Foreign currency liabilities in the balance sheet are translated into Sterling at the rates of exchange ruling at the year-end except where hedged. Resulting exchange gains and losses are taken to the Consolidated Statement of Financial Activities in the year in which they arise.

Pension costs

The charitable company operates a stakeholder compliant Group Personal Pension Scheme open to all employees.

Certain former staff of Birmingham City Council are members of the West Midlands Pension Scheme which is a defined benefit scheme based on final pensionable salary.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains and losses arising are recognised immediately in the Consolidated Statement of Financial Activities.

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in profit or loss.

The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan.

The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that BMT has a legal or constructive obligation to settle the liability.

The assets of the scheme are held separately from those of the Trust in an independently administered fund.

Taxation

Birmingham Museums Trust is exempt from taxation on its income and gains where they are applied for charitable purposes.

In the subsidiary financial statements, the policy is to distribute all taxable profits to Birmingham Museums Trust via gift aid.

Stocks

Stocks are valued at the lower of cost and net realisable value.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Tangible and intangible fixed assets

Operating assets

Operating assets are stated at cost less depreciation/amortisation.

Depreciation is provided on a straight-line basis using rates calculated to write down the cost of each asset to its estimated residual value over its anticipated useful life as follows:

Leasehold improvements	Over 10 years
Plant and equipment	3 to 10 years
Fixtures and fittings	3 to 10 years
Hardware	3 to 5 years
Software	3 to 5 years

Depreciation commences in April following the year of purchase.

Assets in the course of construction are not depreciated until completion where upon they are transferred to the appropriate fixed asset category and depreciated as above.

Fixed asset investments

Investments are held at cost less any permanent diminution in value.

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of loans which are subsequently measured at amortised cost using the effective interest method.

Related party transactions

Birmingham Museums Trust is the parent undertaking within a group that prepares consolidated financial statements. Related party transactions are disclosed at note 20.

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Operating lease commitments

The group has entered into commercial property leases as a lessee on its property portfolio and as a lessee it obtains use of property, plant and equipment. The classification of such leases as an operating or finance lease requires the group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet. We consider there is no value to be recognised in the peppercorn leases held by Birmingham Museum Trust or the commercial lease held by Thinktank Trust. Leasehold improvements are recognised as assets when it is appropriate to do so.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

3. Judgements and key sources of estimation uncertainty (*continued*)

The following are the group's key sources of estimation uncertainty:

Pension and other post-employment benefits

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Future salary increases and pension increases are based on expected future inflation rates. Further details are given in note 22.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the group performs impairment tests based on fair value less costs to sell, or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices.

Impairment of debtors

The company makes an estimate of the recoverable value of trade debtors. When assessing impairment of trade debtors, management consider them individually reviewing the ageing profit of the balance and the historical experience.

Obsolete stock provision

At each balance sheet date, stocks are reviewed for impairment. If stock is impaired the carrying value is reduced. The provision is based upon a percentage reduction linked to the age of the stock item and its sales history.

4. Analysis of incoming resources

	2023	2022
	£	£
General Restricted Funds		
Aston Hall Refurbishment	-	3,500
BMOSI	-	150,000
Commonwealth Games	22,950	28,950
HS2 SA Strategy	-	379,256
Millennium Point Trust	160,000	98,750
Minibrium	33,363	77,292
Portable Antiquities Scheme	120,224	97,239
Rent and Service Charge Grant	1,417,000	1,417,000
Rewiring Project	945,999	1,276,523
Reset and Innovation	46,490	-
WCF - 97011	-	590,000
Vanley Burke Exhibition	29,120	-
Other	74,217	128,515
	2,849,363	4,247,025
Endowment Fund	-	-
Total Restricted Funds	2,849,363	4,247,025
 Designated Funds (Unrestricted)		
Arts Council England (National Portfolio Organisation)	1,026,107	1,026,107

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

4. Analysis of incoming resources (*continued*)

	2023 £	2022 £
General Unrestricted Funds		
Other Grants Receivable and Other Income	701,644	434,754
Furlough Income	-	72,193
CRF Grant	-	820,841
Donations	22,260	23,541
Birmingham City Council Fees	3,282,000	3,283,000
Visitor Admissions and Outreach Income	1,816,520	1,572,553
Rental Income	10,000	14,082
Trading Activities	1,607,196	797,234
	7,439,620	7,018,198
Total Unrestricted Funds	8,465,727	8,044,305
Total Incoming Resources	11,315,090	12,291,330

Total furlough income received in 22-23 was £NIL (21-22 £0.098m).

5. Analysis of total resources expended

	Fundraising £	Museum Costs £	Governance £	2023 £	2022 £
Costs directly allocated to activities					
Staff costs	-	3,649,539	-	3,649,539	3,110,685
Marketing	-	205,717	-	205,717	159,402
Maintenance	-	366,279	-	366,279	442,169
Finance and Administration	-	9,155	34,113	43,268	47,227
Other operating expenditure	-	6,348,199	-	6,348,199	5,845,640
Depreciation / Amortisation	-	714,226	-	714,226	993,655
Direct Costs Total	-	11,293,115	34,113	11,327,228	10,583,778
Support costs allocated to activities					
Staff costs	-	1,051,678	-	1,051,678	1,143,367
Finance and Administration	-	232,858	-	232,858	190,230
Professional fees	-	17,342	-	17,342	20,489
Pension Fund charges	-	188,000	-	188,000	262,000
Support Costs Total	-	1,489,878	-	1,489,878	1,616,086
Total Costs	-	12,782,993	34,113	12,817,106	12,199,864

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

6. Analysis of total resources expended (*continued*)

Total resources expended include:

	2023 £	2022 £
Depreciation	666,948	944,151
Amortisation	47,279	49,503
Provision for liabilities and charges (note 25)	-	525,000
Auditor's remuneration – audit of these financial statements	35,000	31,450
Auditor's remuneration – audit of financial statements of subsidiaries	-	-
Auditor's remuneration – non-audit services	59,099	10,550
Operating lease charges: land and buildings	651,384	635,496
Operating lease charges: other than land and buildings	12,170	12,870

7. Key management remuneration and Trustees' expenses

The key management personnel of the parent company, the Trust, comprise the Trustees and the senior management team as defined in the Trustees' Report. The total employee benefits of the key management personnel of the Trust were £391k (2022: £460k).

The key management personnel of the group comprise those of the Trust and its wholly owned subsidiaries Thinktank Trust and Birmingham Museums Trading Limited. The key management personnel are responsible for the group as a whole and it is not possible to split their employee benefits between each individual entity.

An amount of £9,520 (2022: £9,520) was paid in respect of Trustees and Officers Liability Insurance. The Trustees received no remuneration in the year other than reimbursement of expenses. A total of £Nil (2022: £Nil) was reimbursed (2022: Nil) to trustees in respect of expenses mainly related to travel.

8. Employee numbers and costs

a. Average number of persons employed

	Number 2023	Number 2022
Fundraising	-	1
Museum	106	120
Support and administration	25	26
	131	147

b. Full Time Equivalent employed

	FTE 2023	FTE 2022
Fundraising	-	-
Museum	92	100
Support and administration	22	20
	114	120

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

8. Employee numbers and costs (*continued*)

c. Employee costs	2023	2022
	£	£
Wages and Salaries	4,097,084	3,772,708
Social Security costs	332,595	278,466
Pension costs	269,385	202,878
	4,699,064	4,254,052

Included within wages and salaries figure is an amount of £284k (2022: £384k) in respect of temporary staff costs, £198k (2022: £108k) in respect of casual staff and Nil (2022: £36k) in respect of redundancy and settlement costs.

d. Higher paid employees

The number of employees whose emoluments, including pension contributions, fell within the following bands are:

	2023	2022
	Number	Number
£80,000 to £89,999	-	1
£70,000 to £79,999	3	-
£60,000 to £69,999	2	3

e. Birmingham Museums Trading Limited

Included in the above staff costs, the subsidiary Birmingham Museums Trading Limited was recharged for 22 staff members (2022: 22 staff) whose costs are wholly or partly included within the results of the subsidiary given at note 17.

The employment costs incurred by Birmingham Museums Trading Limited were:

	2023	2022
	£	£
Wages and Salaries	684,403	393,225
Social Security costs	32,026	22,946
Pension costs	14,878	5,798
	731,307	421,969

Included within wages and salaries above is an amount of £200k (2022: £45k) in respect of temporary staff.

None of the Directors of Birmingham Museums Trading Limited received any remuneration in their capacity as Directors.

f. General volunteers

Volunteers welcomed and engaged visitors to our venues, conservation cleaned objects and our sites, supported family activities, worked with our curators, gardened and assisted with our documentation.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

9. Fixed Assets

a) Tangible Fixed Assets

Group	Leasehold Improvements £	Plant and Equipment £	Fittings £	Equipment £	Total £
Cost					
At 1 April 2022	5,900,495	800,142	8,241,575	864,139	15,806,352
Additions	55,190	-	209,702	34,992	299,884
Disposals	-	-	-	-	-
At 31 March 2023	5,955,685	800,142	8,451,277	899,131	16,106,236
Depreciation					
At 1 April 2022	5,428,852	680,034	7,001,027	789,222	13,899,135
Charge for the year	61,526	43,990	516,921	44,511	666,948
At 31 March 2023	5,490,378	724,024	7,517,948	833,733	14,566,082
Net Book Value At 31 March 2023	465,308	76,118	933,330	65,398	1,540,153
Net book Value At 31 March 2022	471,644	120,108	1,240,548	74,917	1,907,217

All fixed assets are held for charitable purposes.

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2022: £Nil.).

Company	Leasehold Improvements £	Plant and Equipment £	Fittings £	Computer Equipment £	Total £
Cost					
At 1 April 2022	691,630	625,483	3,007,303	725,027	5,049,443
Additions	55,191	-	209,702	34,992	299,885
Disposals	-	-	-	-	-
At 31 March 2023	746,821	625,483	3,217,005	760,019	5,349,328
Depreciation					
At 1 April 2022	219,986	513,043	2,038,947	650,110	3,422,086
Charge for the year	61,526	39,292	244,730	44,511	390,057
At 31 March 2023	281,512	552,335	2,283,677	694,621	3,812,144
Net Book Value At 31 March 2023	465,309	73,148	933,328	65,398	1,537,183
Net Book Value At 31st March 2022	471,641	112,440	968,356	74,917	1,627,357

All fixed assets are held for charitable purposes.

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2022: £Nil.).

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

9. Fixed Assets (*continued*)

b) Intangible Fixed Assets

Group and Company	Software £
Cost	
At 1 April 2022	232,627
Additions	-
At 31 March 2023	232,627
Depreciation	
At 1 April 2022	185,348
Charge for the year	47,279
At 31 March 2023	232,627
Net Book Value At 31 March 2023	-
Net Book Value At 31 March 2022	47,279

10. Stocks

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Goods for resale	150,889	-	164,809	-

Stock recognised as expense during the year was £629k (2022: £267k)

11. Debtors

Amounts due in one year

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Trade debtors	426,500	215,058	361,316	263,338
Amounts owed by group companies	-	3,514,748	-	2,615,828
Tax and social security	-	-	-	44,599
Other debtors	10,587	2,258	158,356	99,143
Prepayments and accrued income	786,314	369,520	1,314,160	926,423
Amounts owed by group companies - Loan	-	75,810	-	132,669
Birmingham City Council	85,136	85,136	91,508	91,508
	1,308,537	4,262,530	1,925,340	4,173,508

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

11. Debtors (*continued*)

Amounts due after more than one year:

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Birmingham City Council	329,632	329,632	414,768	414,768
Amount owed by group companies	-	18,952	-	94,762
	329,632	348,584	414,768	509,530

12. Creditors

Amounts due within one year:

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Trade creditors	555,141	518,821	1,325,719	1,321,441
Tax and social security	361,069	405,318	140,182	70,246
Loan from Birmingham City Council	85,136	85,136	91,508	91,508
Other creditors	32,820	32,820	7,768	7,768
Accruals and deferred income	65,702	30,395	71,777	44,146
	1,099,868	1,072,490	1,636,954	1,535,109

Amounts due after more than one year:

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Loan from Birmingham City Council	329,632	329,632	414,768	414,768

Deferred income (group and company)

Deferred income comprises grants received in advance of expenditure.

	Group £	Company £
Balance as at 1 April 2022	10,668	10,668
Amount released to income from Charitable Activities	(10,668)	(10,668)
Amount deferred in year	-	-
Balance as at 31 March 2023	-	-

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

13. Financial instruments

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Financial assets				
Financial assets measured at fair value through statement of financial activities	2,639,861	1,496,062	3,970,898	3,233,927
Financial assets that are debt instruments measured at amortised cost	835,693	4,137,506	976,187	3,567,493
	3,475,544	5,633,568	5,108,944	6,801,421

Financial liabilities

Financial liabilities measured at amortised cost	1,238,909	1,167,281	1,972,688	2,004,596
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Financial assets are measured at fair value through statement of financial activities comprises cash held at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprises trade and other debtors, other taxation and social security and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprises Trade and other creditors, other taxation and social security, amounts owed to group undertakings, accruals and a loan from Birmingham City Council as explained below.

Birmingham City Council Loan

The loan falls due for repayment as follows:

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Within one year	85,136	85,136	91,508	91,508
In 1-2 years	77,846	77,846	85,136	85,136
In 2-5 years	179,387	179,387	207,591	207,591
Over 5 years	72,399	72,399	122,041	122,041
	414,768	414,768	506,276	506,276

The above unsecured loan is held by Birmingham Museums Trust. The loan was approved by Birmingham City Council in March 2012 with interest charged at 4.5% per annum and is repayable commencing 1 April 2012 and terminating on 1 January 2031. The loan was made to Thinktank Trust then transferred to Birmingham Museums Trust in April 2012.

In addition, Birmingham City Council has identified a source of funding and will not less than 5 business days in advance of each interest payment date grant aid to BMT a sum equivalent to the amount of interest and capital required to be paid by BMT to Birmingham City Council, to be held on trust by BMT and hypothecated to the payments of the loan as they fall due.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds Analysis - consolidated

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2023 £
General Restricted Funds						
Aston Hall Refurbishment	9,668	-	(9,933)	265	-	-
BMOSI	10,719	-	(48,686)	-	-	(37,967)
Commonwealth Games	11,700	52,070	(39,394)	-	-	24,376
Made in Birmingham	137,680	-	(137,680)	-	-	-
Millennium Point Trust	25,225	160,000	(59,934)	-	-	125,291
Minibrum	1,117,346	33,363	(203,932)	-	-	946,777
Portable Antiquities Scheme	45,726	120,224	(100,780)	-	-	65,170
Rent and Service Charge Grant	-	1,417,000	(1,417,000)	-	-	-
Reset and Innovation	-	46,490	(19,598)	-	-	26,892
Rewiring Project	15,221	945,999	(932,655)	-	-	28,565
Science for all Seasons	134,512	-	(134,512)	-	-	-
Spitfire Gallery	9,774	-	(9,774)	-	-	-
Staffordshire Hoard Gallery	53,313	-	(53,313)	-	-	-
Tessa Sidey Bequest	85,921	-	-	-	-	85,921
Welcome All	1,227	-	(409)	-	-	818
WCF-97011	448,150	-	(389,260)	-	-	58,890
Other	98,478	74,217	(83,897)	(13,000)	-	75,798
	2,204,660	2,849,363	(3,640,757)	(12,735)	-	1,400,531
Endowment Fund	887,381	-	(2,980)	-	-	884,401
Total Restricted Funds	3,092,041	2,849,363	(3,643,737)	(12,735)	-	2,284,932
Designated Funds						
Arts Council England – (National Portfolio Organisation)	928	1,026,107	(246,255)	(778,986)	-	1,794
	928	1,026,107	(246,255)	(778,986)	-	1,794
General Unrestricted Funds						
General Fund	2,954,185	5,832,424	(7,259,317)	791,721	-	2,319,013
Trading Reserve	(193,567)	1,607,196	(1,479,797)	-	-	(66,168)
	2,760,618	7,439,620	(8,739,114)	791,721	-	2,252,845
Total Unrestricted Funds	2,761,546	8,465,727	(8,985,369)	12,735	-	2,254,639
Pension Deficit	(838,000)	-	(188,000)	1,026,000	-	-
Total Funds	5,015,587	11,315,090	(12,817,106)	1,026,000	-	4,539,571

The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds analysis - consolidated (*continued*)

Restricted capital funds represent monies received for the purchase of specific assets. The funds will be expended over the life of the related asset.

Restricted funds

The restricted funds held at the year-end are to be applied for the purposes of the specific projects (as shown under the headings above) to develop:

- a. Aston Hall Refurbishment - the project will, over a number of years, improve the storytelling and interpretation at Aston Hall so it's more representative and enables BMT to increase footfall to the site.
- b. Commonwealth Games - Birmingham 2022 Cultural Festival, We Are Birmingham (BMAG) Black British History: A Journey through the Life of Vanley Burke (Soho House). Exhibitions supported by Birmingham Organising Committee for the 2022 Commonwealth Games Limited.
- c. Made in Birmingham - Gallery at Thinktank; this fund is being released as the asset depreciates.
- d. Millennium Point Trust - Grant to support programmes and projects at Thinktank, Birmingham Science Museum.
- e. Minibrium – New gallery and education programme, grants from Inspiring Science Fund co-funded by the Department for Business, Energy & Industrial Strategy (BEIS), UK Research and Innovation (UKRI) and Wellcome, Garfield Weston Foundation, Stavros Niarchos Foundation, The Wolfson Foundation, The 29th May 1961 Charity, Grimmer Trust, Rowlands Trust and other donors.
- f. Portable Antiquities Scheme - Recording archaeological objects found by members of the public in England and Wales; DCMS grant support, administered by the British Museum.
- g. Rent and Service Charge Grant - Grant support from Birmingham City Council at Thinktank.
- h. Rewiring Project – BCC funding for the collections and non-collections packing, decant, and temporary storage as well as re-installation due to rewiring of the Council House complex including BMAG
- i. Science for All Seasons - The Science Garden at Thinktank was completed prior to 2012 and this fund will be released as the asset is depreciated.
- j. Spitfire Gallery - Opened at Thinktank in March 2015; grants (various funders) and public donations. This fund will be released as the asset is depreciated.
- k. Staffordshire Hoard Gallery - Opened at the Museum & Art Gallery in October 2014; grant support (various funders and public donations) for the gallery refurbishment, and Hoard replicas and conservation. This fund will be released as the asset is depreciated.
- l. Tessa Sidey Bequest – A bequest in the will of Tessa Sidey (1955-2011) a curator at BMAG (1983-2011) to “buy major print acquisitions”.
- m. Welcome All - project to improve access at the Museum & Art Gallery; grant support from DCMS/Wolfson Museum & Art Galleries Improvement Fund 2011-16, Friends of Birmingham Museums Trust and City of Birmingham Museums & Galleries Development Trust, and Arts Council England Major Partner Museum funding 2015-18. This fund will be released as the asset is depreciated.
- n. WCF-97011 – Garfield Weston fund to invest in our digital offer and technology infrastructure.

Endowment fund

This represents the Ivan Witton legacy income.

Designated funds

National Portfolio Organisation - Grant funding from Arts Council England to deliver an agreed programme in support of ACE's goals. This grant represents the third year of a four year agreement for 2018-22.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds Analysis – consolidated (*continued*)

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2022 £
General Restricted Funds						
Aston Hall Refurbishment	28,281	3,500	(22,113)	-	-	9,668
Bangladesh 50	11,440	-	(8,735)	(2,705)	-	-
BMOSI	-	150,000	(139,281)	-	-	10,719
Commonwealth Games	-	28,950	(17,250)	-	-	11,700
Esmée Fairbairn Collections Fund	25,701	-	-	(25,701)	-	-
HS2	(2,461)	379,256	(360,318)	(16,477)	-	-
Islamic Art & Material Culture	7,229	-	(7,624)	395	-	-
Made in Birmingham	307,994	-	(170,313)	-	-	137,681
Millennium Point Trust	96,167	98,750	(169,692)	-	-	25,225
Minibrum	1,379,323	77,292	(339,270)	-	-	1,117,345
Portable Antiquities Scheme	35,807	97,239	(87,321)	-	-	45,725
Rent and Service Charge Grant	-	1,417,000	(1,417,000)	-	-	-
Rewiring Project	(10,135)	1,276,523	(831,167)	(420,000)	-	15,221
Science for all Seasons	374,879	-	(240,368)	-	-	134,511
Spitfire Gallery	22,193	-	(12,419)	-	-	9,774
Staffordshire Hoard Gallery	159,831	-	(106,519)	-	-	53,312
Tessa Sidey Bequest	88,375	-	(2,454)	-	-	85,921
Welcome All	1,636	-	(409)	-	-	1,227
WCF-97011	-	590,000	(141,850)	-	-	448,150
Other	49,948	128,515	(78,921)	(1,061)	-	98,481
	2,576,208	4,247,025	(4,153,024)	(465,549)	-	2,204,660
Endowment Fund	890,881	-	(3,500)	-	-	887,381
Total Restricted Funds	3,467,089	4,247,025	(4,156,524)	(465,549)	-	3,092,041
Designated Funds						
Arts Council England – (National Portfolio Organisation)	394,064	1,026,107	(543,619)	(875,624)	-	928
CRM / Ticketing	-	-	-	-	-	-
	394,064	1,026,107	(543,619)	(875,624)	-	928
General Unrestricted Funds						
General Fund	1,887,658	6,220,964	(6,495,611)	1,341,173	-	2,954,184
Trading Reserve	(248,690)	797,234	(742,110)	-	-	(193,566)
	1,638,968	7,018,198	(7,237,721)	1,342,173	-	2,760,618
Total Unrestricted Funds	2,033,032	8,044,305	(7,781,340)	465,549	-	2,761,546
Pension Deficit	(4,114,000)	-	(262,000)		3,538,000	(838,000)
Total Funds	1,386,121	12,291,330	(12,199,864)	-	3,538,000	5,015,587

The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

15. Funds analysis - Company

The charity holds restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss)	Balance at 31 March 2023 £
Restricted Funds						
Aston Hall Refurbishment	9,668	-	(9,933)	265	-	-
BMOSI	10,719	-	(48,686)	-	-	(37,967)
Commonwealth Games	11,700	52,070	(39,394)	-	-	24,376
Millennium Point Trust	25,225	160,000	(59,934)	-	-	125,291
MiniBrum	1,117,346	33,363	(203,932)	-	-	946,777
Portable Antiquities Scheme	45,726	120,224	(100,780)	-	-	65,170
Reset and Innovation	-	46,490	(19,598)	-	-	26,892
Rewiring Project	15,221	945,999	(932,655)	-	-	28,565
Spitfire Gallery	9,774	-	(9,774)	-	-	-
Staffordshire Hoard Gallery	53,313	-	(53,313)	-	-	-
Tessa Sidey Bequest	85,921	-	-	-	-	85,921
Welcome All	1,227	-	(409)	-	-	818
WCF-97011	448,150	-	(389,260)	-	-	58,890
Other	98,478	74,217	(83,897)	(13,000)	-	75,798
	1,932,468	1,432,363	(1,951,565)	(12,735)	-	1,400,531
Endowment Funds						
Ivan Witton Legacy (including interest receivable)	887,381		(2,980)	-	-	884,401
Total Restricted Funds	2,819,849	1,432,363	(1,954,545)	(12,735)	-	2,284,932
Designated Funds						
Arts Council England (Major Partner Museums 2015-18)	928	1,026,107	(246,255)	(778,986)	-	1,795
Unrestricted Funds	4,295,946	5,832,424	(6,964,581)	791,721	-	3,955,510
Total Unrestricted Funds	4,296,875	6,858,531	(7,210,836)	12,735	-	3,957,305
Pension Deficit	(838,000)	-	(188,000)	-	1,026,000	-
Total	6,278,724	8,290,894	(9,353,381)	-	1,026,000	6,242,237

