

**Registered number: 08036113**  
**Charity number: 1149710**

**Derby Museums**

**Trustees' Report and Financial Statements**

**For the Year Ended 31 March 2023**



**DERBY MUSEUMS**  
**(A Company Limited by Guarantee)**

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**DERBY MUSEUMS**  
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**Reference and Administrative Details of the Company, its Trustees and Advisers**  
**For the Year Ended 31 March 2023**

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<b>Trustees</b>	Elizabeth Fothergill, CBE, Chair Roger Merchant Caroline McComb, Vice Chair Daisy Giuliano (resigned 25 October 2022) Linda Sullivan Councillor Lucy Care, nominated member from Derby City Council Professor Keith McLay Councillor Joanna West, nominated member from Derby City Council (resigned 30 June 2023) Councillor Robin Wood, nominated member from Derby City Council (resigned 30 June 2023) Dr Kiron Griffin Charlotte Holmes Andrew James Findlay Amanda Elise (appointed 24 January 2023) Paul Hilsdon (appointed 24 January 2023) Emily Lonsdale (appointed 25 October 2022)
<b>Company registered number</b>	08036113
<b>Charity registered number</b>	1149710
<b>Registered office</b>	Museum and Art Gallery The Strand Derby Derbyshire DE1 1BS
<b>Patron</b>	Lord Cavendish, 12th Duke of Devonshire
<b>Independent auditors</b>	Dains Audit Limited Statutory Auditor Suite 2, Albion House 2 Etruria Office Village Forge Lane Stoke on Trent Staffordshire ST1 5RQ
<b>Bankers</b>	The Co-Operative Bank 31 East Street Derby Derbyshire DE1 2AL  Santander UK Plc 1st Floor 5 Market Place Derby DE1 3PY

## **DERBY MUSEUMS**

**(A Company Limited by Guarantee)**

### **Trustees' Report** **For the Year Ended 31 March 2023**

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

Derby Museums is for the thinker and maker in all of us.

Derby Museums was established as an independent charitable trust a decade ago. Since then, it has transformed the way cultural heritage is presented and appreciated in the city.

Derby has unique cultural assets. It has the finest collection of work by Joseph Wright of Derby, the 18th century artist of the Enlightenment and is 'Designated' by Arts Council England as a collection of national significance. Derby's identity was 300 years in the making, and the Enlightenment spirit of creativity and invention resonates today. The heritage of the city is used to frame ambitions for the future both as one of the UK's top hi-tech cities and a principal centre for manufacturing and sustainable engineering.



For the first time in over a decade, all three of Derby's Museums are now fully open to the public. Following a £18m redevelopment the Museum of Making was partially opened in May 2021. Situated at Derby Silk Mill, part of the Derwent Valley Mills UNESCO World Heritage Site, this ground-breaking museum is recognised as a centre for innovation and public participation and will be a key driver of Derby's visitor economy.



## **DERBY MUSEUMS**

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### **Trustees' Report (continued) For the Year Ended 31 March 2023**

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Despite the privations of a decade of austerity and more recently the Covid-19 pandemic, the organisation continues to deliver inspiring and meaningful experiences which explore the richness of Derby's Heritage.

In nine years, Derby Museums has made a transition from a council service to a thriving independent social enterprise. It is delivering work committed to social change by improving the life chances for young people through inspiring learning activity both on and off site. It has broadened the appeal of heritage across the city's diverse community by working in neighbourhoods and embedding participation. It has built international networks through the sharing of knowledge and expertise and through the delivery of the UK Creative Community Fellowship programme with US based partner National Arts Strategies.

The year 2022-23 was one which bridged two Arts Council England (ACE) National Portfolio Organisation (NPO) investment periods. The achievements of this year will be built upon during the 2023-26 NPO investment round. This year also marked the final completion of the Museum of Making programme with all funding for the programme signed off. With further cuts in funding from Derby City Council pending, and inflation and cost of living the highest in several decades, the financial outlook for Derby Museums will be challenging. We will be drawing on financial reserves and reserves of public goodwill to support our work and the contribution it plays in the life of the city.

#### **About Derby Museums**

Derby Museums consists of three sites; between them they inspire us to appreciate our world, our city, and our homes.

**The Museum of Making at Derby Silk Mill** is widely regarded to be the site of the world's first factory, built in the valley that changed the world. Industry brought prosperity to some and poverty to others. It was underpinned by the harnessing and exploitation of the natural world and the aggressive expansion of the British empire in the 18th and 19th centuries. Industry shaped Derby as a city of making and creativity. Industrial society led to the creation of civic institutions and stimulated a civil society in which people campaigned for social and political rights.

The Museum of Making explores the 300-year history of manufacturing in our city. It was made in collaboration with a host of co-producers and will inspire the next generation of makers in Derby. It is "inspired by the makers of the past, made by the makers of today and empowering the makers of the future."

At the **Museum and Art Gallery**, the works of Joseph Wright of Derby are the crown jewels of our collections. Wright's paintings and sketches embody a spirit of discovery, stimulated by the 18th century Enlightenment. He painted scenes of science, experimentation, and exploration. He painted enlightened men of industry and learning.

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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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Through observing nature and manufactured items from the past, enlightened people questioned received wisdom and superstition. They thirsted for knowledge of the world around them, which they used to understand their place in the universe. Derby Museum and Art Gallery should elicit pleasure and joy from curiosity. It should encourage visitors to take notice of their surroundings, to marvel at the complexity of nature and to think differently about their world.

**Pickford's House** was the home of an Enlightenment family. The home is where we have our closest relationships; where we eat, sleep, find comfort and love. Behind the doors we express our most intimate feelings and gather possessions that identify us. Pickford's House should help us reflect on our own lives. To understand the world and our city, we could first try to know ourselves.

**The Royal Lancers Museum** is located within Derby Museum and Art Gallery and is accredited. It displays the best objects associated with the regiment as an integrated part of the Soldiers Story gallery. This gallery also features material relating to the Sherwood Foresters and Derbyshire Yeomanry Regiments.



## **Objectives and activities**

### **a. Policies and objectives**

#### **Aims and Objectives and Achievements in 2022-23**

##### **Aim 1**

##### **Support the Recovery of our City**

- Improve the visitor economy by attracting more visitors to our museums and to Derby. Museum sites will welcome 180,000 visitors in 2022-2023 with increased diversity of our audiences.
- Work with Derby cultural partners to deliver more creative programming in outdoor spaces in the city centre during 2022-23.
- Create an outline masterplan for the development of Derby Museum and Art Gallery under the concept of the 'ideas which made us', by the end of 2022.
- In partnership with Derby City Council and local organisations, influence the city centre masterplan, support the 'Cultural Heart Study', and help create a City Cultural Compact by 2022.
- Play an integral role in an application for UK City of Culture for 2025.
- Continue to play a leading role in the development and activities of the English Civic Museums Network 2022-23.

By March 2023 Derby Museums had welcomed over 200,000 visitors to its three sites, the highest museum attendance in 20 years. The events and exhibitions at all three sites drew a new, diverse audience. In particular the exhibition Culture and Legacy - Derby West Indian Community Association which proved popular with people from the Derby Caribbean and African communities.

We combined with other Derby cultural organisations, collaborating on the Festé dance and music festival and the Derby Book Festival. Derby Museum staff sit on bodies such as the Destination Tourism Partnership and the Derby Cultural Education Partnership; working collectively amplifies culture and tourism in the city. This year, Derby's application to become the UK City of Culture for 2025 provided a focus to develop the cultural ambitions of the city. The museums played a considerable role in shaping the activities which went into the bid and although it was ultimately unsuccessful, the legacy of the process will be the establishment of a new cultural development body, Culture Derby.