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

15. Funds analysis – Company (*continued*)

The charity holds restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss)	Balance at 31 March 2022 £
Restricted Funds						
Aston Hall Refurbishment	28,281	3,500	(22,113)	-	-	9,667
Bangladesh 50	11,440	-	(8,735)	(2,705)	-	-
BMOSI	-	150,000	(139,281)	-	-	10,719
Commonwealth Games	-	28,950	(17,250)	-	-	11,700
Esmée Fairbairn Collections Fund	25,701	-	-	(25,701)	-	-
Islamic Art & Material Culture 2015-18	7,229	-	(7,624)	395	-	-
HS2	(2,461)	379,256	(360,318)	(16,477)	-	-
Millennium Point Trust	96,167	98,750	(169,692)	-	-	25,225
MiniBrum	1,379,323	77,292	(339,270)	-	-	1,117,346
Portable Antiquities Scheme	35,807	97,239	(87,321)	-	-	45,726
Rewiring Project	(10,135)	1,276,523	(831,168)	(420,000)	-	15,220
Spitfire Gallery	22,193	-	(12,419)	-	-	9,773
Staffordshire Hoard Gallery	159,831	-	(106,518)	-	-	53,312
Tessa Sidey Bequest	88,375	-	(2,454)	-	-	85,921
Welcome All	1,636	-	(409)	-	-	1,227
WCF-97011	-	590,000	(141,850)	-	-	448,150
Other	49,949	128,515	(78,921)	(1,061)	-	98,479
	1,893,335	2,830,024	(2,325,344)	(465,549)	-	1,932,467
Endowment Funds						
Ivan Witton Legacy (including interest receivable)	890,881		(3,500)	-	-	887,381
Total Restricted Funds	2,784,216	2,830,024	(2,328,844)	-	-	2,819,848
Designated Funds						
Arts Council England (Major Partner Museums 2015-18)	394,064	1,026,107	(543,618)	(875,624)	-	928
Unrestricted Funds	3,156,846	6,220,965	(6,423,038)	1,341,173	-	4,295,948
Total Unrestricted Funds	3,550,910	7,247,072	(6,996,656)	465,549	-	4,296,875
Pension Deficit	(4,114,000)	-	(262,000)	-	3,538,000	(838,000)
Total	2,221,126	10,077,097	(9,557,500)	-	3,538,000	6,278,724

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

16. Analysis of net assets between funds - consolidated

	Restricted £	Pension £	Unrestricted £	Total £
Fixed Assets	939,504	-	600,649	1,540,153
Net Current Assets	1,345,428	-	1,983,622	3,329,050
Creditors (amounts falling due after more than one year)	-	-	(329,632)	(329,632)
Provision for liabilities and charges			-	-
Total as At March 2023	2,284,932	-	2,254,639	4,539,571

Fixed Assets	1,468,742	-	485,754	1,954,496
Net Current Assets	1,623,300	-	3,215,559	4,838,859
Creditors (amounts falling due after more than one year)	-	(838,000)	(414,768)	(1,25,768)
Provision for liabilities and charges			(525,000)	(525,000)
Total as At March 2022	3,092,042	(838,000)	2,761,545	5,015,587

17. Financial performance of undertakings

Company Statement of Financial Activities

The consolidated statement of financial activities includes the results of the company's subsidiaries, Birmingham Museums Trading Limited and Thinktank Trust. The summary financial performance of the company alone is:

	2023 £	2022 £
Income	8,290,894	10,077,097
Gift Aid from subsidiary company	-	-
Total Income	8,290,894	10,077,097
Expenditure on Charitable Activities	(9,353,381)	(9,557,500)
Net Income	(1,062,487)	519,596
Other recognised gains/(losses)	1,026,000	3,538,000
Net Movements in funds	36,487	4,057,596
Total funds brought forward	6,278,724	2,221,126
Total Funds carried forward	6,242,237	6,278,724
Represented by:		
Unrestricted income funds	3,957,305	4,296,875
Restricted funds	2,284,932	2,819,849
Pension	-	(838,000)
Net Funds	6,242,237	6,278,724

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

17. Financial performance of undertakings (*continued*)

The summary financial performance of the wholly owned subsidiaries are as follows:

Birmingham Museums Trading Limited

Registered Company Number: 04221635

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	2023 £	2022 £
Profit & Loss Account		
Turnover	1,607,196	797,234
Cost of Sales	(629,243)	(267,754)
Gross Profit	977,953	529,480
Administrative expenses	(850,554)	(474,356)
Profit on ordinary activities before Gift Aid	127,399	55,124
Gift Aid to parent undertaking	-	-
Retained Profit / (Loss) for the year	127,399	55,124
The aggregated assets and liabilities of the subsidiary were		
Assets	1,334,844	897,087
Liabilities	(1,401,012)	(1,090,653)
Net Funds	(66,168)	(193,566)

Thinktank Trust

Registered Company Number: 03239119

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	Unrestricted funds £	Restricted funds £	Total funds £
Total incoming resources	-	1,417,000	1,417,000
Total resources expended	(294,737)	(1,689,192)	(1,983,929)
Net incoming / (outgoing) resources	(294,737)	(272,192)	(566,929)
Transfer between funds	-	-	-
Net movement in funds	(294,736)	(272,192)	(566,929)
Fund balances brought forward	(1,341,762)	272,192	(1,069,570)
Fund balances carried forward	(1,636,499)	-	(1,636,499)

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

18. Taxation

The charitable company's income is exempt from taxation under section 505 of the Income and Corporation Taxes Act 1988 and its chargeable gains are exempt under section 256 of the Taxation of Capital Gains Act 1992.

19. Financial Commitments

Debentures and charges

Thinktank Trust has granted a first mortgage charge over certain of its assets to the Millennium Commission to secure all monies owing to the Commission by the Trust under the terms of a grant agreement dated 10 December 2004.

The Thinktank Trust has granted a mortgage charge over certain of its assets to the National Heritage Memorial Fund under the terms of an agreement date 20 April 2011.

Value Added Tax

As a result of group registration arrangements for Value Added Tax (VAT), the charitable company is jointly and severally liable with other members of the group for any VAT due by the representative member of the group. At 31 March 2022 the group's net payable in respect of VAT was £291k (2022: £70k).

20. Related Party Transactions

During the year, the Company conducted the following transactions with its two subsidiaries, ThinkTank Trust and Birmingham Museums Trading Limited, and had the following debt positions with these subsidiaries at 31 March 2023.

Birmingham Museums Trading Limited

The Company levied a management charge on Birmingham Museums Trading Limited for the year ended 31 March 2023 amounting to £731k (2022: £422k). The management charge for both years includes the recharge of staff by the Company to Birmingham Museum Trading as disclosed in Note 8e to the consolidated financial statements.

Birmingham Museums Trading Limited made a gift aid donation to the Company of £nil for the year ended 31 March 2023 (2022: £Nil) as disclosed in Note 17 to the consolidated financial statements.

At 31 March 2023, the Company was due an amount of £1,301k from Birmingham Museums Trading Limited (2022: £1,018k).

Thinktank Trust

The Company levied a management charge on Thinktank Trust for the year ended 31 March 2023 amounting to Nil.

At 31 March 2023, the Company was due an amount of £2,305k (2022: £1,820k) from Thinktank Trust.

At 31 March 2023, Birmingham Museums Trading Limited was due an amount of £Nil from Thinktank Trust (2022: £15k)

Birmingham City Council (BCC)

In addition to the above listed related party transactions, the following transactions took place with BCC, the sole member of the Company, during the year.

BCC received services from the Company and contractual payments received in the year by the Company for services undertaken amounted to a fixed fee of £3.282m (2022: £3.283m) and variable performance payments amounting to £1.924m (2022: £1.573m).

The Company has an outstanding loan with BCC as disclosed in Notes 11 and 12.

BCC funded £946k (2022: £831k) for the rewiring project and provided compensation of £420k (2022: £420k) for loss of earnings.

In addition, Thinktank Trust received a grant from BCC of £1.417m during the year (2022: £1.417m) to assist in the provision of lease payments on Thinktank to Millennium Point Property Ltd.

One of the Trustees is an employed by TATE. During the year there were 8 sales totalling £3,780 with TATE. One of the Trustees is also a Trustee of Greater Birmingham and Solihull LEP. During the year we received a grant of £25,000. All transactions were arm's length.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

21. Members

The charity is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £10 in the event of the company being wound up. At 31 March 2023 Birmingham City Council was the sole member of Birmingham Museums Trust.

22. Pension Schemes

The company operates Defined Benefit and Defined Contribution Schemes.

Defined Benefit Scheme

The defined benefit pension scheme is accounted for in accordance with applicable accounting standards within the United Kingdom. As a consequence, a liability of NIL (2022: £838k) is shown in BMT's consolidated balance sheet. However, in accordance with the terms and conditions of the Local Government Pension Scheme, any liability is reversed over time through an increase in the contribution from current members to the scheme, on a mutualised basis across the whole of Local Government Pension Scheme, and BMT is not required to specifically fund the deficit that relates to its current and deferred members.

The major assumptions used by the actuary were (in nominal terms):		At 31 March 2023	At 31 March 2022
Rate of increase in salaries		3.95%	4.15%
Rate of increase to pensions		2.95%	3.15%
Discount rate		4.75%	2.75%
Inflation assumption – CPI		2.95%	2.95%
Assumed life expectations on retirement at age 65 are:		At 31 March 2023	At 31 March 2022
Retiring today	Males	20.2	21.2
	Females	23.9	23.6
Retiring in 20 years' time	Males	21.5	22.9
	Females	25.6	25.4

The assumptions used in determining the overall expected return of the scheme have been set with reference to yields available on government bonds and appropriate risk margins.

The assets in the scheme and the expected rates of return were:

	Fair value at 31 March 2023 £000	Fair value at 31 March 2022 £000
Equities	14,810	14,812
Gilts	-	-
Bonds	4,791	4,864
Property	1,525	1,547
Cash	653	884
Other	-	-
Fair value of plan assets	21,779	22,107
The actual return on assets over the year was		(111) 1,684

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

22. Pension Schemes (*continued*)

Defined Benefit Scheme (*continued*)

The amounts recognised in the balance sheet are as follows

	2023	2022
	£000	£000
Present value of scheme liabilities	(21,779)	(22,945)
Fair value of scheme assets	21,779	22,107
Net pension liability	-	(838)

Analysis of the amount charged to Statement of Financial Activities:

Current service cost	311	364
Administration cost	-	-
Interest on the defined liability/(asset)	25	22
Total	336	386

Analysis of the amount recognised in other recognised gains and losses:

Actuarial (loss)/gain on scheme assets	(7,262)	1,232
Actuarial (loss)/gain on scheme liabilities	8,288	2,306
Actuarial (loss)/gain recognised	1,026	3,538

Changes to the present value of the defined benefit obligation:

Opening defined benefit obligations	22,945	24,608
Current service cost	311	364
Interest cost	630	493
Contributions by scheme participants	48	48
Actuarial loss/(gain)	(8,373)	(2,184)
Benefits paid	(396)	(352)
Past service cost	-	47
Changes in demographic assumptions	(697)	(122)
Experience loss/(gain) on defined benefit obligation	782	43
Closing defined benefit obligations	15,250	22,945

Changes in the fair value of plan assets

Opening plan assets	22,107	20,494
Interest on assets	605	409
Return on assets less interest	(733)	1,275
Pension asset restriction	(6,529)	-
Administration expenses	-	-
Contributions by employers	148	233
Contributions by scheme participants	48	48
Benefits paid	(396)	(352)
Closing plan assets	15,250	22,107

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

22. Pension Schemes (*continued*)

Defined Contribution Scheme

The charitable company operates a stakeholder compliant Group Personal Pension Scheme run by Standard Life PLC open to all employees. The Trust makes matching contributions to this scheme for employees making contributions, subject to a minimum contribution of 3% per month per employee.

23. Lease Commitments

Land and Building Leases

At 31 March 2023 the group had future minimum lease payments, in relation to land and building leases for Thinktank Trust at Millennium Point, under non-cancellable operating leases as follows:

	2023 £	2022 £
Within one year	663,521	647,338
Between two to five years	2,824,164	2,755,282
More than five years	1,327,824	2,060,277
Total	4,815,509	5,462,847

The company had no leases in respect of land and buildings.

Other Operating Leases

At 31 March 2023 the group and company had future minimum lease payments, in relation to other operating leases, under non-cancellable operating leases as follows:

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Within one year	6,570	6,570	12,870	12,870
Between two to five years	6,333	6,333	12,904	12,904
More than five years	-	-	-	-
Total	12,903	12,903	25,774	25,774

24. Post Balance Sheet Events

The announcement on 5 September 2023 of a Section 114 by Birmingham City Council may have implications for Birmingham Museums Trust going forward. The BCC investment represents approximately 45% of annual revenue funding for the group. The group's current funding agreement with BCC remains in force until 31 March 2026 and the official statements from BCC outline existing contracts will continue to be honoured. However, as BCC continues to look at areas of cost saving in its budget setting process for the 2024/25 year onwards, the extent of the financial impact on the group is unknown at this stage.

25. Provisions for liabilities and charges

There was a provision in the accounts at the end of March 2022 of £525k, whilst HMRC undertook a review of partial exemption methodology for calculating VAT liability. This review has now been concluded and at the end of March 2023 the amount still payable to HMRC for previous years was £308k, having already paid £147k.

BIRMINGHAM MUSEUMS TRUST

England & Wales - Charity number 1147014

Accounts

BIRMINGHAM MUSEUMS TRUST

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

BIRMINGHAM MUSEUMS TRUST
*Annual Report and Consolidated Financial Statements for the year ended
31 March 2022*

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BIRMINGHAM MUSEUMS TRUST
Annual Report and Consolidated Financial Statements for the year ended
31 March 2022

Company Details

Charity Name	Birmingham Museums Trust
Charity Registration Number	1147014
Company Registration Number	07737797
Registered Office	Birmingham Museum and Art Gallery Chamberlain Square Birmingham B3 3DH
Auditors	Cooper Parry Group Limited Cubo Birmingham Office 401, 4 th Floor Two Chamberlain Square Birmingham B3 3AX
Bankers	HSBC Bank plc 130 New Street Birmingham B2 4JU
Solicitors	Higgs & Sons LLP Waterfront Business Park 3 Brierley Hill Dudley DY5 1LX

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Report of the Trustees and Strategic Report

The Board is pleased to present their Annual Report and Consolidated Financial Statements for the year ended 31 March 2022. This includes the contents of a Strategic Report as required by the Companies Act 2006.

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

Board of Trustees of Birmingham Museums Trust

The Trustees of Birmingham Museums Trust (who are also directors for the purposes of company law) served during the year and up to the date of this report are:

Mr Niels de Vos (Chair)
Mr Mohammed Ali MBE
Councillor Robert Alden
Mr Clive Bawden
Dr Louise Brooke-Smith OBE
Rt Hon Liam Byrne MP
Mr Liam Darbon (appointed 9 September 2021)
Cllr Phil Davis MBE
Mr John Diviney
Ms Sapreena Kumari
Mr Luke Southall (resigned 9 September 2021)
Mr Jonnie Turpie MBE
Mrs Claire Williamson
Ms Elly Porter
Mr Tony Simpson (appointed 19 January 2022)
Mr Eamon Mooney (resigned 19 January 2022)

In addition, the charity has two subsidiaries. It is the sole shareholder of Birmingham Museums Trading Limited and the sole member of Thinktank Trust.

Directors of these two companies who served during the year and up to the date of this report are:

Birmingham Museums Trading Limited

Ms Tracey Stephenson (Chair)
Mr Liam Darbon
Mr Zak Mensah (appointed November 2021)
Ms Sapreena Kumari (appointed 1 November 2021, resigned 22 August 2022)
Mr John Diviney (appointed 18 July 2022)

Thinktank Trust

Mr Niels de Vos
Mr Eamon Mooney (resigned 19 January 2022)

Legal status

Birmingham Museums Trust ("BMT") is a registered charity (number 1147014) and a private limited company limited by guarantee (number 07737797), incorporated on 11 August 2011, and is governed by its Articles of Association ("Articles"). In the event the charitable company is wound up, members are required to contribute an amount not exceeding £10.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Report of the Trustees and Strategic Report (continued)

Achieving Objects and activities for the public benefit

In considering the strategies and policies of the charity, the trustees have had due regard for the public benefit guidance published by the Charity Commission, in accordance with the Charities Act 2011.

The charity's objects as set out in its Articles are:

To advance education by the operation, maintenance, development and promotion of museums, galleries and libraries in Birmingham, together with associated facilities and related programmes of outreach and research, fostering knowledge and understanding, appreciation and enjoyment of the arts, history, science and technology by residents and visitors to the City of Birmingham.

We have reviewed the fundamental purpose of Birmingham Museums Trust (BMT) and our activities critically and systematically, from the management culture to our business and commercial strategies, and our creative and intellectual assets and ambitions. We have begun a process of change engaging our trustees, workforce, stakeholders, community partners and the wider public in our mission to rethink what a museum is. In January 2022 we reviewed our consultation and discussions to date and have formalised our strategic approach. The table below articulates the challenge we face, why we believe BMT is well-positioned to respond, and our purposeful vision or Cause.

PROBLEM	BELIEF	MISSION	PURPOSE	VISION
The challenge we face	The conviction that fuels our commitment	What we exist to do	Value and importance of what we do	How the world would be better if we succeed
Structural inequality is thwarting Birmingham's potential.	We acknowledge our history, its injustices and innovations as an ethical foundation for our work.	We harness all the people's collections, heritage and creativity to tell stories that make meaning.	This embraces Birmingham's super-diversity generating hope, building social trust and increasing belonging and solidarity.	We will empower people and communities to imagine and shape an ambitious, vibrant, creative, multicultural city.
Birmingham's huge potential as a vibrant, creative, convivial, multicultural city is greatly diminished by structural inequality, deprivation and social injustice. This hinders aspiration and hope, undermines trust in institutions, weakens civic pride and the connections between and within communities, and disempowers its citizens.	We will exercise intellectual and cultural leadership in addressing the issues of an increasingly polarised society, while also exploring historic injustices within an overall context of Birmingham as a city of belonging, capable of containing multiple identities and a plurality of views.	Audiences and communities will play a leading role in shaping Birmingham Museums through consultation, collaboration and coproduction. We will work with cultural and community partners and individuals, to reflect the stories and characters of the people and city today, their shared experiences and untold histories.	Birmingham Museums will be an ambitious, authentic expression of the best of the people of the city and the region. If interaction and understanding are sought diversity is a great strength. We will explore how cultural resources can be shared and cultural participation and expression can be enabled within a complex cultural ecosystem.	We will activate and amplify Birmingham's rich cultural inheritance and vibrant cultural life. We will renew/reinvent our buildings and programmes to redefine the museum so that it is a catalyst for active citizenship, democratic renewal and inclusive pride in Birmingham.
CAUSE				
Our Purposeful Vision				
We harness all the people's collections, heritage and creativity to tell stories that make meaning. This embraces Birmingham's super-diversity generating hope, building social trust and increasing belonging and solidarity. We will empower people and communities to imagine and shape an ambitious, vibrant, creative, multicultural city.				

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Report of the Trustees and Strategic Report (continued)

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives in planning future activities. In particular the Trustees have considered how planned activities will contribute to the strategic aims. The objects of the charity are achieved through capital developments and gallery redisplay, public programmes of exhibitions and events across the nine venues, formal and informal learning programmes for schools, families and adults, public access, including digital access, to the collection on display and in store, collections care, loans and commercial activities including retail, catering and event hire.

The charity's priorities are aligned with those of its major public funders, Birmingham City Council and Arts Council England.

Structure, Governance and Management

The Board of Trustees has responsibility for the on-going strategic direction of BMT overseeing its finances and approving the budget, working with the Co-CEOs and Senior Leadership Team in the development and implementation of policy to meet BMT's objects and to ensure that it fulfils its statutory duties. The Board meets at least four times a year.

Day to day management is delegated to Co-CEOs Sara Wajid and Zak Mensah. They are assisted by Richard Paterson, Director of Finance (until November 2021); Rachel Cockett, Director of Development; Toby Watley, Director of Collections; Janine Eason, Director of Engagement, and Alex Nicholson-Evans, Commercial Director (until September 2021).

Recruitment and Appointment of Trustees/Directors

The Articles provide that two directors shall be appointed who are members or officers of Birmingham City Council in accordance with the nomination of the City Council. Other directors may not be members or officers of the City Council and may only be appointed after a recommendation of the directors after they have considered the desirability of:

- making such a recommendation after the advertisement of the vacancy and the response to such an advertisement;
- a board of Directors with a range of skills experience and abilities relevant to the objects and activities of the charity; and
- a board of Directors representative of the people of Birmingham.

Trustee induction and training

All Trustees are provided with an induction to the organisation on appointment.

Remuneration of management personnel

Remuneration for management personnel is set by comparison internally with similar posts when possible, benchmarking with similar external organisations and with reference to Croner's Salary Search.

Employment of people with disabilities

BMT is committed to the employment, support and training of people with disabilities. Employment policy is included in the staff handbook and is available to employees on the intranet.

Informing Employees

Keeping our workforce informed is important to us. Performance information is circulated monthly to all staff by email and by cascade via the management team. "All Staff Briefings" are held monthly which also provide opportunity for question and answer sessions.

Risk Management

The Trustees actively and regularly review the major risks to which BMT is exposed and have implemented procedures to manage and minimise any potential impact should any of the identified risks materialise. A Risk Framework, supported by a Risk Register, is maintained setting out an assessment of the likelihood and impact of risks, with required actions identified to manage the risk. This is reviewed and updated no less than quarterly. The Trustees are satisfied that there are clear lines of delegation and authority to staff regarding risk management, and that staff are aware of the need to address risks in their areas of activity.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Report of the Trustees and Strategic Report (continued)

Key risks

- Rising costs (goods, services, energy, living wage) will limit ability to generate income and create uncertainty in budget forecasting.
- Largescale electrical rewiring programme at BCC Council House forcing closure of BMAG and reducing BMT's operational activity.
- Physical deterioration of Historic Properties and Museum Collections Centre; risk to buildings and collections; realisation could reduce physical access for staff and contractors as well as delivering poor visitor experience.
- Long term grants do not increase with inflation meaning real term reductions in core operating grants over the year.
- High Speed Rail – this could lead to disruption (vibration, noise and dust) for both Museum Collections Centre and Thinktank during the construction period, affecting both the collection and BMT's ability to generate income.
- Ability to meet obligations as they fall – BMT needs sufficient cash to meet its financial obligations going forward. BMT is working closely with its major partners to ensure cash doesn't become an issue.

Achievements & Performance 2021/22

2021 saw the reopening of three of our nine sites since they closed in March 2020 due to the COVID-19 pandemic.

Thinktank welcomed visitors back on 29 May with a new entrance, larger and improved shop, and a brand-new *Our Changing Planet* gallery looking at how humans have transformed the world and how these changes are affecting wildlife and the environment across the globe. Our Changing Planet was co-curated with our Youth Climate Forum of young people.

Aston Hall reopened on 7 July, with displays that re-told some of the stories of the Hall's four centuries of history and the *Black is Beautiful, Blackness without Apology*, an exhibition created by young people in collaboration with Don't Settle and BMT. A new family trail and a new menu at the Stable Yard Café broadened the visitor experience. The BBC Antiques Roadshow team filmed at the Hall as part of the 44th series of the programme.