In April 2022 an ambition document for the redevelopment of Derby Museum and Art Gallery and the former Central Library was published. Written by Bauman Lyons architects and designers and Creative Core (the team behind the Museum of Making), this presented an ambitious scheme to redevelop the current site as a museum of national significance, building on the Designated collection of Joseph Wright of Derby. A redeveloped museum would complement the Museum of Making. Taking as its theme, 'the Ideas that Made Us', it will build on the 18th century Enlightenment legacy of Derby as a centre for art and intellectual excellence. Many of those ideas of progress and scientific discovery were then manifested in the technical developments of industry that can be seen in the Museum of Making.

As of April 2022, the cost of redevelopment of the Museum and Art Gallery was around £32 million. In the coming years we will pursue the necessary political and financial support to realise this development.

## **DERBY MUSEUMS**

**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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### **Objectives and activities (continued)**

#### **Aim 2**

#### **Be Entrepreneurial and Inventive**

- Raise £1m for the Derby Museums Endowment by 2022.
- Maintain a ratio of 50:50 earned and contributed income to direct public investment – to spread risk 2022-23.
- Make progress during 2022-23 Derby Museums' so that governance and workforce becomes more diverse and representative of our city's workforce, in terms of gender, age, ethnicity and disability.
- Develop the Maker community through the Prospect and Workshop, with outcomes for income generation and engagement.
- Support local makers and producers by prioritising them by sourcing their products in Derby Museums retail and catering outlets.

The need to diversify Derby Museums revenue income streams remains a key objective to support its ongoing financial sustainability. In 2016, 92% of the museum's income came from public funding, this year the figure is 50%. As public funding has reduced, we have worked hard to replace it with earned contributed income. This will spread risk so that the museum is not overly reliant on one income stream.

The commercial offer at Derby Museums is expanding. The Museum of Making café, the River Kitchen, is popular and has been nominated for several food and drink awards. The quality of on-site catering underpins a growing corporate hire and function operation and the Museum of Making has become one of Derby's most popular venues for corporate dinners, parties and award ceremonies.



The Italian Mill at the Museum of Making ready for a wedding. Image © Derby Museums/Jenny Appleton Photograph.



**DERBY MUSEUMS**  
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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**Objectives and activities (continued)**

A key element to increase new income streams was the development of the Derby Museums' endowment. By the end of 2022 the museum had raised a million pounds from a variety of sources such as individual donors, corporate givers and the income from the Derby Ram Trail charity event. This sum was matched pound for pound by the National Lottery Heritage Fund. Derby Museums now has an endowment of £2m, the interest from investment will support unrestricted income. The museum will continue to build this endowment each year.



An evening at Radbourne Hall with Derby Museums, June 2022. Image © Derby Museums/Pictoria Pictures.

New board members have been appointed who better reflect the makeup of the people of Derby. The board is more representative in the areas of age, sexuality, disability and ethnicity and it is a far more balanced board than at any time during its existence. Board members play an active role in the life of Derby Museums as they set the strategic direction, they provide strong advocacy and use their networks to add value to our work.

Derby Museums has continued to build on links between industry and the artistic community. The Prospect, a coworking hub in the Museum of Making has grown its membership to over 120 people. Members have access to a co-working space, discounts in our cafe and shop and access to the fully equipped workshop on the ground floor of the Museum of Making. The purpose of the scheme is not just to generate income through memberships but to build community through making.

**DERBY MUSEUMS**  
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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**Objectives and activities (continued)**



Workshop Technician Andy in the workshop at the Museum of Making at Derby Silk Mill. Image © Emli Bendixen/Art Fund.



**DERBY MUSEUMS**  
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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**Objectives and activities (continued)**



The Prospect co-working space at the Museum of Making. Image © Derby Museums/Speller Metcalfe

Retail across the three museum sites has increased its profitability, with the Maker Shop on the third floor of the Museum of Making being especially popular.

Corporate partnerships continue to be sustained with the likes of Rolls Royce and IMI who support Derby Museums learning programme through the Institute of STEAM.

**Aim3**

**Be Relevant to our Citizens**

- Improve the skills and educational ambition of young people in Derby through their participation in formal learning activities through the Rolls-Royce sponsored Institute of STEAM, Midlands Maker Challenge and Making a Difference project. Over 20,000 young people will participate in our activities in 2022-23.
- Increase the diversity of ways in which people can participate through volunteering and co-production with 12,000 volunteer hours given in 2022-23.
- Improve our connectivity with the diverse communities in the city so that it is reflected in our programming of exhibitions, events, activities, and our visitors. Complete two exhibitions or displays or major activity programmes with these communities by the end of 2022-23. (Ensure that our museums attract an audience which better reflects the diversity of the city. Our targets for 2022-23 will be for our audiences to have the following demographic breakdown - Black, Asian, Mixed and Other minority ethnic groups - MAG - 5% Pickford's House - 7% MoM - 5%; Disabled - 10%).
- Deliver a popular programme of temporary exhibitions which drives footfall and income, contributing to more visitors and financial sustainability. Six temporary exhibitions across our sites in 2022-23.
- Deliver an engaging series of family activities across the three sites to encourage 'everyday' participation and habitual use of Derby Museums.
- Develop and deliver an online programming strategy which complements our 'on and offsite' activity.



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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**Objectives and activities (continued)**

Derby Museums has long been recognised for its innovation in learning and participation. Under the umbrella of the Institute of STEAM, the museums provide activities for all ages from tots to older learners. The programme has been developed with industry partners who support the work both financially and in kind through advice and mentorship of their staff. Rolls-Royce have provided over £100,000 since 2020 and IMI £250,000 since 2018.



Derby Museums and Rolls-Royce team up to deliver STEAM workshops for British Science Week. Image © Derby Museums/Oliver Taylor

Rolls-Royce is particularly interested in supporting activities which develop a 'talent pipeline' for prospective young technicians. This has involved their apprentices teaching schoolchildren about their work and a programme of activities related to non-destructive testing. IMI continue to support the Midlands Maker Challenge, a programme focusing on building the skills of inquiry and teamwork amongst schoolchildren in the Midlands. Participating schools form teams of pupils who respond to a challenge such as climate change or biodiversity loss. They work with engineers, entrepreneurs and inventors to develop and present their ideas.

The Derby Museums learning team continues to deliver popular schools sessions supporting curriculum-based activities. These include Romans, Ancient Egyptians, Vikings, World War One and Art, based on the Joseph Wright Collection. Post-COVID, schools are still catching up with lost learning in class and some have been reluctant to carry out external visits during 2020-23. Derby Museums received over 8000 school visits during 2022-23 this is down around 30% on pre pandemic levels. It will take time to 'rebuild' school visits, however funding from Fidelity UK has enabled us to appoint staff to directly promote to and engage with schools in the city.



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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**Objectives and activities (continued)**



A group of school children visit Derby Museum and Art Gallery. Image © Art Fund/Hydar Dewachi

Volunteering remains a key component of the life of Derby Museums and the number of volunteers has been creeping up gradually since the end of the pandemic. This year the trust has received 8,654 volunteer hours. A new volunteering platform Better Impact has been used, which enables us to measure the impacts of volunteering on people and provides an improved means for volunteers to air their views and suggest new activities in which to participate.

New connections have been made with diaspora communities in the city, building on the existing World Collection programme. Interventions in the gallery from artists such as Anisha Parmar and Alison Solomon adds new perspectives on this collection, tackling topics such as migration and institutional racism. Derby Museums has participated in the Devolving Restitution programme led by the Pitt Rivers Museum in Oxford. This brought together a number of regional museums with collections of world cultures who wished to forge new links with communities and academics in Africa with the aim of increasing the research on objects which may eventually lead to their repatriation to their country of origin. Key to this project has been a consultative group of members of diaspora communities in Derby.

A diverse and intriguing programme of temporary exhibitions occurred across our three sites during 2022-23. These included:

- The Peacock Revolution - a collection of men's fashions from the late 1960s at Pickford's House.
- Culture and Legacy, the story of Derby West Indian Community Association.
- Claude Cahun: Beneath this Mask, a touring exhibition from the Hayward Gallery.
- History Makers – a celebration of women and gender diversity drawn from the museum's collections.
- Do It Yourself - exploring the history of home improvements working with the BBC using much of their archives.



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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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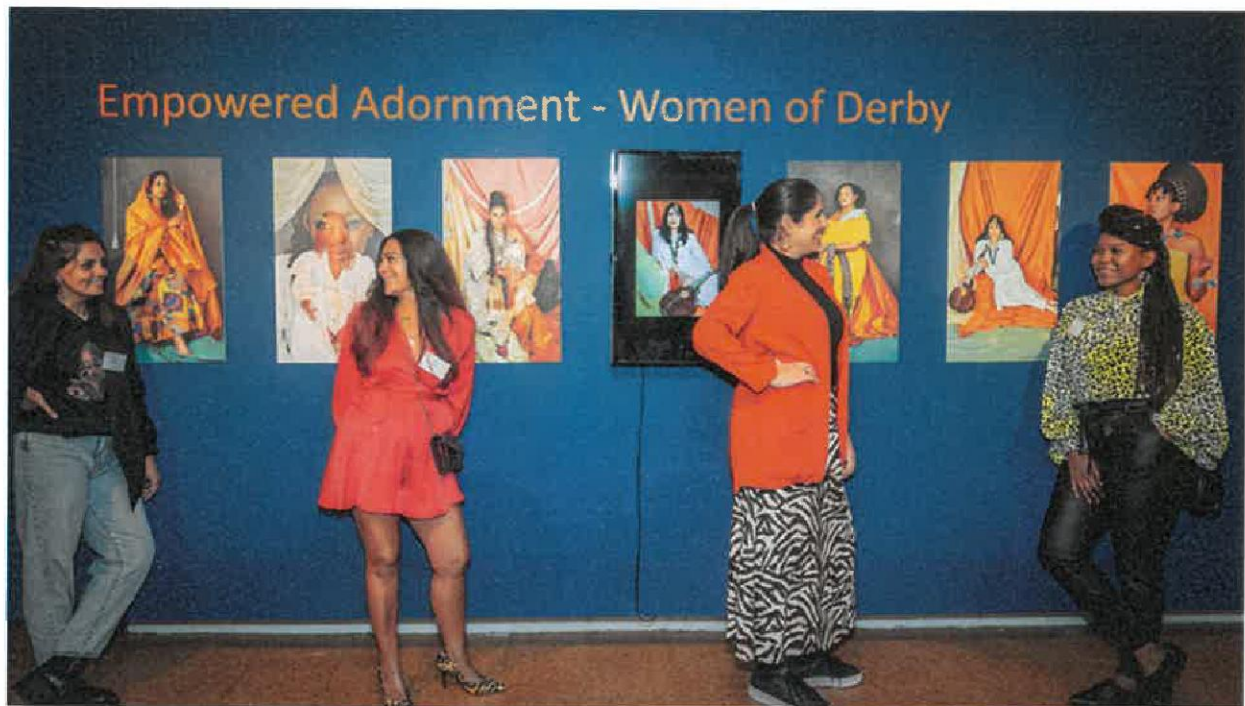
**Objectives and activities (continued)**

- Henry Moore: Threads of Influence – a touring exhibition from the Sainsbury Centre for visual Arts at the University of East Anglia, exploring how he used draughtsmanship and drawing to influence the making of his sculptures.



The Peacock Revolution exhibition at Pickford's House. Image (c) Derby Museums/Pictoria Pictures

**Objectives and activities (continued)**



History Makers launch at Derby Museum and Art Gallery. Image © Derby Museums/Pictoria Pictures

The Makory – mobile Museum of Making continued to visit places in the city where we know there is low participation in culture. It has attended summer activities and fetes in parks and has also been resident in local schools supporting after-school clubs in places such as Sinfin in the South of the city.



**Objectives and activities (continued)**



The Makory, Derby Museums' mobile Museum of Making, at Derbyshire Woodland Festival. Image © Derby Museums

**Aim 4**  
**Be Good Stewards**

- Create an 'ecological culture' within Derby Museums, reducing resource consumption and embedding a circular economy.
- Produce a strategy and implementation plan (with our landlords Derby City Council) for the long-term storage needs of the museum assets and collections by 2022.
- Work with our landlords Derby City Council to ensure a successful completion of repairs supported by the MEND fund and that an effective long-term maintenance regime is in place at all museum buildings by 2022-23.
- Ensure that through museum programming activities and displays we reflect the importance of responding positively to the climate emergency.

Derby Museums' key purpose is to manage and care for the city's collections of cultural heritage. There are over 250,000 items in the museums' collections. These collections are available for the public to see in our museums and are also held in store. However much of the storage is below par and an evaluation of storage needs by Derby Museums was completed this year. Staff are working closely with the City Council to identify a site which will consolidate all the museums' collections needs.



## **DERBY MUSEUMS**

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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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### **Objectives and activities (continued)**

A joint bid with Derby City Council to the Arts Council England's MEND programme was successful and this has financed half the costs of a capital repairs programme at Derby Museum and Art Gallery. In the preceding years there have been several leaks into the gallery space and this programme will complete much needed roof repairs. The project has also improved access to the building and created two new toilets for people with disabilities. Although the work caused significant disruption, such as the closure of the Joseph Wright gallery between October 2022 and February 2023, the museum building will be more controllable and watertight.



Roof works at the Museum and Art Gallery, funded by Arts Council England's MEND programme. Image © Derby Museums

Museum staff continue to play important roles in making UK museums more environmentally sustainable and the Director of Commercial and Operations sits on the National Museum Directors' Council ecology working group. There is a special concern to reduce resource use in the light of high energy costs. The Museum of Making building has been recognised for its environmental performance. It achieved BREEAM 'very good' during construction (the highest grade achievable for a refurbished building) and its passive ventilation system and use of materials such as 'eco-board' have garnered plaudits.

### **Aim 5**

#### **Make Extraordinary Work**

- Make 100% of the Joseph Wright of Derby collection available digitally by 2022.
- Raise awareness of Joseph Wright of Derby amongst Derby people through new exhibitions or displays which focus on his work, his life, and his peers.
- Continue to acquire works by, or which contextualise, the work of Joseph Wright of Derby and the Enlightenment.
- We will commission diverse and emerging artists and curators to develop new activities and displays, offering new perspectives and shedding new light on our collections.



## DERBY MUSEUMS

(A Company Limited by Guarantee)

Trustees' Report (continued)  
For the Year Ended 31 March 2023

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### Objectives and activities (continued)

- Promote our ways of working and our experience of delivering the Museum of Making, through national and international publications/online features, events and conferences.
- Deliver the UK Creative Community Fellowship Programme with USA partners (National Arts Strategies, University of Pennsylvania), supporting social and cultural entrepreneurs across the UK.