Blakesley Hall, the Tudor house a few miles from the centre of Birmingham, reopened to visitors on 21 July. This Elizabethan house was built as a family home, and families were delighted to return, enjoying favourite events such as the Great British Apple Day celebration.

Sarehole Mill remained open through the year as a community shop, café and as an outdoor venue as restrictions allowed, continuing its operation since the previous year.

Across our sites we welcomed 232,235 visitors in the year. A further 3,107,350 visitors saw loans from Birmingham's civic museum collection on public display at venues across the world.

Birmingham Museum and Art Gallery (BMAG) remained closed for essential electrical upgrade work of Birmingham's Council House Complex. An inventory and decant of the collections, libraries, archives and offices space was implemented to enable the rewiring to take place. The decant included moving all 36,500 collection objects off-site into temporary storage. The electrical upgrade is an extensive and essential programme of work to future-proof the building and make it safe for staff and visitors while safeguarding Birmingham's collections for generations to come.

Museum of the Jewellery Quarter and Soho House also remained closed with exceptions for some events when restrictions allowed.

School groups returned after our sites reopened to a programme of inspiring educational sessions. 16,651 pupils visited our 4 open sites during the year. Alongside these on-site visits we continued to bring science and history to life in the classroom with our live stream interactive sessions, originally developed to support school learning during lockdown.

The majority of volunteer activity was suspended during the pandemic with most volunteers unable to return to their roles during the year. However, with our sites gradually reopening, volunteers were gradually able to return, including the Castle Keepers who look after the ruins of Weoley Castle. Between them, volunteers gave 423 days of their time to support the work of Birmingham Museums during the year.

Volunteering for Veterans, a new health and wellbeing project for ex-servicemen and women, helped four local veterans get back on the road to recovery by conserving vintage motorbikes from the city's collection held at the Museum Collection Centre.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Report of the Trustees and Strategic Report (continued)

The programme supported former members of the local Armed Forces community by providing skills development opportunities alongside social and wellbeing activities. The project was made possible with funding from the Armed Forces Covenant and support from the Royal British Legion.

Life on Lockdown, a participatory project to capture the experiences of Birmingham during the Covid-19 crisis, launched with a display at Thinktank and on Birmingham Museum's YouTube channel. The project collected hundreds of digital images and recordings of first-hand experiences to reflect the lives of Birmingham people during lockdown as a record of the Covid-19 pandemic.

Freedom 50, a new outdoor exhibition celebrating 50 years of Bangladeshi independence opened in Birmingham's Centenary Square in May. Organised by Legacy West Midlands in collaboration with Birmingham Museums, the exhibition was on display until the end of August 2021.

The stories of Birmingham's Windrush generation were celebrated in a programme of events and activities commemorating the year's national Windrush Day including a vibrant live digital event celebrating the city's Caribbean community through music, storytelling and poetry. The programme was run in partnership with The Red Earth Collective and made possible with a grant from the Ministry of Housing, Communities and Local Government. Five personal testimonies from the Black Oral History Project Archive were transcribed and made accessible for the first time. Conducted between 1990 and 1992, these spoken history interviews with people in Birmingham who originated from the Caribbean and South Asia talk about memories including first impressions, religious experiences, education, experiences of racism, identity, as well as thoughts on the future. An education resource was developed to support pupils' learning about this time.

Birmingham Heritage Week 2021 took place from 9-19 September. Events included walks, talks, building tours and open days, dramatic performances and poetry readings, as well as exhibitions, hands-on workshops and online events. 72 local organisations, societies and friends' groups delivered 126 unique events. 15 new organisations taking part and over 400 volunteers welcomed supported the festival. Nearly 19,000 attended and online events drew nearly 6,000 views.

We launched Birmingham Museums On Demand, a new digital service making stories behind Birmingham's collections available online to watch anytime, anywhere in the world. This service gave people access to some of the stories behind our collections at a time when BMAG was closed. We launched Birmingham Museums' new online shop, with a unique range of products created by the very best local independent Birmingham makers alongside gifts inspired by Birmingham's past.

Funded by HS2, a 9-month programme delivered significant collections relocations and storage improvements within the Museum Collections Centre, while improvements to the building addressed security concerns.

A total of 3,571 objects were loaned on short or long term to venues including the Kunstmuseum Basel, The Frick in Pittsburgh US, Tate Modern, Victoria & Albert Museum, Royal Academy and National Gallery. In addition, BMT supported loans to regional venues as part of Coventry's City of Culture or in the run up to the Birmingham Festival 2022. BMT's international touring exhibition Victorian Radicals came to an end after attracting 167,806 visitors at 7 venues across the United States.

Acquisitions into the city's collection by leading artists included John Akomfrah's seminal work *Handsworth Songs*, Hew Locke's sculpture *Souvenir 9 (Queen Victoria)*, photographic works from Andrew Jackson's *A Small Island series*, a body of photographic work by Birmingham and regional artists capturing Black Lives Matter protests in the city, and local people's experiences of Lockdown. Acquisitions were supported by ACE/V&A Purchase Grant Fund, Art Fund, Tessa Sidey Acquisition Fund, The Friends of Birmingham Museums, and William A Cadbury Charitable Trust.

Climate Action

Our Climate Pledge (Sept 2021) makes a commitment to reducing the environmental impact of our activities and operating as sustainably as we can. Our ambition is to reach net zero by 2040. The Pledge forms part of the *Our Changing Planet* gallery at Thinktank.

Our Climate Action Plan 2022-26 sets out our BMT intends to lead the way in our approach to environmental responsibility. Since our establishment in 2012 we have taken considerable steps to reduce our waste and energy usage, change to green energy suppliers and reduce the negative impact of our operations on the climate and environment. Progress against our Action Plan is monitored quarterly.

Our Climate Action Plan recognises our role in public engagement on environmental action, as well as responding to public, partner, stakeholder and funder expectations. One of our major funders, Birmingham City Council has undertaken an Environment and Sustainability Assessment of our work to assess its impact on and understand how we are tackling Climate Change. As an Arts Council England National Portfolio Organisation we are required to improve our environmental performance, reduce carbon emissions and manage our collections sustainably, collecting data and submitted evidence annually to ACE's Sustainability Partner Julie's Bicycle.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Report of the Trustees and Strategic Report (continued)

Fundraising

BMT actively pursues funding from grant makers (trusts, foundations and public funders), corporate supporters and individuals to fund our charitable activities. We work with others to increase our fundraising opportunities including academic partners, specialist sector organisations, charities who align with our purposes, community partners, and other museum and cultural organisations. A grant of £590k from Garfield Weston Fund allowed us to invest in our digital offer and technology infrastructure.

We use third-party website Just Giving to collect donations, and Donr to collect donations via SMS. We offer the option to gift-aid admission charges for entry, make a donation online with a ticket or shop purchase, or on-site at one of our museums.

We do not employ the services of professional or commercial fundraisers. We do not undertake street collections or telephone campaigns. Where we collect personal information, this is managed in line with our Data Protection Policy.

BMT is registered with the Fundraising Regulator, the independent regulator of charitable fundraising in England, Wales and Northern Ireland. We have received no complaints regarding our fundraising in 2021/22.

BMT's Safeguarding Policy makes specific reference to donors. BMT abide by the Fundraising Regulator's Code of Practice and uses the Institute of Fundraising guidance for Treating Donors Fairly (2021).

Key strategic priorities/objectives for BMT over the next 2-3 years

BMT's Business Plan 2022-26 states that our Co-CEO's Sara Wajid and Zak Mensah's brief is to lead a multi-year transformation towards a socially purposeful museum service rooted in the distinctive cultural heritage of this region. Radical transformation takes time and we are committed. 2022-23 will be the second year of our change programme and we are determined to emerge from the pandemic a more dynamic organisation that better contributes to our society. We will fulfil our cause by taking forward actions that meet our 10 Strategic Aims (below).

AIM 1. Democratise our governance

We believe ideas and leadership can and should come from anywhere. We will adapt and augment to create a more sustainable, agile and porous structure. We will create a democratic decision-making process and new groups of influence.

AIM 2. Nurture a creative, enabling internal culture

Deliberate coordinated method to change our culture collectively. Become an experimental learning organisation driven by evidence-based decision making.

AIM 3. Grow a rich workforce eco-system

Design a workforce with the capabilities to develop the service and deliver our Cause. Grow our own pipeline of talent through our programming and provision of career and skills development opportunities. Inclusive of the wider workforce of creatives, freelancers, contracted staff and partners.

AIM 4. Design a radical, sustainable new museum operating model

We will re-think what a museum is and its relationship to its city and environment. We believe that BMT is more than a collection of buildings and objects. We see our role not only as a guardian but as an agency of social change. We will explore new and different ways to manage, use and rationalise our estate and our physical and digital assets to identify the options that best support our future viability and resilience and that can best deliver our Cause.

AIM 5. Redefine the cultural value of collections

We will change how our collections are understood, accessed and used and we will reframe how we measure cultural value of our collections to Birmingham and its citizens. We will build new partnerships and develop new channels that enable people to play a fuller role in using, researching, borrowing, augmenting and interpreting our collections and curating their own. We will explore repatriation and deaccession for long-term sustainability.

AIM 6. Pioneer experiments in mass-participation

We will make a paradigm shift that moves BMT away from the dominant model of passive visitor-ship. In its place we will forge a new model of active engagement: experiments that enable non-visitors to share their heritage and creativity and share their stories and ours. We want to make the people's culture popular culture. We will devise new measures that evidence the impact on individual, community, civic and societal change.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Report of the Trustees and Strategic Report (*continued*)

AIM 7. Reposition BMT as critical to the city's future

Reposition Birmingham Museums as a critical key driver of social, cultural, and economic creativity and innovation. Identify new audiences, advocates, partners, and stakeholders to help us deliver our Cause.

AIM 8. Build our own segmented mass channel

Use direct email to create our own channel to increase user engagement and participation. Underpinned by our website, CRM and ticketing systems and backed up by a social media strategy.

AIM 9. Cultivate connections

Become an anchor organisation in a vibrant city-wide network of organisations and individuals.

AIM 10. Diversify and increase our income

Respond to the changing markets and circumstances, adapting and evolving our trading opportunities to maximise income.

We will:

- Engage our existing relationship partners and seek new voices to reimagine our vision for BMT. The outcome will be a service direction that uses socially engaged practice. At our core will be a work programme that always focuses on the needs of our users.
- We will experiment with reaching new audiences through local, national, and international partnerships.
- Re-imagine who the buildings and collection are for and collaborate with the people and communities who are critical to the future of Birmingham Museums for the next 50 years and beyond.

BMT will demonstrate a commitment to increase educational/outreach work through:

- Without Walls, a programme to engage audiences online and offsite. Includes taking artworks and items from the collection into schools and communities, inviting Birmingham citizens to co-produce new displays for when BMAG reopens, sharing content through our digital platforms, and delivering outdoor exhibitions.
- New online services and activity taking the outcomes of our new Digital Strategy forward
- New public participation in shaping the direction of the organisation under the leadership of our Co-CEOs
- The change in approach envisions a shift with decreasing education and participation numbers onsite and increasing offsite and online attendance and participation.

BMT will continue to work closely with Birmingham City Council and will ensure we take all reasonable steps to protect the properties and collections we are responsible for. We have worked together to develop a set of condition surveys to aid prioritising essential maintenance, mechanical and electrical work across our properties. This work will support future applications to improve building infrastructure.

In addition to financial stabilisation and continuing to respond to the ever-changing landscape, there are a number of projects that will continue including

- The rewiring of BMAG, which will see the building partially open to the public in 2022 with phased re-opening of the rest of the galleries expected from 2024.
- Taking forward the feasibility study for a new Museum for Science and Industry, The City of Ideas Project.
- The next phase of the Museum Collection Store project.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Report of the Trustees and Strategic Report (continued)

Financial Review / Key Financial Performance Indicators

The financial performance of the Museum for the year under review and the financial position at the Balance Sheet date are set out in this report. In particular the Statement of Financial Activities (SOFA), which includes both unrestricted and restricted funds, shows the performance of the group during the year.

Like the vast majority of charities, BMT was severely impacted by COVID-19 and national restrictions. The main financial impacts have been:

- Nationally museums saw between 25% to 50% less visitors nationally than pre-pandemic
- Facing significant loss of revenue, BMT prioritised expenditure that was critical to the delivery of its charitable objectives and looked at new ways of cost effective working
- Forecasting has been difficult set against national restrictions and changing public sentiment
- Birmingham Museum & Art Gallery remained closed for the reporting period as part of electrical rewiring works across the building complex which traditionally attracted the majority of visitors and secondary spend

The cost of governance activities was £0.036m (2021: £0.022m). Direct governance costs have been included in accordance with the Charity SORP 2019 and include audit fees, legal fees and Trustee expenses.

Going Concern

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

Reserves Statement

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

They take the view that the nature of the BMT's consolidated cash flows is such that they can set as a medium-term objective to maintain unrestricted reserves, excluding defined benefit pension liabilities, at a level of one month's income, or around £1m.

At 31 March 2022 Restricted Funds stand at £3.092m (2021: £3.467m), Unrestricted Funds at £2.762m (2021: £2.033m) and a Pension Reserve deficit of £0.838m (2021: £4.114m). Free reserves as at the 31 March 2022 were £2.300m (2021: £1.279m).

The unrestricted reserves are in line with the charity's reserves policy.

Investment Policy

The Trustees have the power to invest funds not immediately required from operational purposes in such investments, securities or property as they see fit.

The underlying investment strategy is to accept only a low level of risk and therefore available funds are invested in low risk short-term deposits with HSBC plc, a bank which operates in the United Kingdom and which is subject to regulation under the Financial Services Act 2012.

Related Party

Birmingham City Council, the sole member of the charitable company, has paid fees for services and has provided loan finance to Birmingham Museums Trust's subsidiary Thinktank Trust. Any conflicts of interest involving Trustees in this respect are declared where appropriate.

Auditor

The Auditor, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

BIRMINGHAM MUSEUMS TRUST
Annual Report and Consolidated Financial Statements for the year ended
31 March 2022

Statement of Trustees' responsibilities in respect of the Trustees' report and the financial statements

The Trustees (some of whom are also the directors of Thinktank Trust and Birmingham Museums Trading Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, generally accepted accounting practice entails, the Trustees:

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

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

Approved by the Board of Trustees on 22 December 2022 and signed on their behalf by:



Mr Niels de Vos
Chair

BIRMINGHAM MUSEUMS TRUST
Annual Report and Consolidated Financial Statements for the year ended
31 March 2022

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust

Opinion

We have audited the financial statements of Birmingham Museums Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 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 Report of the Trustees and Strategic 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.

BIRMINGHAM MUSEUMS TRUST
Annual Report and Consolidated Financial Statements for the year ended
31 March 2022

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (*continued*)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection and anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities included, but was not limited to, the following:

BIRMINGHAM MUSEUMS TRUST
Annual Report and Consolidated Financial Statements for the year ended
31 March 2022

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (continued)

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

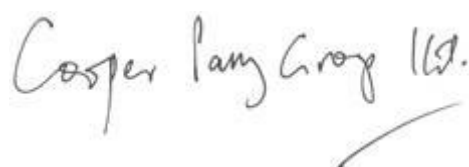
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

A further description of our responsibilities for the audit of the financial statements is located 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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Atkins FCA
Senior Statutory Auditor

For and on behalf of Cooper Parry Group Limited

Cubo Birmingham
Floor 401, 4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 22 December 2022

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2022

	Note	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Funds £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and legacies		23,541	14,207	-	37,748	115,408
Investments						
Rental income		14,082	-	-	14,082	3,015
Interest receivable		729	-		729	-
Charitable activities						
Visitor admissions and outreach income		1,572,553	-	-	1,572,553	56,187
Grants receivable and other income		5,636,166	4,232,818	-	9,868,984	9,871,257
Other trading activities						
Income from trading activities of Subsidiary		797,234	-	-	797,234	414,764
Total Income	4	8,044,305	4,247,025	-	12,291,330	10,460,631
Expenditure on:						
Raising funds						
Expenses from trading activities of Subsidiary		(742,110)	-	-	(742,110)	(683,399)
Fundraising costs		(8,847)	-	-	(8,847)	(62,854)
Charitable activities						
Museum costs		(7,030,383)	(4,156,524)	262,000	(11,448,907)	(10,452,546)
Total Expenditure	5	(7,781,340)	(4,156,524)	262,000	(12,199,864)	(11,198,799)
Net (expenditure)/income		(262,965)	(90,501)	262,000	91,466	(738,169)
Transfers between Funds	14	465,549	(465,549)	-	-	-
Other recognised gains						
Return on Pension Fund Assets		-	-	1,232,000	1,232,000	(6,001,000)
Change in financial assumptions		-	-	2,306,000	2,306,000	3,527,000
Net movement on pension fund	22	-	-	3,538,000	3,538,000	(2,474,000)
Net movement in funds		728,514	(375,048)	3,276,000	3,629,466	(3,212,169)
Reconciliation of funds						
Fund balances brought forward		2,033,032	3,467,089	(4,114,000)	1,386,121	4,598,289
Fund balance carried forward		2,761,546	3,092,041	(838,000)	5,015,587	1,386,120

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and includes all gains and losses recognised in the year.

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Fund £	Total 2021 £
Income and endowments from:					
Donations and legacies		115,408	-	-	115,408
Investments					
Rental income		3,015	-	-	3,015
Interest receivable		-	-	-	-
Charitable activities					
Visitor admissions and outreach income		56,187	-	-	56,187
Grants receivable and other income		8,114,774	1,756,483	-	9,871,257
Other trading activities					
Income from trading activities of subsidiary		414,764	-	-	414,764
Total Income	4	8,704,148	1,756,483	-	10,460,631
Expenditure on:					
Raising funds					
Expenses from trading activities of subsidiary		(683,399)	-	-	(683,399)
Fundraising costs		(62,854)	-	-	(62,854)
Charitable activities					
Museum costs		(7,148,526)	(2,707,020)	(597,000)	(10,452,546)
Total Expenditure	5	(7,894,779)	(2,707,020)	(597,000)	(11,198,799)
Net (expenditure)		809,369	(950,537)	(597,000)	(738,168)
Transfers between Funds		(69,045)	69,045	-	-
Other recognised gains/(losses)					
Return on Pension Fund Assets		-	-	(6,001,000)	(6,001,000)
Change in financial assumptions		-	-	3,527,000	3,527,000
Net movement on pension fund		-	-	(2,474,000)	(2,474,000)
Net movement in funds		740,324	(881,492)	(3,071,000)	(3,212,168)
Reconciliation of funds					
Fund balances brought forward		1,292,708	4,348,581	(1,043,000)	4,598,289
Fund balance carried forward		2,033,032	3,467,089	(4,114,000)	1,386,121

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and includes all gains and losses recognised in the year.

BIRMINGHAM MUSEUMS TRUST

Consolidated Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible assets	9a	1,907,217	2,794,703
Intangible assets	9b	47,279	96,782
		<u>1,954,496</u>	<u>2,891,485</u>
Current Assets			
Stock	10	164,809	150,365
Debtors: amounts falling due in one year	11	1,925,340	1,401,706
Debtors: amounts falling due after more than one year	11	414,768	506,276
Cash at bank and in hand		<u>3,970,896</u>	<u>3,259,467</u>
		6,475,813	5,317,814
Creditors: amounts falling due within one year	12	(1,636,954)	(2,202,902)
Net Current Assets		<u>4,838,859</u>	<u>3,114,912</u>
Total Assets less Current Liabilities		6,793,355	6,006,397
Creditors: amounts falling due after more than one year	12	(414,768)	(506,276)
Provisions for liabilities and charges	25	(525,000)	-
Defined benefit scheme pension liability	22	(838,000)	(4,114,000)
NET ASSETS		<u>5,015,587</u>	<u>1,386,121</u>
Funds			
Unrestricted	14	2,761,546	2,033,032
Restricted	14	2,204,660	2,576,209
Endowment	14	887,381	890,880
Pension	14	(838,000)	(4,114,000)
TOTAL FUNDS		<u>5,015,587</u>	<u>1,386,121</u>

The notes on pages 19 to 41 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 22 December 2022 and were signed on its behalf by:



Mr Niels de Vos
Chair

Registered No: 07737797

BIRMINGHAM MUSEUMS TRUST

Company Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible assets	9a	1,627,357	2,099,463
Intangible Assets	9b	47,279	96,782
		<u>1,674,636</u>	<u>2,196,245</u>
Current Assets			
Debtors: amounts falling due in one year	11	4,173,508	3,090,898
Debtors: amounts falling due after more than one year	11	509,530	676,848
Cash at bank and in hand		<u>3,233,927</u>	<u>3,058,247</u>
		7,916,965	6,825,993
Creditors: amounts falling due within one year	12	(1,535,109)	(2,180,836)
Net Current Assets		<u>6,381,856</u>	<u>4,645,157</u>
Total Assets less Current Liabilities		8,056,492	6,841,402
Creditors: amounts falling due after more than one year	12	(414,768)	(506,276)
Provisions for liabilities and charges	25	(525,000)	-
Defined benefit scheme pension liability	22	(838,000)	(4,114,000)
NET ASSETS		<u>6,278,724</u>	<u>2,221,126</u>
Funds			
Unrestricted	15	4,296,876	3,550,910
Restricted	15	1,932,467	1,893,335
Endowment	15	887,381	890,881
Pension	15	(838,000)	(4,114,000)
TOTAL FUNDS		<u>6,278,724</u>	<u>2,221,126</u>

The notes on pages 19 to 41 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 22 December 2022 and were signed on its behalf by:



Mr Niels de Vos
Chair

Registered No: 07737797

BIRMINGHAM MUSEUMS TRUST

Consolidated Cash Flow Statement For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash used in operating activities	a	768,096	1,637,601
Cash flows from investing activities	b	(56,665)	(261,222)
Increase in cash during the year		711,431	1,376,379

(a) Cash used in operating activities

	2022 £	2021 £
Net incoming / (outgoing) resources	91,466	(738,168)
Adjustments for non-cash items:		
Depreciation and amortisation	993,655	988,325
Pension fund provision	262,000	597,000
(Increase)/decrease in stocks	(14,444)	44,369
(Increase)/decrease in debtors	(523,634)	(35,965)
(Decrease)/Increase in creditors	(565,947)	782,040
(Decrease)/increase in provision	525,000	-
Net cash inflow from operating activities	768,096	1,637,601

(b) Cash flows from investing activities

	2022 £	2021 £
Purchase of tangible fixed assets	(56,665)	(261,222)
Purchase of intangible fixed assets	-	-
Net cash outflow from investing activities	(56,665)	(261,222)

(c) Analysis of movements in cash and cash equivalents

	2022 £	2021 £
Increase in cash and cash equivalents in the year	711,431	1,376,379
Cash and cash equivalents at the beginning of the year	3,259,46	1,883,088
Total cash and cash equivalents at the end of the year	3,970,898	3,259,466

(d) Analysis by cash and debt

	As At April 2021 £	Cashflows £	As at March 2022 £
Cash at Bank and in hand	3,259,467	711,431	3,970,898
Debt due after one year	506,276	(91,508)	414,768
Debt due within one year	97,034	-	97,034
	3,862,777	619,923	4,482,700

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements

1. General information

Birmingham Museum trust is a charitable company limited by guarantee, incorporated and domiciled in England and Wales (Company number 07737797, Charity number 1147014). The Trust has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The registered office is Birmingham Museums & Art Gallery, Chamberlain Square, Birmingham, B3 3DH.