Derby Museums has continued to develop its most prestigious collections. In April 2022 it unveiled its most recent acquisition, Joseph Wright's 'Self-Portrait at the age of about forty'. This was acquired through a hybrid scheme of acceptance in lieu and purchased with funding from the National Lottery Memorial Fund, the Art Fund and a number of individual donors. It is a stunning acquisition and sits in the centre of the Joseph Wright gallery.



Reveal of 'Self-Portrait at the age of about forty' by Joseph Wright of Derby by Tony Butler (Executive Director).  
Image © Derby Museums/Oliver Taylor Photography

Other significant acquisitions during this year include a folio of botanical drawings by Lucy Hardcastle, an early 19th century botanist who lived in Derby. These are exquisite sketches and did much to further the understanding of the natural world at the beginning of the 19th century. On a more contemporary theme, we acquired around 80 gig posters from the period 1970 to 1975. These advertised concerts around the city and they feature bands from the prog rock and punk era. Both these collections were purchased through the ACE/V&A Purchase Grant Fund. The purchase of the gig posters was also made possible through kind donations from the Golden Eagle and the Flower Pot pubs, both known as venues for live music in Derby.

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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**Objectives and activities (continued)**



Derby Museums' Friends help to bring Lucy Hardcastle manuscript back to Derby. Image © Derby Museums



## DERBY MUSEUMS

(A Company Limited by Guarantee)

Trustees' Report (continued)  
For the Year Ended 31 March 2023

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### Objectives and activities (continued)



Gig poster acquisition sponsors in the pop-up exhibition at Derby Museum and Art Gallery. Image © Derby Museums

The Making a Difference programme supported the development of Make Works online gazetteer of makers in Derby and a maker-in-residence programme at the Museum of Making. Make Works features nearly twenty companies, working in a variety of media from textiles to jewellery, from synthetic composites to casting. All the films of makers were made with young people from Derby College who worked with professional film makers to hone their skills. At the Museum of Making, ceramicist Joel Aspinall was maker in residence. Joel used 3-D printing to produce pots and other vessels.



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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**Objectives and activities (continued)**



Maker In Residence, Joel Aspinall, at work in the Cocoon at the Museum of Making © Derby Museums/Oliver Taylor Photography

The methodology of Human Centred Design continues to be used and promoted by Derby Museums. There have been a large number of visits from other museums wishing to learn from our approach; these include visits from staff from Wakefield, Kirklees, Stoke and Herefordshire museum services and the RAF museum. In addition, staff are regularly asked to speak at conferences, which this year included the Museums and Heritage Show, the Museums Association conference, the New England Museums Association in the US and the Swedish Museums association.

We continue to use Human Centred Design to inform our approach to programming exhibitions and gallery design. In December 2022 we announced the funding from DCMS Wolfson to re-interpret Pickford House museums and a number of ideations and prototyping sessions with staff and community members have been held. This will help us tease out hidden stories and hitherto untold narratives of the people connected with the house and it's milieu.

This year we wrapped up the last elements of the UK Creative Community Fellowship (UKCCF) programme which consisted of the Homecoming events in the US. This was an opportunity for UK Fellows to meet their US counterparts at a retreat in Maryland to share stories, experiences and ideas of how to embed community activism in their artistic practice. Over forty fellows have completed the programme and the evaluation has shown it to be a great success and is having a lasting and meaningful impact on participants. This has been instrumental in Arts Council England increasing Derby Museums NPO request to enable two more cohorts of the UKCCF to take place during 2023 to 2026.

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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**Objectives and activities (continued)**



Members of the UK and US Creative Community Fellowship cohorts at the Homecoming retreat in Baltimore.  
Image © Derby Museums

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**Financial review**

**a. Going concern**

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



**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**b. Reserves policy**

The charity's policy is to hold reserves to cover six months of unrestricted expenditure. As at 31 March 2023, the unrestricted reserves stood at £1,489,219 which represents 3 months of expenditure.

**c. Material investments policy**

As required in its Memorandum, in furtherance of its objects, and for no other purposes, the Company has the power to invest the monies of the Company not immediately required for its purpose in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being be imposed or required by law.

**d. Principal funding**

The charity's main source of income is grant income from Arts Council England and Derby City Council. Total income during the year amounted to £2,909,185 (2022: £7,107,573) which included unrestricted income of £2,567,473 (2022: £2,030,509), of which, £1,030,099 (2022: £1,030,099) was from Arts Council England and Derby City Council to be applied for the charity's work.

Details of the restricted funds totalling £15,503,088 (2022: £16,646,036) and the endowment funds of £1,964,608 (2022: £2,136,930) and their purpose can be found in Note 19 of the financial statements.

**Structure, governance and management**

**a. Constitution**

The company and the group is registered as a charitable company limited by guarantee (charity number 1149710) and was set up by a Memorandum of Association on 18 April 2012 as amended 18 December 2012. The company was registered as a charity on 12 November 2012.

Derby Museum started trading on 1 October 2012 as an independent Trust. It has a subsidiary called Derby Museums Enterprises Limited which started trading on 1 April 2014.

**b. Methods of appointment or election of Trustees**

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

**c. Organisational structure and decision-making policies**

The Memorandum and Articles of Association for the organisation provide that the board shall consist of at least 3 and not more than 18 individuals comprised as follows:

- Up to three Trustees nominated by Derby City Council
- Up to Fifteen Community Trustees

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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2023**

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**Structure, governance and management (continued)**

**d. Policies adopted for the induction and training of Trustees**

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

**e. Financial risk management**

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

**Plans for future periods**

The Trust has a clear set of aims and objectives (see above). The challenges facing this new organisation are to evidence a strengthened commercialism and resilience plus an improved customer offer in order to attract continued financial support from its two main funders. This will include, but not be restricted to, increasing funding from other sources, both donations / fundraising and commercial income.

**Members' liability**

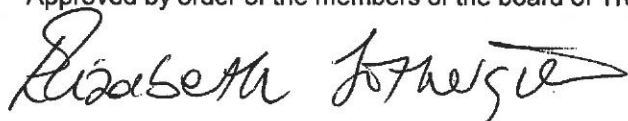
The Members of the Company guarantee to contribute an amount not exceeding £1 to the assets of the Company in the event of winding up.

**Disclosure of information to auditors**

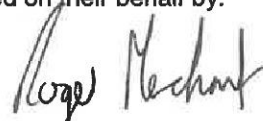
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

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



**E Fothergill, CBE**  
Trustee - Chair of Board  
Date:



**R Merchant**  
Trustee - Chair of Finance, Resources and Audit



## **DERBY MUSEUMS**

**(A Company Limited by Guarantee)**

### **Statement of Trustees' responsibilities For the Year Ended 31 March 2023**

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The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

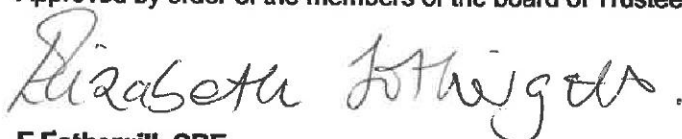
Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

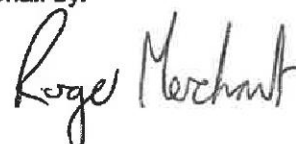
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements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

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

Approved by order of the members of the board of Trustees and signed on its behalf by:



**E Fothergill, CBE**  
Trustee - Chair of Board  
Date:



**R Merchant**  
Trustee - Chair of Finance, Resources and Audit





**Independent Auditors' Report to the Members of Derby Museums**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Independent Auditors' Report to the Members of Derby Museums (continued)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

**Responsibilities of trustees**

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

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



**Independent Auditors' Report to the Members of Derby Museums (continued)**

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**Auditors' responsibilities for the audit of the financial statements**

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

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

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

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

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charitable company's legal advisors.

## **DERBY MUSEUMS**

**(A Company Limited by Guarantee)**

### **Independent Auditors' Report to the Members of Derby Museums (continued)**

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

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

#### **Use of our report**

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

**Simon Hawkins (Senior Statutory Auditor)**

for and on behalf of

#### **Dains Audit Limited**

Statutory Auditor  
Chartered Accountants  
Suite 2, Albion House  
2 Etruria Office Village  
Forge Lane  
Stoke on Trent  
Staffordshire  
ST1 5RQ

Date:



**DERBY MUSEUMS**  
**(A Company Limited by Guarantee)**

**Consolidated Statement of financial activities (incorporating income and expenditure account)**  
**For the Year Ended 31 March 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income and endowments from:</b>						
Donations and legacies	4	56,120	24,206	(13,062)	67,264	1,224,044
Charitable activities	5	1,558,563	327,921	2,647	1,889,131	5,319,962
Other trading activities		881,130	-	-	881,130	533,329
Investments	6	71,660	-	-	71,660	30,238
<b>Total income and endowments</b>		<b>2,567,473</b>	<b>352,127</b>	<b>(10,415)</b>	<b>2,909,185</b>	<b>7,107,573</b>
<b>Expenditure on:</b>						
Raising funds		827,623	-	-	827,623	440,677
Charitable activities	8	2,127,846	1,496,459	-	3,624,305	6,258,300
<b>Total expenditure</b>		<b>2,955,469</b>	<b>1,496,459</b>	<b>-</b>	<b>4,451,928</b>	<b>6,698,977</b>
Net (losses)/gains on investments		(58,542)	-	(109,455)	(167,997)	31,552
<b>Net (expenditure) /income</b>		<b>(446,538)</b>	<b>(1,144,332)</b>	<b>(119,870)</b>	<b>(1,710,740)</b>	<b>440,148</b>
Transfers between funds	19	51,068	1,384	(52,452)	-	-
<b>Net movement in funds</b>		<b>(395,470)</b>	<b>(1,142,948)</b>	<b>(172,322)</b>	<b>(1,710,740)</b>	<b>440,148</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		2,030,509	16,646,036	2,136,930	20,813,475	20,373,327
Net movement in funds		(395,470)	(1,142,948)	(172,322)	(1,710,740)	440,148
<b>Total funds carried forward</b>		<b>1,635,039</b>	<b>15,503,088</b>	<b>1,964,608</b>	<b>19,102,735</b>	<b>20,813,475</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 32 to 58 form part of these financial statements.

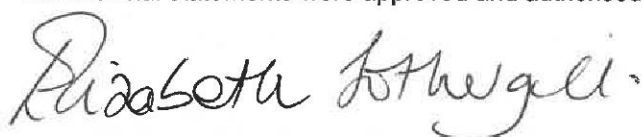
**DERBY MUSEUMS**  
(A Company Limited by Guarantee)

**Consolidated Balance Sheet**  
**As at 31 March 2023**

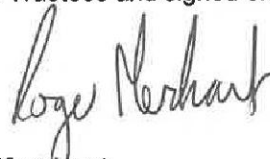
	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	15,370,585	15,998,569
Investments	14	3,063,554	2,831,551
		<u>18,434,139</u>	<u>18,830,120</u>
<b>Current assets</b>			
Stocks	15	44,133	42,072
Debtors	16	482,234	1,427,872
Cash at bank and in hand		506,836	1,603,847
		<u>1,033,203</u>	<u>3,073,791</u>
Creditors: amounts falling due within one year	17	(364,607)	(1,090,436)
<b>Net current assets</b>		<u>668,596</u>	<u>1,983,355</u>
<b>Total net assets</b>		<u><u>19,102,735</u></u>	<u><u>20,813,475</u></u>
<b>Charity funds</b>			
Endowment funds	19	1,964,608	2,136,930
Restricted funds	19	15,503,088	16,646,036
Unrestricted funds	19	1,635,039	2,030,509
<b>Total funds</b>		<u><u>19,102,735</u></u>	<u><u>20,813,475</u></u>

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

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



**Elizabeth Fothergill**  
Chair of Trustees  
Date:



**Roger Merchant**  
Trustee - Chair of Finance, Resources and Audit

The notes on pages 32 to 58 form part of these financial statements.



**DERBY MUSEUMS**  
(A Company Limited by Guarantee)

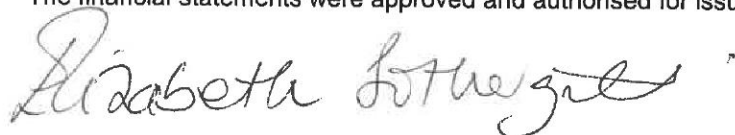
**Company Statement of financial position**  
**As at 31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	15,370,585	15,998,569
Investments	14	3,063,555	2,831,552
		<u>18,434,140</u>	<u>18,830,121</u>
<b>Current assets</b>			
Debtors	16	673,415	1,537,834
Cash at bank and in hand		286,006	1,401,384
		<u>959,421</u>	<u>2,939,218</u>
Creditors: amounts falling due within one year	17	(290,826)	(955,864)
<b>Net current assets</b>		<u>668,595</u>	<u>1,983,354</u>
<b>Total assets less current liabilities</b>		<u>19,102,735</u>	<u>20,813,475</u>
<b>Total net assets</b>		<u>19,102,735</u>	<u>20,813,475</u>
<b>Charity funds</b>			
Endowment funds	19	1,964,608	2,136,930
Restricted funds	19	15,503,088	16,646,036
Unrestricted funds	19	1,635,039	2,030,509
<b>Total funds</b>		<u>19,102,735</u>	<u>20,813,475</u>

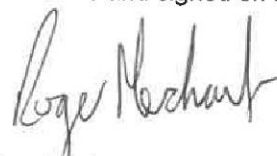
The Company's net movement in funds for the year was a deficit (£1,710,740) (2022 - Surplus of £440,148).

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

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



**Elizabeth Fothergill**  
Chair of Trustees  
Date:



**Roger Merchant**  
Trustee - Chair of Finance, Resources and Audit

The notes on pages 32 to 58 form part of these financial statements.





**DERBY MUSEUMS**  
**(A Company Limited by Guarantee)**

**Consolidated Statement of Cash Flows**  
**For the Year Ended 31 March 2023**

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(637,796)	2,098,735
<b>Cash flows from investing activities</b>		
Dividends and interest from investments	71,660	30,238
Purchase of tangible fixed assets	(130,875)	(252,921)
Purchase of investments	(400,000)	(2,182,605)
<b>Net cash used in investing activities</b>	(459,215)	(2,405,288)
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the year</b>	(1,097,011)	(306,553)
Cash and cash equivalents at the beginning of the year	1,603,847	1,910,400
<b>Cash and cash equivalents at the end of the year</b>	506,836	1,603,847

The notes on pages 32 to 58 form part of these financial statements

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2023**

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**1. General information**

Derby Museums is a Charitable Company, limited by guarantee incorporated in England and Wales. The Group's registered office is Museum and Art Gallery, The Strand, Derby, DE1 1BS.

The principal activity of the Group was that of a museum and art gallery.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

Derby Museums is a charitable company registered in England / Wales . In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities was that of a museum and art gallery.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

**2.2 Basis of consolidation**

The financial statements consolidate the accounts of Derby Museums and all of its subsidiary undertakings ('subsidiaries').

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

**2.3 Going concern**

These accounts are prepared on a going concern basis.

After reviewing group forecasts and projections, the trustees have a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future.