2. Statement of principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

Basis of accounting

The financial statements have been prepared under the Companies Act 2006 on a going concern basis and under the historical cost convention. The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Birmingham Museum Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant account policy notes.

The financial statements are prepared in sterling, to the nearest £1, which is the functional currency of the group and the charity.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies (see note 3).

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

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements of Birmingham Museums Trust include the financial statements of the charitable company, its subsidiary trading company Birmingham Museums Trading Limited, and its subsidiary charity Thinktank Trust. The results of the subsidiaries, as disclosed in note 17 are consolidated on a line by line basis within the consolidated statement of financial activities.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The results of the standalone charity are summarised in note 17.

Statement of financial activities

The incoming resources and resources expended by the Birmingham Museums Trust are detailed below, together with respective accounting treatments.

Incoming resources

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

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

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Donations and gifts

Cash donations are included when received.

Legacies

Income is recognised on an accruals basis to the extent that Birmingham Museums Trust has been notified that it is a beneficiary, receipt is probable and there is a clear indication of the amounts involved.

Grants receivable including government grants

Grants are recognised in the consolidated statement of financial activities when the conditions for receipt have been complied with.

Trading income

Turnover from the staging of events, retail shops and catering outlets operated by Birmingham Museums Trading Limited represents the value of goods sold net of VAT.

Income from investments

Investment income is accounted for on an accruals basis.

Sponsorship in kind

Sponsorship in kind includes provision of commercial services. Such incoming resources are included in the Consolidated Statement of Financial Activities where the benefit to the charity is reasonably quantifiable and measurable. The value placed on these resources is the estimated value to the charity of the service received, being the price, the charity estimates it would pay in the open market for an equivalent service.

Fund accounting

The charitable company maintains three types of funds as follows:

Restricted funds

Restricted funds represent grants and donations receivable which are allocated by the donor for specific purposes. Within restricted funds, endowment funds represent donations receivable which on the instruction of the donor are to be set aside and along with the income applied for a specific purpose. The aim and use of such funds are set out in the notes to the financial statements.

Unrestricted funds

Unrestricted funds represent funds that are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. Within unrestricted funds, designated funds represent unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of such funds are set out in the notes to the financial statements.

Pension funds

Pension funds represent funds relating to the West Midlands Defined Benefit Pension Scheme. The aim and use of such funds are set out in the notes to the financial statements.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing Birmingham Museums Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Raising funds

These costs are incurred in relation to staff members and consultants who are engaged directly in fundraising and also include the costs of campaigns for raising donations.

Charitable activities

Charitable expenditure includes expenditure associated with the operation of the Birmingham Museums and Art Gallery.

Governance Costs

Governance costs comprise direct costs involving Birmingham Museum's Trust's strategic management and its compliance with legal, constitutional and statutory requirements. These costs include costs related to statutory audit and legal fees.

Redundancy Costs

All redundancy costs and termination payments are recognised in the year.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Basis of allocation of costs

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources. Costs relating to the management of Birmingham Museums Trust and support departments have been allocated to other functions based on the time they consume in pursuing the objectives of Birmingham Museums Trust.

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Foreign currency translation

Transactions in foreign currencies are translated into Sterling at the rates of exchange current at the dates of the transactions. Foreign currency liabilities in the balance sheet are translated into Sterling at the rates of exchange ruling at the year-end except where hedged. Resulting exchange gains and losses are taken to the Consolidated Statement of Financial Activities in the year in which they arise.

Pension costs

The charitable company operates a stakeholder compliant Group Personal Pension Scheme open to all employees.

Certain former staff of Birmingham City Council are members of the West Midlands Pension Scheme which is a defined benefit scheme based on final pensionable salary.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains and losses arising are recognised immediately in the Consolidated Statement of Financial Activities.

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in profit or loss.

The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan.

The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that BMT has a legal or constructive obligation to settle the liability.

The assets of the scheme are held separately from those of the Trust in an independently administered fund.

Taxation

Birmingham Museums Trust is exempt from taxation on its income and gains where they are applied for charitable purposes.

In the subsidiary financial statements, the policy is to distribute all taxable profits to Birmingham Museums Trust via gift aid.

Stocks

Stocks are valued at the lower of cost and net realisable value.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Tangible and intangible fixed assets

Operating assets

Operating assets are stated at cost less depreciation/amortisation.

Depreciation is provided on a straight-line basis using rates calculated to write down the cost of each asset to its estimated residual value over its anticipated useful life as follows:

Leasehold improvements	Over the period of the lease
Plant and equipment	3 to 10 years
Fixtures and fittings	3 to 10 years
Hardware	3 to 5 years
Software	3 to 5 years

Depreciation commences in April following the year of purchase.

Assets in the course of construction are not depreciated until completion where upon they are transferred to the appropriate fixed asset category and depreciated as above.

Fixed asset investments

Investments are held at cost less any permanent diminution in value.

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of loans which are subsequently measured at amortised cost using the effective interest method.

Related party transactions

Birmingham Museums Trust is the parent undertaking within a group that prepares consolidated financial statements. Related party transactions are disclosed at note 20.

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Operating lease commitments

The group has entered into commercial property leases as a lessee on its property portfolio and as a lessee it obtains use of property, plant and equipment. The classification of such leases as an operating or finance lease requires the group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet. We consider there is no value to be recognised in the peppercorn leases held by Birmingham Museum Trust or the commercial lease held by Thinktank Trust. Leasehold improvements are recognised as assets when it is appropriate to do so.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

3. Judgements and key sources of estimation uncertainty (*continued*)

The following are the group's key sources of estimation uncertainty:

Pension and other post-employment benefits

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Future salary increases and pension increases are based on expected future inflation rates. Further details are given in note 22.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the group performs impairment tests based on fair value less costs to sell, or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices.

Impairment of debtors

The company makes an estimate of the recoverable value of trade debtors. When assessing impairment of trade debtors, management consider them individually reviewing the ageing profit of the balance and the historical experience.

Obsolete stock provision

At each balance sheet date, stocks are reviewed for impairment. If stock is impaired the carrying value is reduced. The provision is based upon a percentage reduction linked to the age of the stock item and its sales history.

4. Analysis of incoming resources

	2022	2021
	£	£
General Restricted Funds		
Aston Hall Refurbishment	3,500	-
Bangladesh 50	-	19,090
BMOSI	150,000	-
Commonwealth Games	28,950	-
Esmée Fairbairn Collections Fund	-	30,000
HS2 SA Strategy	379,256	-
Millennium Point Trust	98,750	200,000
Minibrum	77,292	122,345
Museums for Birmingham	-	(133,094)
Portable Antiquities Scheme	97,239	88,710
Rent and Service Charge Grant	1,417,000	1,417,000
Rewiring Project	1,276,523	-
Sarehole Bakehouse	-	10,750
The Big Store	-	(54,374)
Wildlife Photographer of the Year	-	18,031
WCF - 97011	590,000	-
Other	128,515	38,025
	4,247,025	1,756,483
Endowment Fund	-	-
Total Restricted Funds	4,247,025	1,756,483
Designated Funds (Unrestricted)		
Arts Council England (National Portfolio Organisation)	1,026,107	1,026,107

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

4. Analysis of incoming resources (*continued*)

	2022 £	2021 £
General Unrestricted Funds		
Other Grants Receivable and Other Income	434,754	874,134
Furlough Income	72,193	1,108,783
CRF Grant	820,841	1,872,750
Donations	23,541	115,408
Birmingham City Council Fees	3,283,000	3,233,000
Visitor Admissions and Outreach Income	1,572,553	56,187
Rental Income	14,082	3,015
Trading Activities	797,234	414,764
	7,018,198	7,678,041
Total Unrestricted Funds	8,044,305	8,704,148
Total Incoming Resources	12,291,330	10,460,631

Total furlough income received in 21-22 was £0.098m (20-21 £1.357m) of which £0.026m related to the Birmingham Museums Trading Limited and is shown above in Trading Activities.

5. Analysis of total resources expended

	Fundraising £	Museum Costs £	Governance £	2022 £	2021 £
Costs directly allocated to activities					
Staff costs	8,847	3,101,838	-	3,110,685	3,321,436
Marketing	-	159,402	-	159,402	143,207
Maintenance	-	442,169	-	442,169	389,449
Finance and Administration	-	10,790	36,437	47,227	32,332
Other operating expenditure	-	5,845,640	-	5,845,640	4,339,465
Depreciation / Amortisation	-	993,655	-	993,655	988,326
Direct Costs Total	8,847	10,538,494	36,437	10,583,778	9,214,215
Support costs allocated to activities					
Staff costs	-	1,143,367	-	1,143,367	1,207,344
Finance and Administration	-	190,230	-	190,230	133,459
Professional fees	-	20,489	-	20,489	46,782
Pension Fund charges	-	262,000	-	262,000	597,000
Support Costs Total	-	1,616,086	-	1,616,086	1,984,585
Total Costs	8,847	12,154,580	36,437	12,199,864	11,198,799

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

6. Analysis of total resources expended (*continued*)

Total resources expended include:

	2022 £	2021 £
Depreciation	944,151	927,540
Amortisation	49,503	60,785
Provision for liabilities and charges (note 25)	525,000	-
Auditor's remuneration – audit of these financial statements	31,450	21,625
Auditor's remuneration – audit of financial statements of subsidiaries	-	-
Auditor's remuneration – non-audit services	10,550	-
Operating lease charges: land and buildings	635,496	619,451
Operating lease charges: other than land and buildings	12,870	8,104

7. Key management remuneration and Trustees' expenses

The key management personnel of the parent company, the Trust, comprise the Trustees and the senior management team as defined in the Trustees' Report. The total employee benefits of the key management personnel of the Trust were £460k (2021: £469k).

The key management personnel of the group comprise those of the Trust and its wholly owned subsidiaries Thinktank Trust and Birmingham Museums Trading Limited. The key management personnel are responsible for the group as a whole and it is not possible to split their employee benefits between each individual entity.

An amount of £9,520 (2021: £1,680) was paid in respect of Trustees and Officers Liability Insurance. The Trustees received no remuneration in the year other than reimbursement of expenses. A total of £Nil (2021: Nil) was reimbursed (2021: Nil) to trustees in respect of expenses mainly related to travel.

8. Employee numbers and costs

a. Average number of persons employed

	Number 2022	Number 2021
Fundraising	1	2
Museum	120	147
Support and administration	26	31
	147	180

b. Full Time Equivalent employed

	FTE 2022	FTE 2021
Fundraising	0	2
Museum	100	121
Support and administration	20	26
	120	149

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

8. Employee numbers and costs (*continued*)

c. Employee costs	2022	2021
	£	£
Wages and Salaries	3,772,708	3,977,353
Social Security costs	278,466	301,169
Pension costs	202,878	250,258
	4,254,052	4,528,780

Included within wages and salaries figure is an amount of £384k (2021: £111k) in respect of temporary staff costs, £108k (2020: £154k) in respect of casual staff and £36k in respect of redundancy and settlement costs, of which £19k of redundancy costs was funded by the Cultural Recovery Fund.

d. Higher paid employees

The number of employees whose emoluments, including pension contributions, fell within the following bands are:

	2022	2021
	Number	Number
£100,000 to £109,999	-	-
£90,000 to £99,999	-	-
£80,000 to £89,999	1	1
£70,000 to £79,999	-	-
£60,000 to £69,999	3	3

e. Birmingham Museums Trading Limited

Included in the above staff costs, the subsidiary Birmingham Museums Trading Limited was recharged for 22 staff members (2020: 58 staff) whose costs are wholly or partly included within the results of the subsidiary given at note 17.

The employment costs incurred by Birmingham Museums Trading Limited were:

	2022	2021
	£	£
Wages and Salaries	393,225	449,087
Social Security costs	22,946	28,446
Pension costs	5,798	9,254
	421,969	486,787

Included within wages and salaries above is an amount of £45k (2021: £4k) in respect of temporary staff.

None of the Directors of Birmingham Museums Trading Limited received any remuneration in their capacity as Directors.

f. General volunteers

Over 346 (2020: 1,119) volunteers supported BMT, giving us over 3,530 hours (2020: 24,221 hours) of their time across all venues. Volunteers welcomed and engaged visitors to our venues, conservation cleaned objects and our sites, supported family activities, worked with our curators, gardened and assisted with our documentation.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

9. Fixed Assets

a) Tangible Fixed Assets

Group	Leasehold Improvements £	Plant and Equipment £	Fittings £	Equipment £	Total £
Cost					
At 1 April 2021	5,843,831	800,142	8,241,575	864,139	15,749,687
Additions	56,665	-	-	-	56,665
Disposals	-	-	-	-	-
At 31 March 2022	5,900,496	800,142	8,241,575	864,139	15,806,352
Depreciation					
At 1 April 2021	5,374,409	596,061	6,254,386	730,127	12,954,983
Charge for the year	54,443	83,973	746,641	59,095	944,152
At 31 March 2022	5,428,852	680,034	7,001,027	789,222	13,899,135
Net Book Value At 31 March 2022	471,644	120,108	1,240,548	74,917	1,907,217
Net book Value At 31 March 2021	469,419	204,081	1,987,189	134,013	2,794,704

All fixed assets are held for charitable purposes.

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2021: £Nil.).

Company	Leasehold Improvements £	Plant and Equipment £	Fittings £	Computer Equipment £	Total £
Cost					
At 1 April 2021	634,965	625,483	3,007,303	725,027	4,992,778
Additions	56,665	-	-	-	56,665
Disposals	-	-	-	-	-
At 31 March 2022	691,630	625,483	3,007,303	725,027	5,049,443
Depreciation					
At 1 April 2021	165,543	433,768	1,702,987	591,015	2,893,313
Charge for the year	54,443	79,275	335,960	59,095	528,773
At 31 March 2022	219,986	513,043	2,038,947	650,110	3,422,086
Net Book Value At 31 March 2022	471,644	112,440	968,356	74,917	1,627,357
Net Book Value At 31st March 2021	469,422	191,715	1,304,316	134,012	2,099,465

All fixed assets are held for charitable purposes.

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2020: £Nil.).

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

9. Fixed Assets (*continued*)

b) Intangible Fixed Assets

Group and Company	Software £
Cost	
At 1 April 2021	232,627
Additions	-
At 31 March 2022	232,627
Depreciation	
At 1 April 2021	135,845
Charge for the year	49,503
At 31 March 2022	185,348
Net Book Value At 31 March 2022	47,279
Net Book Value At 31 March 2021	96,782

10. Stocks

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Goods for resale	164,809	-	150,365	-

Stock recognised as expense during the year was £241k (2021: £102k)

11. Debtors

Amounts due in one year

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Trade debtors	361,316	263,338	802,007	689,068
Amounts owed by group companies	-	2,615,828	-	1,922,530
Tax and social security	-	44,599	393,598	229,066
Other debtors	158,356	99,143	16,496	4,769
Prepayments and accrued income	1,314,160	926,423	92,572	92,572
Amounts owed by group companies - Loan	-	132,669	-	56,859
Loan from BCC	91,508	91,508	97,034	97,034
	1,925,340	4,173,508	1,401,707	3,090,898

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

11. Debtors (*continued*)

Amounts due after more than one year:

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Birmingham City Council	414,768	414,768	506,276	506,276
Inter Company Loan	-	94,762	-	170,572
	414,768	509,530	506,276	676,848

12. Creditors

Amounts due within one year:

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Trade creditors	1,325,719	1,321,441	826,063	825,034
Tax and social security	140,182	70,246	60,497	60,497
Loan from Birmingham City Council	91,508	91,508	97,034	97,034
Other creditors	7,768	7,768	47,527	43,427
Accruals and deferred income	71,777	44,146	1,171,782	1,154,844
	1,636,954	1,535,109	2,202,902	2,180,836

Amounts due after more than one year:

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Loan from Birmingham City Council	414,768	414,768	506,276	506,276

Deferred income (group and company)

Deferred income comprises grants received in advance of expenditure.

	Group £	Company £
Balance as at 1 April 2021	939,333	939,333
Amount released to income from Charitable Activities	(939,333)	(939,333)
Amount deferred in year	10,668	10,668
Balance as at 31 March 2022	10,668	10,668

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

13. Financial instruments

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Financial assets				
Financial assets measured at fair value through statement of financial activities	3,970,898	3,233,927	3,259,467	3,058,247
Financial assets that are debt instruments measured at amortised cost	1,138,046	3,491,683	1,718,376	3,407,568
	5,108,944	6,725,610	4,977,843	6,465,815

Financial liabilities

Financial liabilities measured at amortised cost	1,971,119	1,939,208	1,570,333	1,548,267
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Financial assets are measured at fair value through statement of financial activities comprises cash held at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprises trade and other debtors, other taxation and social security and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprises Trade and other creditors, other taxation and social security, amounts owed to group undertakings, accruals and a loan from Birmingham City Council as explained below.

Birmingham City Council Loan

The loan falls due for repayment as follows:

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Within one year	91,508	91,508	97,034	97,034
In 1-2 years	85,136	85,136	91,507	91,507
In 2-5 years	207,591	207,591	232,540	232,540
Over 5 years	122,041	122,041	182,229	182,229
	506,276	506,276	603,310	603,310

The above unsecured loan is held by Birmingham Museums Trust. The loan was approved by Birmingham City Council in March 2012 with interest charged at 4.5% per annum and is repayable commencing 1 April 2012 and terminating on 1 January 2031. The loan was made to Thinktank Trust then transferred to Birmingham Museums Trust in April 2012.

In addition, Birmingham City Council has identified a source of funding and will not less than 5 business days in advance of each interest payment date grant aid to BMT a sum equivalent to the amount of interest and capital required to be paid by BMT to Birmingham City Council, to be held on trust by BMT and hypothecated to the payments of the loan as they fall due.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds Analysis - consolidated

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2022 £
General Restricted Funds						
Aston Hall Refurbishment	28,281	3,500	(22,113)	-	-	9,668
Bangladesh 50	11,440	-	(8,735)	(2,705)	-	-
BMOSI	-	150,000	139,281	-	-	10,719
Commonwealth Games	-	28,950	(17,250)	-	-	11,700
Esmée Fairbairn Collections Fund	25,701	-	-	(25,701)	-	-
HS2	(2,461)	379,256	(360,318)	(16,477)	-	-
Islamic Art & Material Culture	7,229	-	(7,624)	395	-	-
Made in Birmingham	307,994	-	(170,313)	-	-	137,681
Millennium Point Trust	96,167	98,750	(169,692)	-	-	25,225
Minibrium	1,379,323	77,292	(339,270)	-	-	1,117,345
Portable Antiquities Scheme	35,807	97,239	(87,321)	-	-	45,725
Rent and Service Charge Grant	-	1,417,000	(1,417,000)	-	-	-
Rewiring Project	(10,135)	1,276,523	(831,167)	(420,000)	-	15,221
Science for all Seasons	374,879	-	(240,368)	-	-	134,511
Spitfire Gallery	22,193	-	(12,419)	-	-	9,774
Staffordshire Hoard Gallery	159,831	-	(106,519)	-	-	53,312
Tessa Sidey Bequest	88,375	-	2,454	-	-	85,921
Welcome All	1,636	-	(409)	-	-	1,227
WCF-97011	-	590,000	(141,850)	-	-	448,150
Other	49,948	128,515	(78,921)	(1,061)	-	98,481
	2,576,208	4,247,025	(4,153,024)	(465,549)	-	2,204,660
Endowment Fund	890,881	-	(3,500)	-	-	887,381
Total Restricted Funds	3,467,089	4,247,025	(4,156,524)	(465,549)	-	3,092,041
Designated Funds						
Arts Council England – (National Portfolio Organisation)	394,064	1,026,107	(543,619)	(875,624)	-	928
CRM / Ticketing	-	-	-	-	-	-
	394,064	1,026,107	(543,619)	(875,624)	-	928
General Unrestricted Funds						
General Fund	1,887,658	6,220,964	(6,495,611)	1,341,173	-	2,954,184
Trading Reserve	(248,690)	797,234	742,110	-	-	(193,566)
	1,638,968	7,018,198	(7,237,721)	1,342,173	-	2,760,618
Total Unrestricted Funds	2,033,032	8,044,305	(7,781,340)	465,549	-	2,761,546
Pension Deficit	(4,114,000)	-	(262,000)		3,538,000	(838,000)
Total Funds	1,386,121	12,291,330	(12,199,864)	-	3,538,000	5,015,587

The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds analysis - consolidated (*continued*)

Restricted capital funds represent monies received for the purchase of specific assets. The funds will be expended over the life of the related asset.

Restricted funds

The restricted funds held at the year-end are to be applied for the purposes of the specific projects (as shown under the headings above) to develop:

- a. Aston Hall Refurbishment - the project will, over a number of years, improve the storytelling and interpretation at Aston Hall so it's more representative and enables BMT to increase footfall to the site.
- b. British Council - Digital Collaboration Fund, partnership with the Bengal Foundation to create an artistic programme marking the 50th anniversary of Bangladeshi independence.
- c. Commonwealth Games - Birmingham 2022 Cultural Festival, We Are Birmingham (BMAG) Black British History: A Journey through the Life of Vanley Burke (Soho House). Exhibitions supported by Birmingham Organising Committee for the 2022 Commonwealth Games Limited.
- d. Esmée Fairbairn Collections Fund (MuseumStream) - a new programme combining digital resources, live streaming and museum objects to create an engagement experience for schools and communities.
- e. HS2 – Implementation of the sensitive artefact strategy to safeguard the collections held at the Museums' Collection Centre during the HS2 construction works
- f. Islamic Art and Material Culture - A subject specialist network; grant from Arts Council England.
- g. Made in Birmingham - Gallery at Thinktank; this fund is being released as the asset depreciates.
- h. Millennium Point Trust - Grant to support programmes and projects at Thinktank, Birmingham Science Museum.
- i. Minibrum – New gallery and education programme, grants from Inspiring Science Fund co-funded by the Department for Business, Energy & Industrial Strategy (BEIS), UK Research and Innovation (UKRI) and Wellcome, Garfield Weston Foundation, Stavros Niarchos Foundation, The Wolfson Foundation, The 29th May 1961 Charity, Grimmitt Trust, Rowlands Trust and other donors.
- j. Portable Antiquities Scheme - Recording archaeological objects found by members of the public in England and Wales; DCMS grant support, administered by the British Museum.
- k. Rent and Service Charge Grant - Grant support from Birmingham City Council at Thinktank.
- l. Rewiring Project – BCC funding for the collections and non-collections packing, decant, and temporary storage as well as re-installation due to rewiring of the Council House complex including BMAG
- m. Science for All Seasons - The Science Garden at Thinktank was completed prior to 2012 and this fund will be released as the asset is depreciated.
- n. Spitfire Gallery - Opened at Thinktank in March 2015; grants (various funders) and public donations. This fund will be released as the asset is depreciated.
- o. Staffordshire Hoard Gallery - Opened at the Museum & Art Gallery in October 2014; grant support (various funders and public donations) for the gallery refurbishment, and Hoard replicas and conservation. This fund will be released as the asset is depreciated.
- p. Tessa Sidey Bequest – A bequest in the will of Tessa Sidey (1955-2011) a curator at BMAG (1983-2011) to "buy major print acquisitions".
- q. Welcome All - project to improve access at the Museum & Art Gallery; grant support from DCMS/Wolfson Museum & Art Galleries Improvement Fund 2011-16, Friends of Birmingham Museums Trust and City of Birmingham Museums & Galleries Development Trust, and Arts Council England Major Partner Museum funding 2015-18. This fund will be released as the asset is depreciated.
- r. WCF-97011 – Garfield Weston fund to invest in our digital offer and technology infrastructure.

Endowment fund

This represents the Ivan Witton legacy income.

Designated funds

National Portfolio Organisation - Grant funding from Arts Council England to deliver an agreed programme in support of ACE's goals. This grant represents the third year of a four year agreement for 2018-22.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds analysis - consolidated (*continued*)

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

Prior Year

	Balance at 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2021 £
General Restricted Funds						
Aston Hall Refurbishment	37,116	-	(8,835)	-	-	28,281
Collecting Birmingham	359	-	(359)	-	-	-
Bangladesh 50	-	19,090	(7,650)	-	-	11,440
Esmée Fairbairn Collections Fund	-	30,000	(4,299)	-	-	25,701
HS2	-	-	(2,461)	-	-	(2,461)
Islamic Art & Material Culture	27,443	-	(20,214)	-	-	7,229
Made in Birmingham	479,524	-	(171,531)	-	-	307,993
Millennium Point Trust	120,527	200,000	(224,360)	-	-	96,167
Minibrum	1,543,880	122,345	(286,902)	-	-	1,379,323
Museums for Birmingham	79,594	(133,094)	-	53,500	-	-
NAWM Graduate Showcase	25,160	-	-	(25,160)	-	-
Portable Antiquities Scheme	29,347	88,710	(82,250)	-	-	35,807
Rent and Service Charge Grant	-	1,417,000	(1,417,000)	-	-	-
Rewiring Project	-	-	(10,135)	-	-	(10,135)
Sarehole Mill Conservation	-	10,750	(20,804)	10,054	-	-
Science for all Seasons	622,197	-	(247,318)	-	-	374,879
Spitfire Gallery	34,864	-	(12,671)	-	-	22,193
Staffordshire Hoard Gallery	268,291	-	(108,460)	-	-	159,831
Tessa Sidey Bequest	88,375	-	-	-	-	88,375
The Big Store	54,374	(54,374)	-	-	-	-
Wildlife Photographer	(18,260)	18,031	(17,737)	17,966	-	-
Welcome All	31,913	-	(30,277)	-	-	1,636
Other	25,996	38,025	(26,757)	12,685	-	49,949
	3,450,700	1,756,483	(2,700,020)	69,045	-	2,576,208
Endowment Fund	897,881	-	(7,000)	-	-	980,881
Total Restricted Funds	4,348,581	1,756,483	(2,707,020)	69,045	-	3,467,089
Designated Funds						
Arts Council England – (National Portfolio Organisation)	55,215	1,026,107	(687,258)	-	-	394,064
CRM / Ticketing	-	-	-	-	-	-
	55,215	1,026,107	(687,258)	-	-	394,064
General Unrestricted Funds						
General Fund	1,217,548	7,263,277	(6,524,122)	(69,045)	-	1,887,658
Trading Reserve	19,945	414,764	683,399	-	-	(248,690)
	1,237,493	7,678,041	(7,207,521)	(69,045)	-	1,638,968
Total Unrestricted Funds	1,292,708	8,704,148	(7,894,779)	(69,045)	-	2,033,032
Pension Deficit	(1,043,000)	-	(597,000)	(2,474,000)	(4,114,000)	
Total Funds	4,598,289	10,460,631	(11,198,799)	-	(2,474,000)	1,386,121

A detailed review of fund balances was undertaken and adjustments made, shown as funds transfers. The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

15. Funds analysis - Company

The charity holds restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss)	Balance at 31 March 2022 £
Restricted Funds						
Aston Hall Refurbishment	28,281	3,500	(22,113)	-	-	9,667
Bangladesh 50	11,440	-	(8,735)	(2,705)	-	-
BMOSI	-	150,000	139,281	-	-	10,719
Commonwealth Games	-	28,950	(17,250)	-	-	11,700
Esmée Fairbairn Collections Fund	25,701	-	-	(25,701)	-	-
Islamic Art & Material Culture 2015-18	7,229	-	(7,624)	(395)	-	-
HS2	(2,461)	379,256	(360,318)	(16,477)	-	-
Millennium Point Trust	96,167	98,750	(169,692)	-	-	25,225
MiniBrum	1,379,323	77,292	(339,270)	-	-	1,117,346
Portable Antiquities Scheme	35,807	97,239	(87,321)	-	-	45,726
Rewiring Project	(10,135)	1,276,523	(831,168)	(420,000)	-	15,220
Spitfire Gallery	22,193	-	(12,419)	-	-	9,773
Staffordshire Hoard Gallery	159,831	-	(106,518)	-	-	53,312
Tessa Sidey Bequest	88,375	-	2,454	-	-	85,921
Welcome All	1,636	-	(409)	-	-	1,227
WCF-97011	-	590,000	(141,850)	-	-	448,150
Other	49,949	128,515	(78,921)	(1,061)	-	98,479
	1,893,335	2,830,024	(2,325,344)	(465,549)	-	1,932,467
Endowment Funds						
Ivan Witton Legacy (including interest receivable)	890,881		(3,500)	-	-	887,381
Total Restricted Funds	2,784,216	2,830,024	(2,328,844)	-	-	2,819,848
Designated Funds						
Arts Council England (Major Partner Museums 2015-18)	394,064	1,026,107	(543,618)	(875,624)	-	928
Unrestricted Funds	3,156,846	6,220,965	(6,423,038)	1,341,173	-	4,295,948
Total Unrestricted Funds	3,550,910	7,247,072	(6,996,656)	465,549	-	4,296,875
Pension Deficit	(4,114,000)	-	(262,000)	-	3,538,000	(838,000)
Total	2,221,126	10,077,097	(9,557,500)	-	3,538,000	6,278,724

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

15. Funds analysis - company (*continued*)

Prior Year

	Balance at 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss)	Balance at 31 March 2021 £
Restricted Funds						
Arts Council Collection National Partners Fund	-	-	-	-	-	-
Aston Hall Refurbishment	37,116	-	(8,835)	-	-	28,281
Collecting Birmingham	358	-	(358)	-	-	-
Bangladesh 50	-	19,090	(7,650)	-	-	11,440
Esmée Fairbairn Collections Fund	-	30,000	(4,299)	-	-	25,701
Islamic Art & Material Culture 2015-18	27,443	-	(20,214)	-	-	7,229
HS2	0	-	(2,461)	-	-	(2,461)
Millennium Point Trust	120,527	200,000	(224,360)	-	-	96,167
MiniBrum	1,543,881	122,345	(286,902)	-	-	1,379,324
Museums for Birmingham	79,594	(133,094)	-	53,500	-	-
NAWM Graduate Showcase	25,160	-	-	(25,160)	-	-
Portable Antiquities Scheme	29,348	88,710	(82,250)	-	-	35,809
Rewiring Project	-	-	(10,135)	-	-	(10,135)
Sarehole Mill Conservation	-	10,750	(20,804)	10,054	-	-
Spitfire Gallery	34,864	-	(12,671)	-	-	22,193
Staffordshire Hoard Gallery	268,291	-	(108,460)	-	-	159,831
Tessa Sidey Bequest	88,375	-	-	-	-	88,375
The Big Store	54,374	(54,374)	-	-	-	-
Wildlife Photographer	(18,260)	18,031	(17,737)	17,966	-	-
Welcome All	31,913	-	(30,277)	-	-	1,636
Other	25,995	38,025	(26,757)	12,685	-	49,948
	2,348,979	339,483	(864,171)	69,045	-	1,893,335
Endowment Funds						
Ivan Witton Legacy (including interest receivable)	897,881	-	(7,000)	-	-	890,881
Total Restricted Funds	3,246,860	339,483	(871,171)	69,045	-	2,784,216
Designated Funds						
Arts Council England - (Major Partner Museums 2015-18)	55,215	1,026,107	(687,258)	-	-	394,063
Unrestricted Funds	2,194,996	7,263,278	(6,232,382)	(69,045)	-	3,156,846
Total Unrestricted Funds	2,250,211	8,289,384	(6,919,640)	(69,045)	-	3,550,910
Pension Deficit	(1,043,000)	-	(597,000)	-	(2,474,000)	(4,114,000)
Total	4,454,070	8,628,867	(8,387,811)	-	(2,474,000)	2,221,126

The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

16. Analysis of net assets between funds - consolidated

	Restricted	Pension	Unrestricted	Total
	£	£	£	£
Fixed Assets	1,468,742	-	485,754	1,954,496
Net Current Assets	1,623,300	-	3,215,559	4,838,859
Creditors (amounts falling due after more than one year)	-	(838,000)	(414,768)	(1,25,768)
Provision for liabilities and charges			525,000	525,000
Total as At March 2022	3,092,042	(838,000)	3,761,545	5,015,587
Fixed Assets	2,222,499	-	668,986	2,891,485
Net Current Assets	1,244,588	-	1,870,325	3,114,912
Creditors (amounts falling due after more than one year)	-	(4,114,000)	(506,276)	(4,620,276)
Total as At March 2021	3,467,087	(4,114,000)	2,033,034	1,386,121

17. Financial performance of undertakings

Company Statement of Financial Activities

The consolidated statement of financial activities includes the results of the company's subsidiaries, Birmingham Museums Trading Limited and Thinktank Trust. The summary financial performance of the company alone is:

	2022 £	2021 £
Income	10,077,097	8,628,867
Gift Aid from subsidiary company	-	-
Total Income	10,077,097	8,628,867
Expenditure on Charitable Activities	(9,557,500)	(8,387,811)
Net Income	519,596	241,056
Other recognised gains/(losses)	3,538,000	(2,474,000)
Net Movements in funds	4,057,596	(2,232,944)
Total funds brought forward	2,221,126	4,454,070
Total Funds carried forward	6,278,724	4,221,126
Represented by:		
Unrestricted income funds	4,296,875	3,550,910
Restricted funds	2,819,849	2,784,217
Pension	(838,000)	(4,114,000)
Net Funds	6,278,724	2,221,126

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

17. Financial performance of undertakings (*continued*)

The summary financial performance of the wholly owned subsidiaries are as follows:

Birmingham Museums Trading Limited

Registered Company Number: 04221635

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	2022 £	2021 £
Profit & Loss Account		
Turnover	797,234	414,764
Cost of Sales	(267,754)	(148,270)
Gross Profit	529,480	266,494
Administrative expenses	(474,356)	(535,129)
Profit on ordinary activities before Gift Aid	55,124	(268,635)
Gift Aid to parent undertaking	-	-
Retained Profit / (Loss) for the year	55,124	(268,635)
The aggregated assets and liabilities of the subsidiary were		
Assets	897,087	493,621
Liabilities	(1,090,653)	(742,311)
Net Funds	(193,566)	(248,690)

Thinktank Trust

Registered Company Number: 03239119

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	Unrestricted funds £	Restricted funds £	Total funds £
Total incoming resources	-	1,417,000	1,417,000
Total resources expended	(72,573)	(1,827,681)	(1,900,254)
Net incoming / (outgoing) resources	(72,573)	(1,827,681)	(483,254)
Transfer between funds	-	-	-
Net movement in funds	(72,573)	(410,681)	(483,254)
Fund balances brought forward	(1,269,189)	682,873	(586,316)
Fund balances carried forward	(1,341,762)	272,192	(1,069,570)

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

18. Taxation

The charitable company's income is exempt from taxation under section 505 of the Income and Corporation Taxes Act 1988 and its chargeable gains are exempt under section 256 of the Taxation of Capital Gains Act 1992.

19. Financial Commitments

Debentures and charges

Thinktank Trust has granted a first mortgage charge over certain of its assets to the Millennium Commission to secure all monies owing to the Commission by the Trust under the terms of a grant agreement dated 10 December 2004.

The Thinktank Trust has granted a mortgage charge over certain of its assets to the National Heritage Memorial Fund under the terms of an agreement date 20 April 2011.

Value Added Tax

As a result of group registration arrangements for Value Added Tax (VAT), the charitable company is jointly and severally liable with other members of the group for any VAT due by the representative member of the group. At 31 March 2022 the group's net receivable in respect of VAT was £70k (2021: receivable £394k).

20. Related Party Transactions

During the year, the Company conducted the following transactions with its two subsidiaries, ThinkTank Trust and Birmingham Museums Trading Limited, and had the following debt positions with these subsidiaries at 31 March 2022.

Birmingham Museums Trading Limited

The Company levied a management charge on Birmingham Museums Trading Limited for the year ended 31 March 2022 amounting to £422k (2021: £486k). The management charge for both years includes the recharge of staff by the Company to Birmingham Museum Trading as disclosed in Note 8e to the consolidated financial statements.

Birmingham Museums Trading Limited made a gift aid donation to the Company of £nil for the year ended 31 March 2022 (2021: Nil) as disclosed in Note 17 to the consolidated financial statements.

At 31 March 2022, the Company was due an amount of £1,018k from Birmingham Museums Trading Limited (2021: £695k).

Thinktank Trust

The Company levied a management charge on Thinktank Trust for the year ended 31 March 2022 amounting to Nil.

At 31 March 2022, the Company was due an amount of £1,820k (2021: £1,452k) from Thinktank Trust.

At 31 March 2022, Birmingham Museums Trading Limited was due an amount of £15k from Thinktank Trust (2021: Nil)

Birmingham City Council (BCC)

In addition to the above listed related party transactions, the following transactions took place with BCC, the sole member of the Company, during the year.

BCC received services from the Company and contractual payments received in the year by the Company for services undertaken amounted to a fixed fee of £3.283m (2021: £3.233m) and variable performance payments amounting to £1.573m (2021: £0.056m).

The Company has an outstanding loan with BCC as disclosed in Notes 11 and 12.

BCC funded £831k for the rewiring project and provided compensation of £420k for loss of earnings.

In addition, Thinktank Trust received a grant from BCC of £1.417m during the year (2021: £1.417m) to assist in the provision of lease payments on Thinktank to Millennium Point Property Ltd.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

21. Members

The charity is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £10 in the event of the company being wound up. At 31 March 2022 Birmingham City Council was the sole member of Birmingham Museums Trust.

22. Pension Schemes

The company operates Defined Benefit and Defined Contribution Schemes.

Defined Benefit Scheme

The defined benefit pension scheme is accounted for in accordance with applicable accounting standards within the United Kingdom. As a consequence, a liability of £838k (2021: £4,114k) is shown in BMT's consolidated balance sheet. However, in accordance with the terms and conditions of the Local Government Pension Scheme, any liability is reversed over time through an increase in the contribution from current members to the scheme, on a mutualised basis across the whole of Local Government Pension Scheme, and BMT is not required to specifically fund the deficit that relates to its current and deferred members.

The major assumptions used by the actuary were (in nominal terms):		At 31 March 2022	At 31 March 2021
Rate of increase in salaries		4.15%	3.85%
Rate of increase to pensions		3.15%	2.85%
Discount rate		2.75%	2.00%
Inflation assumption – CPI		2.95%	2.85%
Assumed life expectations on retirement at age 65 are:		At 31 March 2022	At 31 March 2021
Retiring today	Males	21.2	21.6
	Females	23.6	23.9
Retiring in 20 years' time	Males	22.9	23.4
	Females	25.4	25.8

The assumptions used in determining the overall expected return of the scheme have been set with reference to yields available on government bonds and appropriate risk margins.

The assets in the scheme and the expected rates of return were:

	Fair value at 31 March 2022 £000	Fair value at 31 March 2021 £000
Equities	14,812	12,073
Gilts	-	2,041
Bonds	4,864	787
Property	1,547	1,481
Cash	884	1,225
Other	-	2,887
Fair value of plan assets	22,107	20,494
The actual return on assets over the year was		1,684
		10

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

22. Pension Schemes (*continued*)

Defined Benefit Scheme (*continued*)

The amounts recognised in the balance sheet are as follows

	2022 £000	2021 £000
Present value of scheme liabilities	(22,945)	(24,608)
Fair value of scheme assets	22,107	20,494
Net pension liability	(838)	(4,114)

Analysis of the amount charged to Statement of Financial Activities:

Current service cost	364	340
Administration cost	-	12
Interest on the defined liability/(asset)	22	22
Total	386	374

Analysis of the amount recognised in other recognised gains and losses:

Actuarial (loss)/gain on scheme assets	1,232	(6,000)
Actuarial (loss)/gain on scheme liabilities	2,306	3,527
Actuarial (loss)/gain recognised	3,538	(2,474)

Changes to the present value of the defined benefit obligation:

Opening defined benefit obligations	24,608	18,153
Current service cost	364	340
Interest cost	493	425
Contributions by scheme participants	48	89
Actuarial loss/(gain)	(2,184)	6,233
Benefits paid	(352)	(202)
Past service cost	47	-
Changes in demographic assumptions	(122)	(232)
Experience loss/(gain) on defined benefit obligation	43	(198)
Closing defined benefit obligations	22,945	24,608

Changes in the fair value of plan assets

Opening plan assets	20,494	17,110
Interest on assets	409	403
Return on assets less interest	1,275	2,904
Other actuarial gains/(losses)	-	-
Administration expenses	-	(12)
Contributions by employers	233	202
Contributions by scheme participants	48	89
Benefits paid	(352)	(202)
Closing plan assets	22,107	20,494

The pension cost charge represents contributions payable by the trust and amounted to £250k (2021: £266k) for the defined benefit scheme.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

22. Pension Schemes (*continued*)

Defined Contribution Scheme

The charitable company operates a stakeholder compliant Group Personal Pension Scheme run by Standard Life PLC open to all employees. The Trust makes matching contributions to this scheme for employees making contributions, subject to a minimum contribution of 3% per month per employee.

23. Lease Commitments

Land and Building Leases

At 31 March 2022 the group had future minimum lease payments, in relation to land and building leases for Thinktank Trust at Millennium Point, under non-cancellable operating leases as follows:

	2022 £	2021 £
Within one year	647,338	630,994
Between two to five years	2,755,282	2,685,718
More than five years	2,060,277	2,772,329
Total	5,462,847	6,089,042

The company had no leases in respect of land and buildings.

Other Operating Leases

At 31 March 2022 the group and company had future minimum lease payments, in relation to other operating leases, under non-cancellable operating leases as follows:

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Within one year	12,870	12,870	8,400	8,400
Between two to five years	12,904	12,904	10,500	10,500
More than five years	-	-	-	-
Total	25,775	25,775	18,900	18,900

24. Post Balance Sheet Events

There have been no post balance sheet events

25. Provisions for liabilities and charges

A provision has been made in respect of an ongoing HMRC VAT enquiry in relation to the calculation of the charitable group's partial exemption recovery rate.

The provision provides for underpaid VAT of £525k for the period October 2018 to March 2022. This estimate is based on a methodology that has, in principle, been agreed with HMRC. The timing of payments will become known once the enquiry formally concludes.

BIRMINGHAM MUSEUMS TRUST

England & Wales - Charity number 1147014

Accounts

BIRMINGHAM MUSEUMS TRUST

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

BIRMINGHAM MUSEUMS TRUST
Annual Report and Consolidated Financial Statements for the year ended
31 March 2021

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BIRMINGHAM MUSEUMS TRUST
Annual Report and Consolidated Financial Statements for the year ended
31 March 2021

Company Details

Charity Name	Birmingham Museums Trust
Charity Registration Number	1147014
Company Registration Number	07737797
Registered Office	Birmingham Museum and Art Gallery Chamberlain Square Birmingham B3 3DH
Auditors	Cooper Parry Group Ltd Park View One Central Boulevard Blythe Valley Park Solihull Birmingham B90 8BG
Bankers	HSBC Bank plc 130 New Street Birmingham B2 4JU
Solicitors	Higgs & Sons LLP Waterfront Business Park 3 Brierley Hill Dudley DY5 1LX

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Report of the Trustees and Strategic Report

The Board is pleased to present their Annual Report and Consolidated Financial Statements for the year ended 31 March 2021. This includes the contents of a Strategic Report as required by the Companies Act 2006.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Board of Trustees of Birmingham Museums Trust

The Trustees of Birmingham Museums Trust (who are also directors for the purposes of company law) served during the year and up to the date of this report are:

Mr Niels de Vos (Chair)
Mr Mohammed Ali MBE
Councillor Robert Alden (appointed July 2020)
Mr Clive Bawden
Dr Louise Brooke-Smith OBE
Rt Hon Liam Byrne MP
Mr Liam Darbon (appointed September 2021)
Cllr Phil Davis MBE
Mr John Diviney
Ms Sapreena Kumari (appointed February 2021)
Mr Eamon Mooney
Mr Luke Southall (resigned September 2021)
Ms Tracey Stephenson (resigned 26 November 2020)
Mr Jonnie Turpie MBE
Mrs Chrissie Twigg (resigned November 2020)
Mrs Claire Williamson
Ms Eleanor Porter (appointed February 2021)
Mr Randal Brew (resigned July 2020)

In addition, the charity has two subsidiaries. It is the sole shareholder of Birmingham Museums Trading Limited and the sole member of Thinktank Trust.

Directors of these two companies who served during the year and up to the date of this report are:

Birmingham Museums Trading Limited

Ms Tracey Stephenson (Chair)
Mr Liam Darbon
Mr Zak Mensah (appointed November 2021)
Ms Sapreena Kumari (appointed November 2021)

Thinktank Trust

Mr Eamon Mooney
Mr Niels de Vos

Legal status

Birmingham Museums Trust ("BMT") is a registered charity (number 1147014) and a private limited company limited by guarantee (number 07737797), incorporated on 11 August 2011, and is governed by its Articles of Association ("Articles"). In the event the charitable company is wound up, members are required to contribute an amount not exceeding £10.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Report of the Trustees and Strategic Report (continued)

Objects and activities for the public benefit

The charity's objects as set out in its Articles are:

To advance education by the operation, maintenance, development and promotion of museums, galleries and libraries in Birmingham, together with associated facilities and related programmes of outreach and research, fostering knowledge and understanding, appreciation and enjoyment of the arts, history, science and technology by residents and visitors to the City of Birmingham.

BMT's vision is *to reflect Birmingham to the world, and the world to Birmingham*.

BMT's strategic aims are:

1: Leading in excellence

- Teaching and supporting the next generation of museum professionals;
- Training, consultancy and publishing best practice;
- Leading and participating in cultural networks and festivals; and
- Influencing the future of the sector.

2: Developing the collection and venues

- Capital projects that deliver our purpose at Birmingham Museum and Gallery, the Big Store and Thinktank;
- A masterplan for each of the heritage sites;
- A research framework for the collection; and
- Improving digital and physical access to the collection.

3: Growing and diversifying audiences

- Putting visitors at the centre of our business;
- New approaches to collecting, programming, digital engagement and communications to reach the people and communities of the city and region;
- Positioning Birmingham Museums as a focal point for contemporary art;
- Supporting national health, wellbeing and educational policies; and
- National and International initiatives that contribute to the common good of Birmingham.

4: Building a sustainable business

- An audit to determine the full costs and benefits of areas of BMT's operations and a plan to build sustainability;
- A policy to ensure that all sections of society have access to BMT's buildings and collection;
- Entrepreneurial culture and innovative approach at all levels of the business;
- Support services that enable managers to take the necessary decisions to deliver our charitable aim; and
- Create a sustainable environment for our collection and buildings.

5: Investing in people

- Sound governance structures and continuous Board, staff and volunteer development;
- A diverse and highly trained workforce; and
- A framework of career preparation activities for young people.

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives in planning future activities. In particular the Trustees have considered how planned activities will contribute to the strategic aims. The objects of the charity are achieved through capital developments and gallery redisplays, public programmes of exhibitions and events across the nine venues, formal and informal learning programmes for schools, families and adults, public access, including digital access, to the collection on display and in store, collections care, loans and commercial activities including retail, catering and event hire.