**2. Accounting policies (continued)**

**2.4 Fund accounting**

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

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

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

Endowment funds represent those assets held by the charity to fulfil its objectives and are permanent in nature.

**2.5 Income**

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

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Group which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.6 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Those costs incurred directly in support of expenditure on the objects of the Group and include project management carried out at Headquarters.

Charitable activities and Governance costs are incurred on the Group's operations, including support costs and costs relating to the governance of the Group apportioned to charitable activities.

**2.7 Government grants**

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

**2. Accounting policies (continued)**

**2.8 Intangible assets and amortisation**

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer software	- 33 %
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**2.9 Tangible fixed assets and depreciation**

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

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

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Short-Term leasehold property	- Over the life of the lease
Plant and machinery	- 20% straight line
Fixtures and fittings	- 20% straight line
Computer equipment	- 33.33% straight line

**2.10 Investments**

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

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.



**2. Accounting policies (continued)**

**2.11 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.12 Debtors**

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

**2.13 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.14 Liabilities and provisions**

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

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

**2.15 Operating leases**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

**2.16 Interest receivable**

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

**2. Accounting policies (continued)**

**2.17 Pensions**

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

The company also provides retirement to employees of the charity which are provided by the Derbyshire County Council Local Government Pension Scheme ("LGPS"). This is a defined benefit scheme, is contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of Charity in a separate Trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities.

Derbyshire County Council has agreed to fund the liabilities of the LGPS scheme for relevant staff prior to 1 September 2012 ("the transfer date") upon signing the Business Transfer Agreement. The charity has been credited by the Derbyshire Council with a notional fund within the LGPS at the transfer date of level required to meet the cost of providing one hundred percent (100%) of the benefits accrued and in respect of the Eligible Employees prior to the transfer date (the "Notional Fund"). The value of the notional fund has been determined by an actuary appointed by the Derbyshire Country Council using the ongoing actuarial methods and assumptions used in the last actuarial valuation of the Derbyshire County Council Pension Fund.

In addition to the above, Derbyshire County Council has issued a Risk Share to the charity to cover any accrued deficits on exit by scheme members or the charity. All contributions are determined by Derbyshire County Council on the basis of triennial valuations using a prospective benefit method. As the charity is indemnified against prior and future liabilities of the scheme, the LGPS has been treated as a defined contribution scheme and the contributions recognised as they are paid each year.

**2.18 Financial instruments**

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



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**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Rental costs**

The Group occupies a number of buildings provided by the council at a peppercorn rent. The Trustees understand that they are custodians of these premises, which are occupied for the purposes of operating a Museum under the terms of their agreement with the council. The nature and purpose of the buildings is such that any donated value cannot be measured reliably and it is not appropriate to record any value in the financial statements for donations in kind.

Therefore, no donation and rental expense has been recognised within the financial statements.

**4. Income from donations and legacies**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Donations	56,120	16,184	(13,062)	59,242
Government grants	-	8,022	-	8,022
	<u>56,120</u>	<u>24,206</u>	<u>(13,062)</u>	<u>67,264</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Donations	81,730	27,350	1,033,729	1,142,809
Government grants	5,054	76,181	-	81,235
	<u>86,784</u>	<u>103,531</u>	<u>1,033,729</u>	<u>1,224,044</u>

The group was eligible to claim additional funding in 2022 from the government in relation to the coronavirus job retention scheme. This funding received is shown in restricted funds above under 'Government grants'.

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**5. Income from charitable activities**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Arts Council England	400,099	-	-	400,099
Income from charitable activities - Operation of museums - restricted funds	18,519	-	-	18,519
Derby City Council - Support	630,000	-	-	630,000
Derby City Council - Services	-	81,681	-	81,681
Arts Council England - Designation fund	-	-	-	-
Partnerships and grants	145,659	246,240	-	391,899
Income from retail, catering and IPR	2,480	-	-	2,480
Activities, events, displays & exhibitions	17,247	-	-	17,247
Learning programmes and research	26,318	-	-	26,318
Other income	318,241	-	2,647	320,888
	<u>1,558,563</u>	<u>327,921</u>	<u>2,647</u>	<u>1,889,131</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Arts Council England - Strategic fund	400,099	127,429	-	527,528
Income from charitable activities - Operation of museums - restricted funds	19,210	-	-	19,210
Derby City Council - Support	630,000	-	-	630,000
Derby City Council - Services	-	81,680	-	81,680
Partnerships and grants	175,538	3,559,356	-	3,734,894
Income from retail, catering and IPR	2,480	-	-	2,480
Activities, events, displays & exhibitions	7,446	-	-	7,446
Learning programmes and research	15,819	-	-	15,819
Other income	254,874	12,413	33,618	300,905
	<u>1,505,466</u>	<u>3,780,878</u>	<u>33,618</u>	<u>5,319,962</u>



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**For the Year Ended 31 March 2023**

**6. Investment Income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Investment income	64,125	<b>64,125</b>
Bank interest received	7,535	<b>7,535</b>
	<u>71,660</u>	<u><b>71,660</b></u>

	<b>Unrestricted funds 2022 £</b>	<b>Endowment funds 2022 £</b>	<b>Total funds 2022 £</b>
Investment income	-	18,667	18,667
Bank interest received	11,571	-	11,571
	<u>11,571</u>	<u>18,667</u>	<u><b>30,238</b></u>

**7. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Operation of museums	3,203,694	420,611	<b>3,624,305</b>

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Operation of museums	5,821,844	436,456	<b>6,258,300</b>

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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2023**

**7. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs	1,567,874	1,441,508
Depreciation	758,859	650,093
Premises and transport	263,490	198,818
Supplies and services	105,655	180,219
Support services	82,480	81,680
Marketing and PR	93,444	124,868
Development	19,355	62,898
Exhibitions	247,280	303,220
Professional fees	16,628	18,300
Learning	42,391	27,412
Collections	6,238	2,732,828
	<b>3,203,694</b>	<b>5,821,844</b>

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs	389,990	385,631
Employment expenses	19,945	28,868
Bank charges	3,558	7,322
Governance costs	1,618	9,335
Audit fees	5,500	5,300
	<b>420,611</b>	<b>436,456</b>



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**Notes to the Financial Statements**  
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**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total 2023 £</b>
Operation of museums	<u>2,127,846</u>	<u>1,496,459</u>	<u>3,624,305</u>

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>
Operation of museums	<u>1,693,058</u>	<u>4,565,242</u>	<u>6,258,300</u>

**9. Auditors' remuneration**

	<b>2023 £</b>	<b>2022 £</b>
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>5,500</u>	<u>4,800</u>

**10. Staff costs**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Wages and salaries	<b>1,985,532</b>	1,632,951	<b>1,562,288</b>	1,420,412
Social security costs	<b>151,107</b>	123,491	<b>123,167</b>	123,491
Contribution to defined contribution pension schemes	<b>330,176</b>	283,236	<b>272,409</b>	283,236
	<u><b>2,466,815</b></u>	<u>2,039,678</u>	<u><b>1,957,864</b></u>	<u>1,827,139</u>

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**Notes to the Financial Statements**  
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**10. Staff costs (continued)**

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

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>	<b>Company 2023 No.</b>	<b>Company 2022 No.</b>
Average number of employees	<b>132</b>	<b>103</b>	<b>100</b>	<b>82</b>

The number of employees whose employee benefits (excluding employer pension and national insurance contributions) exceeded £60,000 was:

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>
In the band £60,001 - £70,000	<b>1</b>	<b>1</b>

The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services was £306,180 (2022: £289,816).

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year, no Trustee expenses have been incurred (2022 - £NIL).