The charity's priorities are aligned with those of its major public funders, Birmingham City Council and Arts Council England.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Report of the Trustees and Strategic Report (continued)

Structure, Governance and Management

The Board of Trustees has responsibility for the on-going strategic direction of Birmingham Museums Trust overseeing its finances and approving the budget, working with the Director and the Senior Management Team in the development and implementation of policy to meet Birmingham Museums Trust's objects and to ensure that it fulfils its statutory duties. The Board meets at least four times a year.

Day to day management was delegated to Dr Ellen McAdam, Director of Birmingham Museums Trust. Dr McAdam retired on 1 June 2020 and Birmingham Museum Trust have appointed Joint Chief Executive Officers, Sara Wajid and Zak Mensah who started on 16 November 2020.

Until her retirement, Dr McAdam was assisted by Richard Paterson, Director of Finance; Rachel Cockett, Director of Development; Toby Watley, Director of Collections; Janine Eason, Director of Engagement, and Alex Nicholson-Evans, Commercial Director.

Recruitment and Appointment of Trustees/Directors

The Articles provide that two directors shall be appointed who are members or officers of Birmingham City Council in accordance with the nomination of the City Council. Other directors may not be members or officers of the City Council and may only be appointed after a recommendation of the directors after they have considered the desirability of:

- making such a recommendation after the advertisement of the vacancy and the response to such an advertisement;
- a board of Directors with a range of skills experience and abilities relevant to the objects and activities of the charity; and
- a board of Directors representative of the diverse community within the City of Birmingham.

Trustee induction and training

All Trustees are provided with an induction to the organisation on appointment.

Remuneration of key management personnel

Remuneration for key management personnel is set by comparison internally with similar posts when possible, benchmarking with similar external organisations and with reference to Croner's Salary Search.

Employment of people with disabilities

BMT is committed to the employment, support and training of people with disabilities. Employment policy is included in the staff handbook and is available to employees on the intranet.

Informing employees

Keeping our workforce informed is important to us. Performance information is circulated monthly to all staff by email and by cascade via the management team. "All Staff Briefings" are held monthly which also provide opportunity for question and answer sessions. We issue a monthly newsletter to staff and Board members. To facilitate staff engagement the Senior Management Team monthly meeting rotate around our sites.

Risk Management

The Trustees actively and regularly review the major risks to which BMT is exposed and have implemented procedures to manage and minimise any potential impact should any of the identified risks materialise. A Risk Framework, supported by a Risk Register, is maintained setting out an assessment of the likelihood and impact of risks, with required actions identified to manage the risk. This is reviewed and updated no less than quarterly. The Trustees are satisfied that there are clear lines of delegation and authority to staff regarding risk management, and that staff are aware of the need to address risks in their areas of activity.

Key risks

- COVID-19 – the impact on the current global pandemic on BMT's ability to open to the public, both in the short and longer term and generate income and provide the public with access to the collection. BMT operates in a market where over 50% of its total income is derived from visitor-driven sources. In this context, there will always be a risk to the organisation if it needs to close to the public, or it can't meet its forecasted visitor numbers and associated sales revenue but it is a risk that is closely managed on a daily and active basis.
- Stakeholders – BMT's key stakeholders are critical, and the charity can ill afford the breakdown of these relationships; these have improved significantly over the last few years and BMT continues to work closely with all major stakeholders.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Report of the Trustees and Strategic Report (continued)

- Failure to secure major funding from the next investment window for Arts Council England Major grants National Portfolio Organisations (NPO) round 2023-26 – this funding is critical to the long term operating model of BMT and it will struggle to be sustainable without it. The organisation is working closely with ACE on the development of a new vision that will provide a springboard for the next 5 to 10 years.
- High Speed Rail – this could lead to disruption (vibration, noise and dust) for both MCC and Thinktank during the construction period, affecting both the collection and BMT's ability to generate income.
- Ability to meet obligations as they fall – BMT needs sufficient cash to meet its financial obligations going forward. BMT is working closely with its major partners to ensure cash doesn't become an issue.

Fundraising

BMT actively pursues funding from grant makers (trusts, foundations and public funders), corporate supporters and individuals to fund our charitable activities. We work with others to increase our fundraising opportunities including academic partners, specialist sector organisations, charities who align with our purposes, community partners, and other museum and cultural organisations.

We use the third party websites Just Giving and Crowdfunder to collect donations, and Donr to collect donations via SMS. We offer the option to gift-aid admission charges for entry, make a donation online with a ticket or shop purchase, or on-site at one of our museums.

We do not employ the services of professional or commercial fundraisers. We do not undertake street collections or telephone campaigns.

Where we collect personal information this is managed in line with data protection legislation. BMT's privacy notice can be found here: <https://www.birminghammuseums.org.uk/privacy-policy>

BMT is registered with the Fundraising Regulator, the independent regulator of charitable fundraising in England, Wales and Northern Ireland. We have received no complaints regarding our fundraising in 2020/21.

BMT's Safeguarding Policy makes specific reference to donors. BMT abide by the Fundraising Regulator's Code of Practice and uses the Institute of Fundraising guidance for Treating Donors Fairly (2021). BMT's Safeguarding Policy can be found here: <https://www.birminghammuseums.org.uk/about/our-organisation/policies-plans-and-reports>

Impact of Covid-19 on the organisation

BMT closed all but one of its nine sites to the public on 18 March 2020 as a consequence of Covid. Sarehole Mill remained open and transformed into a community shop, keeping us physically engaged with the local community and trading when every other site was closed. All programming and activities across our sites were paused; postponed or cancelled and whilst we continued to plan for next year and beyond, this was done through the lens of uncertainty and plans continue to be adapted and changed.

The closures had an immediate impact on our visitor and commercial income. Our main expenditure is staffing, we maximised use of the government Coronavirus Job Retention Scheme (CJRS) and over the year we furloughed up to c70% of staff. The remaining staff worked hard to deliver security, maintain online presence and essential systems, engage with vulnerable users, generate income through government support schemes and new initiatives, or plan for reopening. Staff worked at home where possible to minimise health risk and work stopped in some areas entirely. Non-essential spend was eliminated by deferring works/services, stopping services or pausing contracts.

BMT is grateful to have received support from the Department for Digital, Culture, Media and Sport (DCMS) Culture Recovery Fund; Birmingham City Council's Business Rate Relief, Business Interruption Grants and Supplier Relief; the National Heritage Lottery Fund's Heritage Emergency Fund; the Garfield Weston Foundation's Weston Culture Fund; the Esmée Fairbairn Collections Fund run by the Museums Association; and substantial donations from the public for our emergency fundraising campaign. We would like to thank all the funders who were supportive with their flexibility due to the necessary changes to our planned programmes and projects.

The funds supported the Covid-safe reopening of our museums, enabled our workforce and IT systems to adapt to new ways of working, new exhibitions and displays, digital and/or distanced outreach and learning programmes, and significant investments to increase income generation in the short and medium-term. Despite the significant support from our stakeholders and funders it was with regret that we had to make some tough decisions to ensure the charity's long-term survival beyond the crisis. From July-September 2020 BMT undertook a redundancy exercise to reduce the number of people we employ. The restructuring of the business saw 48FTE (25% of the workforce) made redundant as a consequence.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Report of the Trustees and Strategic Report (continued)

Programmes and activities

When BMT closed its sites in March 2020 the majority of our projects and programmes came to an immediate halt.

Our team implemented a Digital Learning and Engagement Plan to engage and support audiences, and remain in contact with our volunteers and groups such as our Creative Carers. This was supported by an active and responsive PR plan to communicate to wider audiences, with a particular focus on reaching out to and support the people of Birmingham. We worked with other charities and networks to deliver partnership projects designed to engage and support people across the city's communities.

Our digital engagement programmes included:

- The Life on Lockdown project launched in May 2020 when BMT began collecting digital artworks and recordings of first-hand experiences to reflect the lives of local people during lockdown. The aim was to keep a record of the Covid-19 pandemic to ensure that future generations could learn about this extraordinary time. Over 380 digital photos, videos, artworks, poems and writing were sent into Life on Lockdown and a display can be seen at Thinktank Science Museum.
- Our fifth annual Inspire art competition attracted over 400 entries and encouraged people across the West Midlands to create art focused around the theme of *What I Can See*. The idea was to inspire people of all ages to think differently about their surroundings and explore their imaginations spending more time indoors. The winning artists sharing the positive impact taking part had on their well-being.
- Our Big Brum Bioblitz project saw people of all ages explore their surroundings and learn more about the wildlife around them in the city's parks, gardens and even on a pavements. Our Bioblitz engaged over 70,000 people with urban wildlife, with 579 species spotted in the city for the first time.

Our *Cut Copy Remix* project set out to encourage creative use of Birmingham's collection of Public Domain images to celebrate the extensive resource and support digital artists to use the images to inspire innovative new work. BMT commissioned local artist Christopher Spence aka Cold War Steve who created *Benny's Babbies*, the complex and popular photo collage was initially shared online, the artwork later acted as significant driver of footfall during the short period BMAG was open. We also worked with Mixed Milk, who commissioned Birmingham artist Martin McNally, to make a film about the works in the collection; and Black Hole Club, who commissioned artists Rosa Francesca and Alis Oldfield who created digital art responding to the collection and its data.

In another digital first, BMT embarked on a collaboration with online game Occupy White Walls (OWW), as the first museum to partner with the AI-driven art platform. Two hundred artworks from Birmingham's collection of Public Domain images, including some of the city's most famous Pre-Raphaelite works were made available to players allowing them to create their own galleries.

In a normal year our 1,000 strong volunteer workforce support all areas of BMT's work. The majority of volunteer activity was suspended with most volunteers unable to return to their roles during the year. In response we created new online and at-home volunteering opportunities including an Artist Research project, Social Media support, and blog posts for the Big Brum Bioblitz. At end of March 2021 we had 323 registered volunteers.

During the first lockdown we delivered a very limited offer for schools. During the second lockdown we piloted MuseumStream, a new hybrid outreach programme combining digital resources, live streaming and real objects to create a new engagement experience for schools and communities.

We worked hard to find innovative ways to generate income and keep people engaged with our museums. Our success was recognised with an award from the Association of Cultural Enterprises award for Creative Commerce and a highly commended in the Museum + Heritage Awards 'Pandemic Pivot' category recognising the transformation of the gift shop at Sarehole Mill into a community shop. We also developed a food delivery service, rolled out Museums on Demand, a popular program of online lectures and hosted virtual fun run events.

This year also saw a change of leadership with Dr Ellen McAdam retiring as Director in June, after nearly seven years in post. In September, Sara Wajid and Zak Mensah were announced as co-CEO with a vision for a multi-year transformation towards a purpose driven social museum service.

In October 2020 BMAG opened for 5 days per week (previous opening hours were 7 days per week). New displays and Wildlife Photographer of the Year exhibition brought good visitor numbers for the 4 weeks the museum was open, although well down on pre-Covid levels at 40% of previous years numbers. BMAG closed on 5 November for the second lockdown. Sarehole Mill remained open through the year as a shop, café and outdoor venue as restrictions allowed. Our Historic Properties remained closed with exceptions for events when restrictions allowed. Thinktank Birmingham Science Museum remained closed throughout the year.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Report of the Trustees and Strategic Report (continued)

In January 2021 we announced that Birmingham Museum & Art Gallery would remain closed throughout 2021 while essential electrical upgrade work of Birmingham's Council House complex takes place. An inventory and decant of the collections, libraries, archives and offices spaces was implemented to enable to the rewiring. The electrical upgrade is an extensive and essential programme of work which is needed to future-proof the building making it safe for staff and visitors while safeguarding Birmingham's collections housed there for generations to come.

Birmingham Museums Trust - Vision Summary

Our mission/vision are a work in progress – below is the current articulation of our cause.

Vision

Birmingham Museums generate hope, social trust and belonging

Mission

Birmingham Museums will be an ambitious, authentic expression of the best of the people of the Midlands and be a key driver of social, cultural and economic creativity and innovation

Purpose

To contribute to building a more humane and sustainable future, based on the creative case for diversity, respect for human dignity and for the planet

Key strategic priorities/objectives for BMT over the next 2-3 years

BMT's Business Plan 2021-22 states that our Co-CEO's Sara Wajid and Zak Mensah's brief is to make BMT more useful to more people and 2021/22 marks the first year of a 5 year transformation programme.

We will:

- Engage our existing relationship partners and seek new voices to reimagine our vision for BMT. The outcome will be a service direction that uses socially engaged practice. At our core will be a work programme that always focuses on the needs of our users. The vision and strategic work will redesign BMT phase 1 in the 2021/22 period.
- We will experiment with reaching new audiences through local, national and international partnerships.
- Re-imagine who the buildings and collection are for, and collaborate with the people and communities who are critical to the future of Birmingham Museums for the next 50 years and beyond.
- Our Commonwealth Games Cultural Programme 2022 will include a new collecting programme and radical transformation of the Round Room at BMAG created as part of a new development programme for young people of colour.
- We will use 2021/22 to ensure we have the skills and attitudes we need to be a better version of our current self. This work will redesign our skills base and identify gaps that we need to fill and include a fairer recruitment process.

BMT will demonstrate a commitment to increase educational/outreach work through:

- Without Walls, a programme to engage audiences online and offsite. Includes taking artworks and items from the collection into schools and communities, inviting Birmingham citizens to co-produce new displays for when BMAG opens in 2022, sharing content through our digital platforms, and delivering outdoor exhibitions.
- New online services and activity taking the outcomes of our new Digital Strategy forward
- New public participation in shaping the direction of the organisation under the leadership of our Co-CEOs
- The change in approach envisions a shift with decreasing education and participation numbers onsite, and increasing offsite and online attendance and participation.

BMT will continue to work closely with Birmingham City Council and will ensure we take all reasonable steps to protect the properties and collections we are responsible for. We have worked together to develop a set of condition surveys to aid prioritising essential maintenance, mechanical and electrical work across our properties. This work will support future applications to improve building infrastructure.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Report of the Trustees and Strategic Report (continued)

In addition to financial stabilisation and continuing to respond to the ever-changing landscape created by the pandemic, there are a number of projects that will continue including:

- The rewiring of BMAG, which will see the building partially open to the public in 2022 with phased re-opening of the rest of the galleries by 2024.
- Commonwealth Games 2022, BMT will work in collaboration with local and international artists, organisations and communities to create a through a series of programs, events and exhibitions as part of the Commonwealth Games cultural programme.
- Taking forward the feasibility study for a new Museum for Science and Industry, The Birmingham Project.
- The next phase of the Museum Store project.

Financial Review / Key Financial Performance Indicators

The financial performance of the Museum for the year under review and the financial position at the Balance Sheet date are set out in this report. In particular the Statement of Financial Activities (SOFA), which includes both unrestricted and restricted funds, shows the performance of the group during the year.

Like the vast majority of charities, BMT was severely impacted by COVID-19 and the national restrictions. The main financial impacts of the pandemic have been:

- The sale of admission tickets to BMT sites was halted. Sarehole Mill remained open throughout as a Community Shop and BMAG was able to open, albeit briefly, in October with a significantly reduced capacity
- All on site activities were cancelled
- Facing significant loss of revenue, BMT prioritised expenditure that was critical to the delivery of its charitable objectives and looked at new ways of cost effective working
- BMT made the decision in July 2020 to implement an organisational change programme to restructure the workforce. This impacted in excess of 50% of the workforce and resulted in 25% of staff leaving the business.

However, BMT made use of the Government's Job Retention Scheme and was successful in accessing various strands of funding including the Culture Recovery Fund, the National Lottery Heritage Fund and Arts Council England emergency funds. In total, COVID-19 support funding amounted to £3.3m which helped to minimise the overall impact and enabled BMT to report a modest surplus.

Restricted Funds stand at £3.467m (2020: £4.349m), Unrestricted Funds at £2.033m (2020: £1.293m) and a Pension Reserve deficit of £4.114m (2020: deficit of £1.043m).

The cost of governance activities was £0.022m (2020: £0.025m). Direct governance costs have been included in accordance with the Charity SORP 2019 and include audit fees, legal fees and Trustee expenses.

Public Benefit

In considering the strategies and policies of the charity, the trustees have had due regard for the public benefit guidance published by the Charity Commission, in accordance with the Charities Act 2011.

BMT's latest Business Plan continues to champion education, learning, and audience/community engagement as key priorities and sets out appropriate strategies and activities to enable it to deliver against its objectives in this area.

A key priority is increased diversity and engagement, ensuring everyone in the region has the opportunity to experience Birmingham's world class collections regardless of age, background or financial means. BMT's objectives in this regard are also informed by the priorities of key public funders, Birmingham City Council and Arts Council England.

We achieve this by:

- Using the museum's nine sites and collection of around one million objects to excite and engage visitors, bringing the collection alive by running a wide range of displays, exhibitions, events and public activities.
- Delivering learning, engagement and outreach programmes for and with schools, young people, and communities in Birmingham to inspire, strengthen skills and support public health and wellbeing.
- Sharing digital content that connects with online communities, sparks creativity and increases access.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Report of the Trustees and Strategic Report (continued)

Going Concern

The financial statements have been prepared on a going concern basis. The Trustees consider that there is a reasonable expectation that the charitable company and group have sufficient resources, including the funding reported in connection with the Covid-19 pandemic, to continue in operational existence for the foreseeable future and for this reason they have adopted the going concern basis in preparing the financial statements.

Reserves Statement

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

They take the view that the nature of the BMT's consolidated cash flows is such that they can set as a medium-term objective to maintain unrestricted reserves, excluding defined benefit pension liabilities, at a level of one month's income, or around £1m.

At 31 March 2021, BMT, as a consolidated entity, had unrestricted reserves of £2.033m (2020: £1.293m) Free reserves as at the 31 March 2021 were £1.279m (2020: £0.695m).

The unrestricted reserves are in line with the charity's reserves policy.

Investment Policy

The Trustees have the power to invest funds not immediately required from operational purposes in such investments, securities or property as they see fit.

The underlying investment strategy is to accept only a low level of risk and therefore available funds are invested in low risk short-term deposits with HSBC plc, a bank which operates in the United Kingdom and which is subject to regulation under the Financial Services Act 2012.

Related Parties

Birmingham City Council, the sole member of the charitable company, has paid fees for services and has provided loan finance to Birmingham Museums Trust's subsidiary Thinktank Trust. Any conflicts of interest involving Trustees in this respect are declared where appropriate.

Auditor

The Auditor, Cooper Parry Group Ltd, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Statement of Trustees' responsibilities in respect of the Trustees' report and the financial statements

The Trustees (some of whom are also the directors of Thinktank Trust and Birmingham Museums Trading Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, generally accepted accounting practice entails, the Trustees:

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

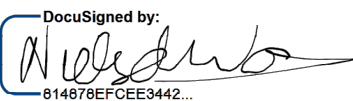
The Trustees are responsible for keeping proper and adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

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

Approved by the Board of Trustees on ~~27~~ January 2022 and signed on their behalf by:

DocuSigned by:

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Mr Niels de Vos
Chair

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust

Opinion

We have audited the financial statements of Birmingham Museums Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 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 Report of the Trustees and Strategic 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.

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (*continued*)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection and anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities included, but was not limited to, the following:

BIRMINGHAM MUSEUMS TRUST

Annual Report and Consolidated Financial Statements for the year ended 31 March 2021

Independent Auditor's Report to the Members and Trustees of Birmingham Museums Trust (continued)

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

A further description of our responsibilities for the audit of the financial statements is located 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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Atkins FCA
Senior Statutory Auditor

For and on behalf of Cooper Parry Group Ltd

Park View, One Central Boulevard
Blythe Valley Park
Solihull
Birmingham
B90 8BG

Date: 27 January 2022

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Funds £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and legacies		115,408	-	-	115,408	94,314
Investments						
Rental income		3,015	-	-	3,015	5,400
Interest receivable		-	-	-	-	5,646
Charitable activities						
Visitor admissions and outreach income		56,187	-	-	56,187	2,222,772
Grants receivable and other income		8,114,774	1,756,483	-	9,871,257	6,962,231
Other trading activities						
Income from trading activities of Subsidiary		414,764	-	-	414,764	2,212,323
Total Income	4	8,704,148	1,756,483	-	10,460,631	11,502,686
Expenditure on:						
Raising funds						
Expenses from trading activities of Subsidiary		(683,399)	-	-	(683,399)	(1,587,716)
Fundraising costs		(62,854)	-	-	(62,854)	(86,590)
Charitable activities						
Museum costs		(7,148,526)	(2,707,020)	(597,000)	(10,452,546)	(11,052,879)
Total Expenditure	5	(7,894,779)	(2,707,020)	(597,000)	(11,198,799)	(12,727,185)
Net (expenditure)/income		809,369	(950,537)	(597,000)	(738,168)	(1,224,499)
Transfers between Funds	14	(69,045)	69,045	-	-	-
Other recognised gains						
Return on Pension Fund Assets		-	-	(6,001,000)	(6,001,000)	1,727,000
Change in financial assumptions		-	-	3,527,000	3,527,000	184,000
Net movement on pension fund		-	-	(2,474,000)	(2,474,000)	1,911,000
Net movement in funds		740,324	(881,492)	(3,071,000)	(3,212,168)	686,501
Reconciliation of funds						
Fund balances brought forward		1,292,710	4,348,579	(1,043,000)	4,598,289	3,911,788
Fund balance carried forward		2,033,034	3,467,087	(4,114,000)	1,386,121	4,598,289

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and includes all gains and losses recognised in the year.

BIRMINGHAM MUSEUMS TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2020

	Notes	Unrestricted Funds £	Restricted & Endowment Funds £	Pension Fund £	Total 2020 £
Income and endowments from:					
Donations and legacies		93,053	1,261	-	94,314
Investments					
Rental income		5,400	-	-	5,400
Interest receivable		5,646	-	-	5,646
Charitable activities					
Visitor admissions and outreach income		2,222,772	-	-	2,222,772
Grants receivable and other income		4,455,773	2,506,458	-	6,962,231
Other trading activities					
Income from trading activities of subsidiary		2,212,323	-	-	2,212,323
Total Income	4	8,994,967	2,507,719	-	11,502,686
Expenditure on:					
Raising funds					
Expenses from trading activities of subsidiary		(1,587,716)	-	-	(1,587,716)
Fundraising costs		(86,590)	-	-	(86,590)
Charitable activities					
Museum costs		(7,832,826)	(2,662,053)	(558,000)	(11,052,879)
Total Expenditure	5	(9,507,132)	(2,662,053)	(558,000)	(12,727,185)
Net (expenditure)		(512,165)	(154,334)	(558,000)	(1,224,499)
Transfers between Funds		63,235	(63,235)	-	-
Other recognised gains/(losses)					
Return on Pension Fund Assets		-	-	1,727,000	1,727,000
Change in financial assumptions		-	-	184,000	184,000
Net movement on pension fund		-	-	1,911,000	1,911,000
Net movement in funds		(448,930)	(217,569)	1,353,000	686,501
Reconciliation of funds					
Fund balances brought forward		1,741,640	4,566,148	(2,396,000)	3,911,788
Fund balance carried forward		1,292,710	4,348,579	(1,043,000)	4,598,289

Restricted funds comprise both income and capital funds.

The incoming resources, resources expended and resulting net movement in funds, arise from continuing operations and includes all gains and losses recognised in the year.

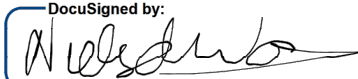
BIRMINGHAM MUSEUMS TRUST

Consolidated Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible assets	9a	2,794,703	3,461,021
Intangible assets	9b	96,782	157,567
		<u>2,891,485</u>	<u>3,618,588</u>
Current Assets			
Stock	10	150,365	194,734
Debtors: amounts falling due in one year	11	1,401,706	1,365,741
Debtors: amounts falling due after more than one year	11	506,276	603,310
Cash at bank and in hand		<u>3,259,467</u>	<u>1,883,088</u>
		5,317,814	4,046,873
Creditors: amounts falling due within one year	12	(2,202,902)	(1,420,862)
Net Current Assets		<u>3,114,912</u>	<u>2,626,011</u>
Total Assets less Current Liabilities		6,006,397	6,244,599
Creditors: amounts falling due after more than one year	12	(506,276)	(603,310)
Defined benefit scheme pension liability	22	(4,114,000)	(1,043,000)
NET ASSETS		<u>1,386,121</u>	<u>4,598,289</u>
Funds			
Unrestricted	14	2,033,034	1,292,710
Restricted	14	2,576,207	3,450,699
Endowment	14	890,880	897,880
Pension	14	(4,114,000)	(1,043,000)
TOTAL FUNDS		<u>1,386,121</u>	<u>4,598,289</u>

The notes on pages 19 to 41 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 27 January 2022 and were signed on its behalf by:

DocuSigned by:

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Mr Niels de Vos
Chairman

Registered No: 07737797

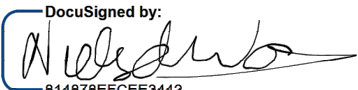
BIRMINGHAM MUSEUMS TRUST

Company Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible assets	9a	2,099,463	2,342,234
Intangible Assets	9b	96,782	157,567
		<u>2,196,245</u>	<u>2,499,801</u>
Current Assets			
Debtors: amounts falling due in one year	11	3,090,898	3,079,026
Debtors: amounts falling due after more than one year	11	676,848	603,310
Cash at bank and in hand		<u>3,058,247</u>	<u>1,137,071</u>
		6,825,993	4,819,407
Creditors: amounts falling due within one year	12	(2,180,836)	(1,218,828)
Net Current Assets		<u>4,645,157</u>	<u>3,600,579</u>
Total Assets less Current Liabilities		6,841,402	6,100,379
Creditors: amounts falling due after more than one year	12	(506,276)	(603,310)
Defined benefit scheme pension liability	22	(4,114,000)	(1,043,000)
NET ASSETS		<u>2,221,126</u>	<u>4,454,070</u>
Funds			
Unrestricted	15	3,550,910	2,250,210
Restricted	15	1,893,335	2,348,979
Endowment	15	890,881	897,881
Pension	15	(4,114,000)	(1,043,000)
TOTAL FUNDS		<u>2,221,126</u>	<u>4,454,070</u>

The notes on pages 19 to 41 form part of these accounts.

These financial statements were approved and authorised for issue by the Board of Trustees on 27 January 2022 and were signed on its behalf by:

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Mr Niels de Vos
Chairman

Registered No: 07737797

BIRMINGHAM MUSEUMS TRUST

Consolidated Cash Flow Statement For the year ended 31 March 2021

	Note	2021 £	2020 £
Cash used in operating activities	a	1,637,601	897,173
Cash flows from investing activities	b	(261,222)	(458,325)
Increase / (Decrease) in cash during the year		1,376,379	438,848

(a) Cash used in operating activities

	2021 £	2020 £
Net (outgoing) / incoming resources	(738,168)	(1,224,499)
Adjustments for non-cash items:		
Depreciation and amortisation	988,325	991,104
Pension fund provision	597,000	558,000
(Increase)/decrease in stocks	44,369	(15,328)
(Increase)/decrease in debtors	(35,965)	12,205
(Decrease)/Increase in creditors	782,040	575,691
Net cash (outflow) / inflow from operating activities	1,637,601	897,173

(b) Cash flows from investing activities

	2021 £	2020 £
Purchase of tangible fixed assets	(261,222)	(315,152)
Purchase of intangible fixed assets	-	(143,173)
Net cash outflow from investing activities	(261,222)	(458,325)

(c) Analysis of movements in cash and cash equivalents

	2021 £	2020 £
Increase in cash and cash equivalents in the year	1,376,379	438,848
Cash and cash equivalents at the beginning of the year	1,883,088	1,444,240
Total cash and cash equivalents at the end of the year	3,259,467	1,883,088

(d) Analysis by cash and debt

	As At April 2020 £	Cashflows £	As at March 2021 £
Cash at Bank and in hand	1,883,088	1,376,379	3,259,467
Debt due after one year	603,310	(97,034)	506,276
Debt due within one year	101,785		101,785
	2,588,183	1,279,345	3,867,528

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements

1. General information

Birmingham Museum trust is a charitable company limited by guarantee, incorporated and domiciled in England and Wales (Company number 07737797, Charity number 1147014). The Trust has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The registered office is Birmingham Museums & Art Gallery, Chamberlain Square, Birmingham, B3 3DH.

2. Statement of principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

Basis of accounting

The financial statements have been prepared under the Companies Act 2006 on a going concern basis and under the historical cost convention. The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Birmingham Museum Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant account policy notes.

The financial statements are prepared in sterling, to the nearest £1, which is the functional currency of the group and the charity.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies (see note 3).

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

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements of Birmingham Museums Trust include the financial statements of the charitable company, its subsidiary trading company Birmingham Museums Trading Limited, and its subsidiary charity Thinktank Trust. The results of the subsidiaries, as disclosed in note 17 are consolidated on a line by line basis within the consolidated statement of financial activities.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The results of the standalone charity are summarised in note 17.

Statement of financial activities

The incoming resources and resources expended by the Birmingham Museums Trust are detailed below, together with respective accounting treatments.

Incoming resources

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

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

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Donations and gifts

Cash donations are included when received.

Legacies

Income is recognised on an accruals basis to the extent that Birmingham Museums Trust has been notified that it is a beneficiary, receipt is probable and there is a clear indication of the amounts involved.

Grants receivable including government grants

Grants are recognised in the consolidated statement of financial activities when the conditions for receipt have been complied with.

Trading income

Turnover from the staging of events, retail shops and catering outlets operated by Birmingham Museums Trading Limited represents the value of goods sold net of VAT.

Income from investments

Investment income is accounted for on an accruals basis.

Sponsorship in kind

Sponsorship in kind includes provision of commercial services. Such incoming resources are included in the Consolidated Statement of Financial Activities where the benefit to the charity is reasonably quantifiable and measurable. The value placed on these resources is the estimated value to the charity of the service received, being the price, the charity estimates it would pay in the open market for an equivalent service.

Fund accounting

The charitable company maintains three types of funds as follows:

Restricted funds

Restricted funds represent grants and donations receivable which are allocated by the donor for specific purposes. Within restricted funds, endowment funds represent donations receivable which on the instruction of the donor are to be set aside and along with the income applied for a specific purpose. The aim and use of such funds are set out in the notes to the financial statements.

Unrestricted funds

Unrestricted funds represent funds that are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. Within unrestricted funds, designated funds represent unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of such funds are set out in the notes to the financial statements.

Pension funds

Pension funds represent funds relating to the West Midlands Defined Benefit Pension Scheme. The aim and use of such funds are set out in the notes to the financial statements.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing Birmingham Museums Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Raising funds

These costs are incurred in relation to staff members and consultants who are engaged directly in fundraising and also include the costs of campaigns for raising donations.

Charitable activities

Charitable expenditure includes expenditure associated with the operation of the Birmingham Museums and Art Gallery.

Governance Costs

Governance costs comprise direct costs involving Birmingham Museum's Trust's strategic management and its compliance with legal, constitutional and statutory requirements. These costs include costs related to statutory audit and legal fees.

Redundancy Costs

All redundancy costs and termination payments are recognised in the year.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Basis of allocation of costs

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources. Costs relating to the management of Birmingham Museums Trust and support departments have been allocated to other functions based on the time they consume in pursuing the objectives of Birmingham Museums Trust.

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Foreign currency translation

Transactions in foreign currencies are translated into Sterling at the rates of exchange current at the dates of the transactions. Foreign currency liabilities in the balance sheet are translated into Sterling at the rates of exchange ruling at the year-end except where hedged. Resulting exchange gains and losses are taken to the Consolidated Statement of Financial Activities in the year in which they arise.

Pension costs

The charitable company operates a stakeholder compliant Group Personal Pension Scheme open to all employees.

Certain former staff of Birmingham City Council are members of the West Midlands Pension Scheme which is a defined benefit scheme based on final pensionable salary.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains and losses arising are recognised immediately in the Consolidated Statement of Financial Activities.

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in profit or loss.

The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan.

The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that BMT has a legal or constructive obligation to settle the liability.

The assets of the scheme are held separately from those of the Trust in an independently administered fund.

Taxation

Birmingham Museums Trust is exempt from taxation on its income and gains where they are applied for charitable purposes.

In the subsidiary financial statements, the policy is to distribute all taxable profits to Birmingham Museums Trust via gift aid.

Stocks

Stocks are valued at the lower of cost and net realisable value.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

2. Statement of principal accounting policies (*continued*)

Tangible and intangible fixed assets

Operating assets

Operating assets are stated at cost less depreciation/amortisation.

Depreciation is provided on a straight-line basis using rates calculated to write down the cost of each asset to its estimated residual value over its anticipated useful life as follows:

Leasehold improvements	Over the period of the lease
Plant and equipment	3 to 10 years
Fixtures and fittings	3 to 10 years
Hardware	3 to 5 years
Software	3 to 5 years

Depreciation commences in April following the year of purchase.

Assets in the course of construction are not depreciated until completion where upon they are transferred to the appropriate fixed asset category and depreciated as above.

Fixed asset investments

Investments are held at cost less any permanent diminution in value.

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of loans which are subsequently measured at amortised cost using the effective interest method.

Related party transactions

Birmingham Museums Trust is the parent undertaking within a group that prepares consolidated financial statements. Related party transactions are disclosed at note 19.

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Operating lease commitments

The group has entered into commercial property leases as a lessee on its property portfolio and as a lessee it obtains use of property, plant and equipment. The classification of such leases as an operating or finance lease requires the group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet. We consider there is no value to be recognised in the peppercorn leases held by Birmingham Museum Trust or the commercial lease held by Thinktank Trust. Leasehold improvements are recognised as assets when it is appropriate to do so.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

3. Judgements and key sources of estimation uncertainty (*continued*)

The following are the group's key sources of estimation uncertainty:

Pension and other post-employment benefits

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Future salary increases and pension increases are based on expected future inflation rates. Further details are given in note 22.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the group performs impairment tests based on fair value less costs to sell, or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices.

Impairment of debtors

The company makes an estimate of the recoverable value of trade debtors. When assessing impairment of trade debtors, management consider them individually reviewing the ageing profit of the balance and the historical experience.

Obsolete stock provision

At each balance sheet date, stocks are reviewed for impairment. If stock is impaired the carrying value is reduced. The provision is based upon a percentage reduction linked to the age of the stock item and its sales history.

4. Analysis of incoming resources

	2021	2020
	£	£
General Restricted Funds		
Arts Council Collection National Partners Fund	-	60,000
Bangladesh 50	19,090	-
Esmée Fairbairn Collections Fund	30,000	-
Islamic Art & Material culture	-	24,400
Millennium Point Trust	200,000	233,044
Minibrum	122,345	734,115
Museums for Birmingham	(133,094)	(54,374)
Portable Antiquities Scheme	88,710	88,399
Rent and Service Charge Grant	1,417,000	1,417,000
Sarehole Bakehouse	10,750	-
The Big Store	(54,374)	(15,626)
Wildlife Photographer of the Year	18,031	-
Other	38,025	19,500
	1,756,483	2,506,458
Endowment Fund	-	1,261
Total Restricted Funds	1,756,483	2,507,719
Designated Funds (Unrestricted)		
Arts Council England (National Portfolio Organisation)	1,026,107	1,007,568

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

4. Analysis of incoming resources (*continued*)

	2021 £	2020 £
General Unrestricted Funds		
Other Grants Receivable and Other Income	874,134	270,851
Furlough Income	1,108,783	-
CRF Grant	1,872,750	-
Donations	115,408	93,053
Birmingham City Council Fees	3,233,000	3,183,000
Visitor Admissions and Outreach Income	56,187	2,222,772
Rental Income	3,015	5,400
Trading Activities	414,764	2,212,323
	7,678,041	7,987,399
Total Unrestricted Funds	8,704,148	8,994,967
Total Incoming Resources	10,460,631	11,502,686

Total furlough income received in 20-21 was £1.357m (19-20 Nil) of which £0.248m related to the Birmingham Museums Trading Limited and is shown above in Trading Activities.

5. Analysis of total resources expended

	Fundraising £	Museum Costs £	Governance £	2021 £	2020 £
Costs directly allocated to activities					
Staff costs	62,854	3,258,582	-	3,321,436	4,262,280
Marketing	-	143,207	-	143,207	228,054
Maintenance	-	389,449	-	389,449	418,433
Finance and Administration	-	10,707	21,625	32,332	34,246
Other operating expenditure	-	4,339,465	-	4,339,465	4,653,405
Depreciation / Amortisation	-	988,325	-	988,325	991,105
Direct Costs Total	62,854	9,129,735	21,625	9,214,214	10,587,523
Support costs allocated to activities					
Staff costs	-	1,207,344	-	1,207,344	1,375,446
Finance and Administration	-	133,459	-	133,459	145,377
Professional fees	-	46,782	-	46,782	60,839
Pension Fund charges	-	597,000	-	597,000	558,000
Support Costs Total	-	1,984,585	-	1,984,585	2,139,662
Total Costs	62,854	11,114,320	21,625	11,198,799	12,727,185

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

6. Analysis of total resources expended (*continued*)

Total resources expended include:

	2021 £	2020 £
Depreciation	927,540	975,080
Amortisation	60,785	16,024
Auditor's remuneration – audit of these financial statements	21,625	19,000
Auditor's remuneration – audit of financial statements of subsidiaries	-	6,000
Auditor's remuneration – non-audit services	-	-
Operating lease charges: land and buildings	619,451	604,457
Operating lease charges: other than land and buildings	8,104	3,714

7. Key management remuneration and Trustees' expenses

The key management personnel of the parent company, the Trust, comprise the Trustees and the senior management team as defined in the Trustees' Report. The total employee benefits of the key management personnel of the Trust were £469k (2020: £461k).

The key management personnel of the group comprise those of the Trust and its wholly owned subsidiaries Thinktank Trust and Birmingham Museums Trading Limited. The key management personnel are responsible for the group as a whole and it is not possible to split their employee benefits between each individual entity.

An amount of £1,680 (2020: £2,050) was paid in respect of Trustees and Officers Liability Insurance. The Trustees received no remuneration in the year other than reimbursement of expenses. A total of £nil (2020: £278) was reimbursed (2020: one) to trustees in respect of expenses mainly related to travel.

8. Employee numbers and costs

a. Average number of persons employed

	Number 2021	Number 2020
Fundraising	2	3
Museum	147	166
Support and administration	31	36
	180	205

b. Full Time Equivalent employed

	FTE 2021	FTE 2020
Fundraising	2	3
Museum	121	139
Support and administration	26	33
	149	175

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

8. Employee numbers and costs (*continued*)

c. Employee costs	2021	2020
	£	£
Wages and Salaries	3,977,353	5,000,073
Social Security costs	301,169	372,154
Pension costs	250,258	265,499
	4,528,780	5,637,726

Included within wages and salaries figure is an amount of £111k (2020: £320k) in respect of temporary staff costs, £154k (2020: £398k) in respect of casual staff and £124k redundancy costs all of which was funded by the Cultural Recovery Fund.

d. Higher paid employees

The number of employees whose emoluments, including pension contributions, fell within the following bands are:

	2021	2020
	Number	Number
£100,000 to £109,999	-	-
£90,000 to £99,999	-	1
£80,000 to £89,999	1	-
£70,000 to £79,999	-	1
£60,000 to £69,999	3	3

e. Birmingham Museums Trading Limited

Included in the above staff costs, the subsidiary Birmingham Museums Trading Limited was recharged for 22 staff members (2020: 58 staff) whose costs are wholly or partly included within the results of the subsidiary given at note 17.

The employment costs incurred by Birmingham Museums Trading Limited were:

	2021	2020
	£	£
Wages and Salaries	449,087	765,012
Social Security costs	28,446	35,914
Pension costs	9,254	11,786
	486,787	812,713

Included within wages and salaries above is an amount of £4k (2020: £112k) in respect of temporary staff.

None of the Directors of Birmingham Museums Trading Limited received any remuneration in their capacity as Directors.

f. General volunteers

Over 346 (2020: 1,119) volunteers supported BMT, giving us over 3,530 hours (2020: 24,221 hours) of their time across all venues. Volunteers welcomed and engaged visitors to our venues, conservation cleaned objects and our sites, supported family activities, worked with our curators, gardened and assisted with our documentation.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

9. Fixed Assets

a) Tangible Fixed Assets

Group	Leasehold Improvements £	Plant and Equipment £	Fittings £	Equipment £	Total £
Cost					
At 1st April 2020	5,673,831	800,142	8,241,574	772,917	15,488,464
Additions	170,000	-	-	91,222	261,222
Disposals	-	-	-	-	-
At 31st March 2021	5,843,831	800,142	8,241,574	864,139	15,749,686
Depreciation					
At 1st April 2020	5,341,216	574,531	5,460,435	651,261	12,027,443
Charge for the year	33,193	21,530	793,951	78,866	927,540
At 31st March 2021	5,374,409	596,061	6,254,386	730,127	12,954,983
Net Book Value At 31st March 2021	469,422	204,081	1,987,188	134,012	2,794,703
Net book Value At 31st March 2020	332,615	225,611	2,781,139	121,656	3,461,021

All fixed assets are held for charitable purposes.

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2020: £Nil.).

Company	Leasehold Improvements £	Plant and Equipment £	Fittings £	Computer Equipment £	Total £
Cost					
At 1st April 2020	464,965	625,483	3,007,303	633,805	4,731,556
Additions	170,000	-	-	91,222	261,222
Disposals	-	-	-	-	-
At 31st March 2021	634,965	625,483	3,007,303	725,027	4,992,778
Depreciation					
At 1st April 2020	132,350	416,936	1,327,885	512,149	2,389,320
Charge for the year	33,194	16,832	375,102	78,867	503,995
At 31st March 2021	165,544	433,768	1,702,987	591,016	2,893,315
Net Book Value At 31st March 2021	469,421	191,715	1,304,316	134,011	2,099,463
Net Book Value At 31st March 2020	332,615	208,547	1,679,418	121,656	2,342,236

All fixed assets are held for charitable purposes.

Capital expenditure contracted for, but not provided in the financial statements, was £Nil (2020: £Nil.).

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

9. Fixed Assets (*continued*)

b) Intangible Fixed Assets

Group and Company

	Software £
Cost	
At 1st April 2020	232,627
Additions	-
At 31st March 2021	232,627
Depreciation	
At 1st April 2020	75,060
Charge for the year	60,785
At 31st March 2021	135,845
Net Book Value At 31st March 2021	96,782
Net Book Value At 31st March 2020	157,567

10. Stocks

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Goods for resale	150,365	-	194,734	-

Stock recognised as expense during the year was £102k (2020: £595k)

11. Debtors

Amounts due in one year

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Trade debtors	802,008	689,068	855,153	529,597
Amounts owed by group companies	-	1,922,530	-	2,109,835
Tax and social security	393,598	229,066	56,161	-
Other debtors	16,494	4,769	21,334	6,501
Prepayments and accrued income	92,572	92,572	331,308	331,308
Amounts owed by group companies - Loan		56,859		
Loan from BCC	97,034	97,034	101,785	101,785
	1,401,706	3,090,898	1,365,741	3,079,026

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

11. Debtors (*continued*)

Amounts due after more than one year:

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Birmingham City Council	506,276	506,276	603,310	603,310
Inter Company Loan	-	170,572	-	-
	506,276	676,848	603,310	603,310

12. Creditors

Amounts due within one year:

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Trade creditors	826,062	825,034	993,911	937,018
Tax and social security	60,497	60,497	230,147	106,609
Loan from Birmingham City Council	97,034	97,034	101,785	101,785
Other creditors	47,527	43,427	49,449	49,448
Accruals and deferred income	1,171,782	1,154,844	45,570	23,968
	2,202,902	2,180,836	1,420,862	1,218,828

Amounts due after more than one year:

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Loan from Birmingham City Council	506,276	506,276	603,310	603,310

Deferred income (group and company)

Deferred income comprises grants received in advance of expenditure.

	Group £	Company £
Balance as at 1 April 2020	20,363	10,688
Amount released to income from Charitable Activities	(20,363)	(10,688)
Amount deferred in year	939,333	939,333
Balance as at 31 March 2021	939,333	939,333

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

13. Financial instruments

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Financial assets				
Financial assets measured at fair value through statement of financial activities	3,259,467	3,058,247	1,883,088	1,137,071
Financial assets that are debt instruments measured at amortised cost	1,718,376	3,407,568	1,530,782	3,249,243
	4,977,843	6,465,815	3,413,870	4,386,314

Financial liabilities

Financial liabilities measured at amortised cost	1,570,333	1,548,267	2,003,809	1,811,471
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Financial assets are measured at fair value through statement of financial activities comprises cash held at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprises trade and other debtors, other taxation and social security and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprises Trade and other creditors, other taxation and social security, amounts owed to group undertakings, accruals and a loan from Birmingham City Council as explained below.

Birmingham City Council Loan

The loan falls due for repayment as follows:

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Within one year	97,034	97,034	101,785	101,785
In 1-2 years	91,507	91,507	97,507	97,507
In 2-5 years	232,540	232,540	254,489	254,489
Over 5 years	182,229	182,229	251,314	251,314
	603,310	603,310	705,095	705,095

The above unsecured loan is held by Birmingham Museums Trust. The loan was approved by Birmingham City Council in March 2012 with interest charged at 4.5% per annum and is repayable commencing 1 April 2012 and terminating on 1 January 2031. The loan was made to Thinktank Trust then transferred to Birmingham Museums Trust in April 2012.