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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2023**

**12. Intangible assets**

**Group and Company**

	<b>Computer software £</b>
At 1 April 2022	<b>78,779</b>
Disposals	<b>(78,779)</b>
At 31 March 2023	<b>-</b>
At 1 April 2022	<b>78,779</b>
Disposals	<b>(78,779)</b>
At 31 March 2023	<b>-</b>
<b>Net book value</b>	
At 31 March 2023	<b>-</b>
At 31 March 2022	<b>-</b>

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**Notes to the Financial Statements**  
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**13. Tangible fixed assets**

**Group and Company**

	Freehold property £	Short-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 1 April 2022	15,879	16,581,010	69,268	275,093	70,687	17,011,937
Additions	-	115,928	-	14,947	-	130,875
At 31 March 2023	15,879	16,696,938	69,268	290,040	70,687	17,142,812
<b>Depreciation</b>						
At 1 April 2022	3,517	615,485	61,251	262,428	70,687	1,013,368
Charge for the year	836	742,561	4,623	10,839	-	758,859
At 31 March 2023	4,353	1,358,046	65,874	273,267	70,687	1,772,227
<b>Net book value</b>						
At 31 March 2023	11,526	15,338,892	3,394	16,773	-	15,370,585
At 31 March 2022	12,362	15,965,525	8,017	12,665	-	15,998,569

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2023**

**14. Fixed asset investments**

<b>Group</b>	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2022	2,831,551
Additions	400,000
Revaluations	(167,997)
At 31 March 2023	<u>3,063,554</u>
<b>Net book value</b>	
At 31 March 2023	<u>3,063,554</u>
At 31 March 2022	<u>2,831,551</u>

<b>Company</b>	<b>Investments in subsidiary companies £</b>	<b>Listed investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 April 2022	1	2,831,551	2,831,552
Additions	-	400,000	400,000
Revaluations	-	(167,997)	(167,997)
At 31 March 2023	<u>1</u>	<u>3,063,554</u>	<u>3,063,555</u>
<b>Net book value</b>			
At 31 March 2023	<u>1</u>	<u>3,063,554</u>	<u>3,063,555</u>
At 31 March 2022	<u>1</u>	<u>2,831,551</u>	<u>2,831,552</u>



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**14. Fixed asset investments (continued)**

**Principal subsidiaries**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Company number</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>
Derby Museums Enterprises Limited	08119695	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Net assets £</b>
Derby Museums Enterprises Limited	881,130	(881,130)	1

**15. Stocks**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Finished goods and goods for resale	44,133	42,072

The company held no stock (2022 - £Nil) at the year end.

**16. Debtors**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>Due within one year</b>				
Trade debtors	181,153	97,542	75,258	44,763
Amounts owed by group undertakings	-	-	298,283	231,211
Other debtors	-	147,784	-	79,313
Prepayments and accrued income	301,081	1,182,546	299,874	1,182,547
	<b>482,234</b>	<b>1,427,872</b>	<b>673,415</b>	<b>1,537,834</b>

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**17. Creditors: Amounts falling due within one year**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Trade creditors	<b>203,446</b>	820,246	<b>180,688</b>	798,188
Other taxation and social security	<b>52,109</b>	165,138	<b>52,109</b>	96,667
Other creditors	<b>26,757</b>	35,445	<b>26,757</b>	33,644
Accruals and deferred income	<b>82,295</b>	69,607	<b>31,272</b>	27,365
	<b>364,607</b>	1,090,436	<b>290,826</b>	955,864

Deferred income relates largely to grants and donations received in advance of its intended purpose along with revenue received in advance of events taking place.

**18. Financial Instruments**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>Financial assets</b>				
Financial assets measured at amortised cost	<b>458,025</b>	1,404,422	<b>352,130</b>	1,283,172
	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>Financial liabilities</b>				
Financial liabilities measure at amortised cost	<b>262,910</b>	925,298	<b>238,717</b>	859,197

Financial assets measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, pension fund, other creditors and accruals.

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**Notes to the Financial Statements**  
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**19. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated Funds	69,914	-	-	(56,314)	-	13,600
Fixed asset reserve	27,533	-	(17,333)	122,020	-	132,220
	<u>97,447</u>	<u>-</u>	<u>(17,333)</u>	<u>65,706</u>	<u>-</u>	<u>145,820</u>
<b>General funds</b>						
General Funds	1,933,062	2,567,473	(2,938,136)	(14,638)	(58,542)	1,489,219
<b>Total Unrestricted funds</b>	<u>2,030,509</u>	<u>2,567,473</u>	<u>(2,955,469)</u>	<u>51,068</u>	<u>(58,542)</u>	<u>1,635,039</u>



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**Notes to the Financial Statements**  
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**19. Statement of funds (continued)**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Endowment funds</b>						
Endowment Funds	2,136,930	(10,415)	-	(52,452)	(109,455)	1,964,608

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Restricted funds</b>						
Arts Council England - Joseph Wright Collection	2,569	-	-	-	-	2,569
The Silk Milk Museum of Making Project	16,289,104	(28,800)	(1,021,939)	-	-	15,238,365
General Improvements of collections and buildings	85,406	-	-	-	-	85,406
Derby City Council - Support Services	-	81,681	(81,681)	-	-	-
Transforming leadership	29,124	46,500	(76,923)	1,299	-	-
Other restricted funds	28,147	27,197	(43,145)	-	-	12,199
Weston Garfield	14,435	-	(13,970)	-	-	465
Paul Mellon	29,678	-	(13,142)	-	-	16,536
Artfund - Voices	34,672	4,000	(38,690)	18	-	-
Ace Make a Difference	13,301	36,364	(43,802)	-	-	5,863
Midlands Maker Challenge	114,441	-	(51,984)	-	-	62,457

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**19. Statement of funds (continued)**

**Statement of funds - current year (continued)**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Joseph Wright Acquisition	5,159	5,000	(7,535)	-	-	2,624
Headley Fellowship	-	27,500	(22,790)	-	-	4,710
Fidelity	-	75,105	(32,433)	-	-	42,672
NSSP	-	13,045	(13,112)	67	-	-
Hogarth	-	64,535	(35,313)	-	-	29,222
	<u>16,646,036</u>	<u>352,127</u>	<u>(1,496,459)</u>	<u>1,384</u>	<u>-</u>	<u>15,503,088</u>
<b>Total of funds</b>	<u><b>20,813,475</b></u>	<u><b>2,909,185</b></u>	<u><b>(4,451,928)</b></u>	<u><b>-</b></u>	<u><b>(167,997)</b></u>	<u><b>19,102,735</b></u>

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**19. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated Funds	69,914	-	-	-	-	69,914
Fixed asset reserve	67,651	-	(40,118)	-	-	27,533
Midlands Maker Challenge	73,539	-	-	(73,539)	-	-
	211,104	-	(40,118)	(73,539)	-	97,447

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>General funds</b>						
General Funds	1,830,864	2,137,150	(2,093,617)	84,501	(25,836)	1,933,062
<b>Total Unrestricted funds</b>	2,041,968	2,137,150	(2,133,735)	10,962	(25,836)	2,030,509



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**19. Statement of funds (continued)**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Endowment funds</b>						
	993,528	1,086,014	-	-	57,388	2,136,930
	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Restricted funds</b>						
Essential Life Skills Project	778	-	(778)	-	-	-
Arts Council England - Joseph Wright Collection	2,569	-	-	-	-	2,569
The Silk Mill Museum of Making Project	16,824,010	583,042	(1,117,948)	-	-	16,289,104
General Improvements of collections and buildings	85,406	-	-	-	-	85,406
Derby City Council - Support Services	-	81,680	(81,680)	-	-	-
Great Places	1,073	8,375	(9,448)	-	-	-
Transforming leadership	136,165	93,600	(200,641)	-	-	29,124
Other restricted funds	28,639	77,445	(53,624)	(24,313)	-	28,147
Coronavirus Job Retention Scheme	-	76,181	(15,993)	(60,188)	-	-
Weston Garfield	190,191	-	(175,756)	-	-	14,435

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**19. Statement of funds (continued)**

**Statement of funds - prior year (continued)**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Paul Mellon	33,000	-	(3,322)	-	-	29,678
Artfund - Voices	36,000	-	(1,328)	-	-	34,672
ACE CRF2	-	65,000	(65,000)	-	-	-
Ace Make a Difference	-	40,634	(27,333)	-	-	13,301
Midlands Maker Challenge	-	81,575	(40,673)	73,539	-	114,441
ARG Feasibility	-	45,000	(45,000)	-	-	-
Headley Fellowship	-	4,706	(4,706)	-	-	-
Joseph Wright Acquisition	-	2,727,171	(2,722,012)	-	-	5,159
	<u>17,337,831</u>	<u>3,884,409</u>	<u>(4,565,242)</u>	<u>(10,962)</u>	<u>-</u>	<u>16,646,036</u>
<b>Total of funds</b>	<u>20,373,327</u>	<u>7,107,573</u>	<u>(6,698,977)</u>	<u>-</u>	<u>31,552</u>	<u>20,813,475</u>

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**19. Statement of funds (continued)**

**Description of funds**

**Designated funds**

Punjabi Derby, now renamed Alternative Archives, is a photographic project and exhibition presented with "Black Country Archives" and Derby's South Asian community.

**Fixed Asset Reserve**

This represents the amount of funds which are tied up in tangible fixed assets and therefore not necessarily available for use in day to day operations.

**Arts Council England - Joseph Wright Collection**

To develop a study area to promote understanding and enjoyment of our nationally Designated Joseph Wright collection.

**The Silk Mill Museum of Making Project**

To meet the costs for development work towards the creation of the Derby Silk Mill Museum of Making. Expenditure has been posted to Assets under construction on the balance sheet. All income received will be restricted. Now in use the asset will be amortised over the life of the lease and matched against restricted income.

**General improvements of collections and buildings**

Accumulated donations and bequests designated for the general improvement of collections and buildings.

**Derby City Council - Support Services**

This contract with Derby City Council provides continuation of support services at an agreed annual rate. This is a rolling 12 month contract.

**Great Places**

This contract with Derbyshire County Council helps us provide for a mobile museum of making project in connection with the vital valley Great Places scheme.

**Transforming Leadership**

A grant to establish, in partnership with a number of other organisations, the Creative Community Fellow Programme (CCF) to the UK.

**Other restricted funds**

These relate to other small restricted fund balances which further the aims and objectives of the museum.



**Notes to the Financial Statements**  
**For the Year Ended 31 March 2023**

**19. Statement of funds (continued)**

**Weston Garfield**

This is grant received to help with covid 19 related costs

**Paul Mellon**

This is a grant to develop an engaging and accessible online catalogue of the work of artist Joseph Wright of Derby.

**Artfund - Voices in the room**

A project to establish the needs and desires of diverse communities in Derby to help shape the facilities and museum environment, influencing object selection, stories, exhibition design and programming.

**Midlands Maker Challenge**

A programme for young people across the midlands, that challenges them to create solutions to some of the key issues facing the world.

**Joseph Wright acquisition**

Funding to acquire a Joseph Wright self portrait painting.

**Headley Fellowship**

Funding to increase curatorial resource to research the Egyptian collection.

**Fidelity**

Funding from Fidelity provided three new temporary posts to support and develop the formal learning on offer at Derby Museums.

**NSSP**

Twelve museums and galleries from across the UK engage in a skills and knowledge sharing programme and , together with the National Portrait Gallery, explore the things that matter to their teams with the aim of benefitting their audiences and caring for the Collections they hold.

**Hogarth**

An exhibition drawing in major loans from prestigious venues across the UK, and making public new research on Hogarth, one of the most important artists of the 18th century.

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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2023**

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

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Endowment funds 2023 £</b>	<b>Total funds 2023 £</b>
Tangible fixed assets	132,220	15,238,365	-	<b>15,370,585</b>
Fixed asset investments	1,115,622	-	1,947,932	<b>3,063,554</b>
Current assets	751,804	264,723	16,676	<b>1,033,203</b>
Creditors due within one year	(364,607)	-	-	<b>(364,607)</b>
<b>Total</b>	<b>1,635,039</b>	<b>15,503,088</b>	<b>1,964,608</b>	<b>19,102,735</b>

**Analysis of net assets between funds**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Endowment funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	-	15,998,569	-	<b>15,998,569</b>
Fixed asset investments	694,621	-	2,136,930	<b>2,831,551</b>
Current assets	2,426,324	647,467	-	<b>3,073,791</b>
Creditors due within one year	(1,090,436)	-	-	<b>(1,090,436)</b>
<b>Total</b>	<b>2,030,509</b>	<b>16,646,036</b>	<b>2,136,930</b>	<b>20,813,475</b>

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2023**

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

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(1,710,740)	440,148
<b>Adjustments for:</b>		
Depreciation charges	758,859	650,093
Loss / (Gains) on investments	167,997	(31,552)
Dividends, interests and rents from investments	(71,660)	(30,238)
(Increase)/Decrease in stocks	(2,061)	(29,923)
Decrease/(Increase) in debtors	945,638	282,723
Increase/(Decrease) in creditors	(725,829)	817,484
<b>Net cash provided by/(used in) operating activities</b>	<b>(637,796)</b>	<b>2,098,735</b>

**22. Analysis of cash and cash equivalents**

	Group 2023 £	Group 2022 £
Cash in hand	506,836	1,603,847
<b>Total cash and cash equivalents</b>	<b>506,836</b>	<b>1,603,847</b>

**23. Analysis of changes in net debt**

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	1,603,847	(1,097,011)	506,836



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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2023**

**24. Pension commitments**

The Charity is an employer for the purpose of the Derbyshire County Council Local Government Pension Scheme. As noted in the accounting policies, the charity is indemnified against prior and future liabilities of the scheme. The LGPS has therefore been treated as a defined contribution scheme for accounting purposes along with the separate defined contribution pension scheme which the Group also operate.

The Charity is an employer for the purpose of the Derby Museums Group Personal Pension Scheme. As noted in the accounting policies, the charity is indemnified against prior and future liabilities of the scheme. The Derby Museums Group Personal Pension Scheme has therefore been treated as a defined contribution scheme for accounting purposes along with the separate defined contribution pension scheme which the Group also operate.

During the year 31 March 2023 the Group made total pension contributions totalling £294,382 (2022 - £283,836) to this scheme. As at 31 March 2022 there was a balance outstanding of £25,640 (2022 - £27,210).

**25. Operating lease commitments**

At 31 March 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Not later than 1 year	<b>2,702</b>	3,302	<b>2,702</b>	3,302
Later than 1 year and not later than 5 years	<b>6,836</b>	9,538	<b>6,836</b>	9,538
	<b>9,538</b>	12,840	<b>9,538</b>	12,840

**26. Members' liability**

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

**27. Related party transactions**

The Company has taken advantage of the exemption under Financial Reporting Standard 102 (Section 33), not to disclosure transactions between entities which form part of the Group headed by Derby Museums.

All transactions with Trustees were transacted at a commercial rate.