In addition, Birmingham City Council has identified a source of funding and will not less than 5 business days in advance of each interest payment date grant aid to BMT a sum equivalent to the amount of interest and capital required to be paid by BMT to Birmingham City Council, to be held on trust by BMT and hypothecated to the payments of the loan as they fall due.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds Analysis - consolidated

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2021 £
General Restricted Funds						
Aston Hall Refurbishment	37,116	-	(8,835)	-	-	28,281
Collecting Birmingham	359	-	(359)	-	-	-
Bangladesh 50	-	19,090	(7,650)	-	-	11,440
Esmée Fairbairn Collections Fund	-	30,000	(4,299)	-	-	25,701
HS2	-	-	(2,461)	-	-	(2,461)
Islamic Art & Material Culture	27,443	-	(20,214)	-	-	7,229
Made in Birmingham	479,524	-	(171,531)	-	-	307,993
Millennium Point Trust	120,527	200,000	(224,360)	-	-	96,167
Minibrum	1,543,880	122,345	(286,902)	-	-	1,379,323
Museums for Birmingham	79,594	(133,094)	-	53,500	-	-
NAWM Graduate Showcase	25,160	-	-	(25,160)	-	-
Portable Antiquities Scheme	29,347	88,710	(82,250)	-	-	35,807
Rent and Service Charge Grant	-	1,417,000	(1,417,000)	-	-	-
Rewiring Project	-	-	(10,135)	-	-	(10,135)
Sarehole Mill Conservation	-	10,750	(20,804)	10,054	-	-
Science for all Seasons	622,197	-	(247,318)	-	-	374,879
Spitfire Gallery	34,864	-	(12,671)	-	-	22,193
Staffordshire Hoard Gallery	268,291	-	(108,460)	-	-	159,831
Tessa Sidey Bequest	88,375	-	-	-	-	88,375
The Big Store	54,374	(54,374)	-	-	-	-
Wildlife Photographer	(18,260)	18,031	(17,737)	17,966	-	-
Welcome All	31,912	-	(30,277)	-	-	1,635
Other	25,996	38,025	(26,757)	12,685	-	49,949
	3,450,699	1,756,483	(2,700,020)	69,045	-	2,576,207
Endowment Fund	897,880	-	(7,000)	-	-	980,880
Total Restricted Funds	4,348,579	1,756,483	(2,707,020)	69,045	-	3,467,087
Designated Funds						
Arts Council England – (National Portfolio Organisation)	55,215	1,026,107	(687,258)	-	-	394,064
CRM / Ticketing	-	-	-	-	-	-
	55,215	1,026,107	(687,258)	-	-	394,064
General Unrestricted Funds						
General Fund	1,217,550	7,263,277	(6,524,122)	(69,045)	-	1,887,660
Trading Reserve	19,945	414,764	683,399	-	-	(248,690)
	1,237,495	7,678,041	(7,207,521)	(69,045)	-	1,638,970
Total Unrestricted Funds	1,292,710	8,704,148	(7,894,779)	(69,045)	-	2,033,034
Pension Deficit	(1,043,000)	-	(597,000)	(2,474,000)	(4,114,000)	
Total Funds	4,598,289	10,460,631	(11,198,799)	-	(2,474,000)	1,386,121

The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds analysis - consolidated (*continued*)

Restricted capital funds represent monies received for the purchase of specific assets. The funds will be expended over the life of the related asset.

Restricted funds

The restricted funds held at the year-end are to be applied for the purposes of the specific projects (as shown under the headings above) to develop:

- a. Aston Hall Refurbishment - the project will, over a number of years, improve the storytelling and interpretation at Aston Hall so it's more representative and enables BMT to increase footfall to the site.
- b. British Council Digital Collaboration Award (Bangladesh 50)
- c. Esmée Fairbairn Collections Fund (Museum Stream)
- d. HS2 – Implementation of the sensitive artefact strategy to safeguard the collections held at the Museums' Collection Centre during the HS2 construction works
- e. Islamic Art and Material Culture - A subject specialist network; grant from Arts Council England.
- f. Made in Birmingham - Gallery at Thinktank; this fund is being released as the asset depreciates.
- g. Millennium Point Trust - Grant to support programmes and projects at Thinktank, Birmingham Science Museum.
- h. Minibrium – New gallery and education programme, grants from Inspiring Science Fund co-funded by the Department for Business, Energy & Industrial Strategy (BEIS), UK Research and Innovation (UKRI) and Wellcome, Garfield Weston Foundation, Stavros Niarchos Foundation, The Wolfson Foundation, The 29th May 1961 Charity, Grimmitt Trust, Rowlands Trust and other donors.
- i. Museum for Birmingham – Development project for the refurbishment of Birmingham Museum & Art Gallery and a new store and cultural facility; funds from Birmingham City Council, grant from City of Birmingham Museums & Art Gallery Development Trust and donations from our 2017 Annual Appeal.
- j. Portable Antiquities Scheme - Recording archaeological objects found by members of the public in England and Wales; DCMS grant support, administered by the British Museum.
- k. Rent and Service Charge Grant - Grant support from Birmingham City Council at Thinktank.
- l. Rewiring Project – BCC funding for the collections and non-collections packing, decant, and temporary storage as well as re-installation due to rewiring of the Council House complex including BMAG
- m. Science for All Seasons - The Science Garden at Thinktank was completed prior to 2012 and this fund will be released as the asset is depreciated.
- n. Spitfire Gallery - Opened at Thinktank in March 2015; grants (various funders) and public donations. This fund will be released as the asset is depreciated.
- o. Staffordshire Hoard Gallery - Opened at the Museum & Art Gallery in October 2014; grant support (various funders and public donations) for the gallery refurbishment, and Hoard replicas and conservation. This fund will be released as the asset is depreciated.
- p. Tessa Sidey Bequest – A bequest in the will of Tessa Sidey (1955-2011) a curator at BMAG (1983-2011) to "buy major print acquisitions".
- q. The Big Store - Development project to explore the feasibility of building a new Store and Cultural facility for Birmingham's world class collections; funds provided by Birmingham City Council.
- r. Welcome All - project to improve access at the Museum & Art Gallery; grant support from DCMS/Wolfson Museum & Art Galleries Improvement Fund 2011-16, Friends of Birmingham Museums Trust and City of Birmingham Museums & Galleries Development Trust, and Arts Council England Major Partner Museum funding 2015-18. This fund will be released as the asset is depreciated.

Endowment fund

This represents the Ivan Witton legacy income.

Designated funds

National Portfolio Organisation - Grant funding from Arts Council England to deliver an agreed programme in support of ACE's goals. This grant represents the third year of a four year agreement for 2018-22.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

14. Funds analysis - consolidated (*continued*)

Restricted funds in the consolidated and charity accounts comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2019 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss) £	Balance at 31 March 2020 £
General Restricted Funds						
Arts Council Collection National Partner Fund	30,206	60,000	(43,703)	(46,503)	-	-
Aston Hall Refurbishment	37,116	-	-	-	-	37,116
Collecting Birmingham	18,455	-	(430)	(17,666)	-	359
Islamic Art & Material Culture	43,123	24,400	(27,031)	(13,049)	-	27,443
Made in Birmingham	651,055	-	(171,531)	-	-	479,524
Millennium Point Trust	-	233,044	(112,517)	-	-	120,527
Minibrium	1,088,790	734,115	(279,025)	-	-	1,543,880
Museums for Birmingham	144,951	(54,374)	(10,982)	-	-	79,595
NAWM Graduate Showcase	25,160	-	-	-	-	25,160
Planetarium	-	88,399	(84,384)	-	-	29,347
Portable Antiquities Scheme	25,332	1,417,000	(1,417,000)	-	-	-
Rent and Service Charge Grant	-	-	(60,685)	13,015	-	-
Sarehole Bakehouse	47,670	-	(247,318)	-	-	622,197
Science for all Seasons	869,515	-	-	(3,454)	-	-
Smethwick Engine Repair	3,454	-	(13,175)	-	-	34,864
Spitfire Gallery	48,039	-	(111,263)	-	-	268,291
Staffordshire Hoard Gallery	379,554	-	(500)	-	-	88,375
Tessa Sidey Bequest	88,875	(15,626)	-	-	-	54,374
The Big Store	70,000	-	(18,260)	-	-	(18,260)
Welcome All	79,145	-	(47,233)	-	-	31,912
Other	19,089	19,500	(17,016)	4,422	-	25,995
	3,669,529	2,506,458	(2,662,052)	(63,235)	-	3,450,699
Endowment Fund	896,619	1,261	-	-	-	897,880
Total Restricted Funds	4,566,148	2,507,719	(2,662,053)	(63,235)	-	4,348,579
Designated Funds						
Arts Council England - (National Portfolio Organisation)	90,896	1,007,568	(1,035,915)	(7,334)	-	55,215
CRM / Ticketing	27,121	-	(27,121)	-	-	-
	118,016	1,007,568	(1,063,036)	(7,334)	-	55,215
General Unrestricted Funds						
General Fund	1,603,678	7,987,399	(8,444,096)	70,569	-	1,217,550
Trading Reserve	19,945	-	-	-	-	19,945
	1,623,623	7,987,399	(8,444,096)	70,569	-	1,237,495
Total Unrestricted Funds	1,741,640	8,994,967	(9,507,132)	63,235	-	1,292,710
Pension Deficit	(2,396,000)	-	(558,000)	-	1,911,000	(1,043,000)
Total Funds	3,911,788	11,502,686	(12,727,185)	-	1,911,000	4,598,289

A detailed review of fund balances was undertaken and adjustments made, shown as funds transfers. The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

15. Funds analysis - Company

The charity holds restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance at 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss)	Balance at 31 March 2021 £
Restricted Funds						
Arts Council Collection National Partners Fund	-	-	-	-	-	-
Aston Hall Refurbishment	37,116	-	(8,835)	-	-	28,281
Collecting Birmingham	359	-	(359)	-	-	-
Bangladesh 50	-	19,090	(7,650)	-	-	11,440
Esmée Fairbairn TYCollections Fund	-	30,000	(4,299)	-	-	25,701
Islamic Art & Material Culture 2015-18	27,443	-	(20,214)	-	-	7,229
HS2	0	-	(2,461)	-	-	(2,461)
Millennium Point Trust	120,527	200,000	(224,360)	-	-	96,167
MiniBrum	1,543,880	122,345	(286,902)	-	-	1,379,323
Museums for Birmingham	79,594	(133,094)	-	53,500	-	-
NAWM Graduate Showcase	25,160	-	-	(25,160)	-	-
Portable Antiquities Scheme	29,347	88,710	(82,250)	-	-	35,807
Rewiring Project	-	-	(10,135)	-	-	(10,135)
Sarehole Mill Conservation	-	10,750	(20,804)	10,054	-	-
Spitfire Gallery	34,864	-	(12,671)	-	-	22,193
Staffordshire Hoard Gallery	268,291	-	(108,460)	-	-	159,831
Tessa Sidey Bequest	88,375	-	-	-	-	88,375
The Big Store	54,374	(54,374)	-	-	-	-
Wildlife Photographer	(18,260)	18,031	(17,737)	17,966	-	-
Welcome All	31,912	-	(30,277)	-	-	1,636
Other	25,996	38,025	(26,757)	12,685	-	49,949
	2,348,978	339,483	(864,171)	69,045	-	1,893,335
Endowment Funds						
Ivan Witton Legacy (including interest receivable)	897,881		(7,000)	-	-	890,881
Total Restricted Funds	3,246,859	339,483	(871,171)	69,045	-	2,784,216
Designated Funds						
Arts Council England (Major Partner Museums 2015-18)	55,215	1,026,107	(687,258)	-	-	394,064
Unrestricted Funds	2,194,996	7,263,277	(6,232,382)	(69,045)	-	3,156,846
Total Unrestricted Funds	2,250,211	8,289,384	(6,919,640)	(69,045)	-	3,550,910
Pension Deficit	(1,043,000)	-	(597,000)	-	(2,474,000)	(4,114,000)
Total	4,454,070	8,628,867	(8,387,811)	-	(2,474,000)	2,221,126

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

15. Funds analysis - company (*continued*)

	Balance at 1 April 2019 £	Incoming Resources £	Outgoing Resources £	Funds Transfer £	Other Gain (Loss)	Balance at 31 March 2020 £
Restricted Funds						
Arts Council Collection National Partners Fund	30,206	60,000	(43,703)	(46,503)	-	-
Aston Hall Refurbishment	37,116	-	-	-	-	37,116
Collecting Birmingham	18,455	-	(430)	(17,666)	-	359
Dippy on Tour	-	24,400	(27,031)	(13,049)	-	27,442
Islamic Art & Material Culture 2015-18	43,122	233,044	(112,517)	-	-	120,527
Millennium Point Trust	-	734,115	(279,025)	-	-	1,543,880
MiniBrum	1,088,790	(54,374)	(10,983)	-	-	79,594
Museums for Birmingham	144,951	-	-	-	-	25,160
NAWM Graduate Showcase	25,160	88,399	(84,384)	-	-	29,347
Portable Antiquities Scheme	25,332	-	(60,685)	13,015	-	-
Sarehole Bakehouse	47,670	-	-	(3,454)	-	-
Smethwick Engine Repairs	3,454	-	(13,175)	-	-	34,864
Spitfire Gallery	48,039	-	(111,262)	-	-	268,292
Staffordshire Hoard Gallery	379,554	-	(500)	-	-	88,375
Tessa Sidey Bequest	88,875	(15,626)	-	-	-	54,374
The Big Store	70,000	-	(18,260)	-	-	(18,260)
Welcome All	79,145	-	(47,233)	-	-	31,912
Other	19,089	19,500	(17,016)	4,422	-	25,995
	2,148,958	1,089,458	(826,204)	(63,235)	-	2,348,979
Endowment Funds						
Ivan Witton Legacy (including interest receivable)	896,620	1,261	-	-	-	897,881
Total Restricted Funds	3,045,578	1,090,719	(826,204)	(63,235)	-	3,246,860
Designated Funds						
Arts Council England - (National Portfolio Organisation)	90,896	1,007,568	(1,035,915)	(7,334)	-	55,215
CRM/Ticketing	27,122	-	(27,122)	-	-	-
	118,018	1,007,568	(1,063,037)	(7,334)	-	55,215
Unrestricted Funds	2,204,407	6,399,683	(6,479,663)	-	-	2,124,427
Transfer to Restricted Funds	-	-	-	70,569	-	70,569
	2,204,407	6,399,683	(6,479,663)	70,569	-	2,194,996
Total Unrestricted Funds	2,322,425	7,407,251	(7,542,700)	63,234	-	2,250,211
Pension Deficit	(2,396,000)	-	(558,000)	-	1,911,000	(1,043,000)
Total	2,972,003	8,497,970	(8,926,904)	-	1,911,000	4,454,070

The carry forward balance reflects the net book value of assets in the relevant fund balance.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

16. Analysis of net assets between funds - consolidated

	Restricted	Pension	Unrestricted	Total
	£	£	£	£
Fixed Assets	2,222,499	-	668,986	2,891,485
Net Current Assets	1,244,588	-	1,870,325	3,114,912
Creditors (amounts falling due after more than one year)	-	(4,114,000)	(506,276)	(4,620,276)
Total as At March 2021	3,467,087	(4,114,000)	2,033,034	1,386,121
Fixed Assets	3,003,439	-	615,149	3,618,588
Net Current Assets	1,345,140	-	1,280,871	2,626,011
Creditors (amounts falling due after more than one year)	-	(1,043,000)	(603,310)	(1,646,310)
Total as At March 2020	4,348,579	(1,043,000)	1,292,710	4,598,289

17. Financial performance of undertakings

Company Statement of Financial Activities

The consolidated statement of financial activities includes the results of the company's subsidiaries, Birmingham Museums Trading Limited and Thinktank Trust. The summary financial performance of the company alone is:

	2021 £	2020 £
Income	8,628,867	7,873,362
Gift Aid from subsidiary company	-	624,607
Total Income	8,628,867	8,497,969
Expenditure on Charitable Activities	(8,387,811)	(8,926,902)
Net Income / (Expenditure)	241,056	(428,933)
Other recognised gains/(losses)	(2,474,000)	1,911,000
Net Movements in funds	(2,232,944)	1,482,067
Total funds brought forward	4,454,070	2,972,003
Total Funds carried forward	2,221,126	4,454,070
Represented by:		
Unrestricted income funds	3,454,173	2,250,210
Restricted funds	2,880,953	3,246,860
Pension	(4,114,000)	(1,043,000)
Net Funds	2,221,126	4,454,070

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

17. Financial performance of undertakings (*continued*)

The summary financial performance of the wholly owned subsidiaries are as follows:

Birmingham Museums Trading Limited

Registered Company Number: 04221635

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	2021 £	2020 £
Profit & Loss Account		
Turnover	414,764	2,212,323
Cost of Sales	(148,270)	(678,000)
Gross Profit	266,494	1,534,323
Administrative expenses	(535,129)	(909,716)
Profit on ordinary activities before Gift Aid	(268,635)	624,607
Gift Aid to parent undertaking	-	(624,607)
Retained Profit / (Loss) for the year	(268,635)	-
The aggregated assets and liabilities of the subsidiary were		
Assets	493,621	1,219,429
Liabilities	(742,311)	(1,199,483)
Net Funds	(248,690)	19,945

Thinktank Trust

Registered Company Number: 03239119

Registered Address: Chamberlain Square
Birmingham
B3 3DH

	Unrestricted funds £	Restricted funds £	Total funds £
Total incoming resources	-	1,417,000	1,417,000
Total resources expended	(291,741)	(1,835,849)	(2,127,590)
Net incoming / (outgoing) resources	(291,741)	(418,849)	(710,590)
Transfer between funds	-	-	-
Net movement in funds	(291,741)	(418,849)	(710,590)
Fund balances brought forward	(977,448)	1,101,722	124,274
Fund balances carried forward	(1,269,189)	682,873	(586,316)

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

18. Taxation

The charitable company's income is exempt from taxation under section 505 of the Income and Corporation Taxes Act 1988 and its chargeable gains are exempt under section 256 of the Taxation of Capital Gains Act 1992.

19. Financial Commitments

Debentures and charges

Thinktank Trust has granted a first mortgage charge over certain of its assets to the Millennium Commission to secure all monies owing to the Commission by the Trust under the terms of a grant agreement dated 10 December 2004.

The Thinktank Trust has granted a mortgage charge over certain of its assets to the National Heritage Memorial Fund under the terms of an agreement date 20 April 2011.

Value Added Tax

As a result of group registration arrangements for Value Added Tax (VAT), the charitable company is jointly and severally liable with other members of the group for any VAT due by the representative member of the group. At 31 March 2021 the group's net receivable in respect of VAT was £394k (2020: recoverable £80k).

20. Related Party Transactions

During the year, the Company conducted the following transactions with its two subsidiaries, ThinkTank Trust and Birmingham Museums Trading Limited, and had the following debt positions with these subsidiaries as at 31 March 2021.

Birmingham Museums Trading Limited

The Company levied a management charge on Birmingham Museums Trading Limited for the year ended 31 March 2021 amounting to £486k (2020: £813k). The management charge for both years includes the recharge of staff by the Company to Birmingham Museum Trading as disclosed in Note 8e to the consolidated financial statements.

Birmingham Museums Trading Limited made a gift aid donation to the Company of £nil for the year ended 31 March 2021 (2020: £625k) as disclosed in Note 17 to the consolidated financial statements.

At 31 March 2021, the Company was due an amount of £695k from Birmingham Museums Trading Limited (2020: £1,015k).

Thinktank Trust

The Company levied a management charge on Thinktank Trust for the year ended 31 March 2021 amounting to Nil.

At 31 March 2021, the Company was due an amount of £1,452k (2020: £1,095k) from Thinktank Trust.

At 31 March 2021, Birmingham Museums Trading Limited was due an amount of £nil from Thinktank Trust (2020: Nil)

Birmingham City Council (BCC)

In addition to the above listed related party transactions, the following transactions took place with BCC, the sole member of the Company, during the year.

BCC received services from the Company and contractual payments received in the year by the Company for services undertaken amounted to a fixed fee of £3.233m (2020: £3.183m) and variable performance payments amounting to £0.056m (2020: £2.223m).

The Company has an outstanding loan with BCC as disclosed in Notes 11 and 12.

In addition, Thinktank Trust received a grant from BCC of £1.417m during the year (2020: £1.417m) to assist in the provision of lease payments on Thinktank to Millennium Point Property Ltd.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

21. Members

The charity is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £10 in the event of the company being wound up. At 31 March 2021 Birmingham City Council was the sole member of Birmingham Museums Trust.

22. Pension Schemes

The company operates Defined Benefit and Defined Contribution Schemes.

Defined Benefit Scheme

The defined benefit pension scheme is accounted for in accordance with applicable accounting standards within the United Kingdom and Republic of Ireland. As a consequence, a liability of £4,114k (2020: £1,043k) is shown in BMT's consolidated balance sheet. However, in accordance with the terms and conditions of the Local Government Pension Scheme, any liability is reversed over time through an increase in the contribution from current members to the scheme, on a mutualised basis across the whole of Local Government Pension Scheme, and BMT is not required to specifically fund the deficit that relates to its current and deferred members.

The major assumptions used by the actuary were (in nominal terms):	At 31 March 2021	At 31 March 2020
Rate of increase in salaries	3.85%	2.85%
Rate of increase to pensions	2.85%	1.85%
Discount rate	2.00%	2.35%
Inflation assumption – CPI	2.85%	1.35%

Assumed life expectations on retirement at age 65 are:

		At 31 March 2021	At 31 March 2020
Retiring today	Males	21.6	21.9
	Females	23.9	24.1
Retiring in 20 years' time	Males	23.4	23.8
	Females	25.8	26.0

The assumptions used in determining the overall expected return of the scheme have been set with reference to yields available on government bonds and appropriate risk margins.

The assets in the scheme and the expected rates of return were:

	Fair value at 31 March 2021 £000	Fair value at 31 March 2020 £000
Equities	12,073	9,379
Gilts	2,041	1,989
Bonds	787	715
Property	1,481	1,522
Cash	1,225	614
Other	2,887	2,531
Fair value of plan assets	20,494	16,750

The actual return on assets over the year was

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BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

22. Pension Schemes (*continued*)

Defined Benefit Scheme (*continued*)

The amounts recognised in the balance sheet are as follows

	2021	2020
	£000	£000
Present value of scheme liabilities	(24,608)	(18,153)
Fair value of scheme assets	20,494	17,110
Net pension liability	4,114	1,043

Analysis of the amount charged to Statement of Financial Activities:

Current service cost	340	573
Administration cost	12	11
Interest on the defined liability/(asset)	22	58
Total	374	642

Analysis of the amount recognised in other recognised gains and losses:

Actuarial (loss)/gain on scheme assets	2,904	(1,142)
Actuarial (loss)/gain on scheme liabilities	(6,233)	(2,201)
Actuarial (loss)/gain recognised	(3,329)	(3,343)

Changes to the present value of the defined benefit obligation:

Opening defined benefit obligations	18,153	19,834
Current service cost	340	410
Interest cost	425	484
Contributions by scheme participants	89	73
Actuarial loss/(gain)	6,233	(2,201)
Benefits paid	(202)	(242)
Past service cost	-	163
Changes in demographic assumptions	(232)	474
Experience loss/(gain) on defined benefit obligation	(198)	(842)
Closing defined benefit obligations	24,608	18,153

Changes in the fair value of plan assets

Opening plan assets	17,110	17,438
Interest on assets	403	426
Return on assets less interest	2,904	(1,142)
Other actuarial gains/(losses)	-	484
Administration expenses	(12)	(11)
Contributions by employers	202	84
Contributions by scheme participants	89	73
Benefits paid	(202)	(242)
Closing plan assets	20,494	17,110

The pension cost charge represents contributions payable by the trust and amounted to £250k (2020: £266k) for the defined benefit scheme.

BIRMINGHAM MUSEUMS TRUST

Notes to the Financial Statements (*continued*)

22. Pension Schemes (*continued*)

Defined Contribution Scheme

The charitable company operates a stakeholder compliant Group Personal Pension Scheme run by Standard Life PLC open to all employees. The Trust makes matching contributions to this scheme for employees making contributions, subject to a minimum contribution of 3% per month per employee.

23. Lease Commitments

Land and Building Leases

At 31 March 2021 the group had future minimum lease payments, in relation to land and building leases for Thinktank Trust at Millennium Point, under non-cancellable operating leases as follows:

	2021	2020
	£	£
Within one year	630,994	615,720
Between two to five years	2,685,718	2,620,707
More than five years	2,772,329	3,469,482
Total	6,089,042	6,705,909

The company had no leases in respect of land and buildings.

Other Operating Leases

At 31 March 2021 the group and company had future minimum lease payments, in relation to other operating leases, under non-cancellable operating leases as follows:

	Group	Company	Group	Company
	2021	2021	2020	2020
	£	£	£	£
Within one year	8,400	8,400	3,714	3,714
Between two to five years	10,500	10,500	-	-
More than five years	-	-	-	-
Total	18,900	18,900	3,714	3,714

24. Post Balance Sheet Events

There have been no post balance sheet events