

Sheffield Museums Trust
Annual Report and Financial Statements
Period Ended 31 March 2022



Charity registration number: 1194032
Company registration number: 13063156

Sheffield Museums Trust
Financial Statements

Period Ended 31 March 2022

Contents	Page
Charity Reference and Administrative Details	1
Chair's message	2
Chief Executives Report	3
First year highlights at a glance	4
Trustees' Annual Report (Including Directors' Report and Strategic Report)	5
Independent Auditor's Report / Independent Examiner's Report	29
Consolidated Statement of Financial Activities (Including Income and Expenditure Account)	33
Balance Sheets	34
Consolidated Statement of Cash Flows	35
Notes to the Financial Statements	36

Sheffield Museums Trust
Charity Reference and Administrative Details

Period Ended 31 March 2022

Charity registration number	1194032
Company registration number	13063156
Trustees	N MacDonald (Chair) (appointed 4 December 2020) R Abdy (appointed 8 April 2021) P Abel (appointed 8 April 2021) D Chouings (appointed 8 April 2021) Cllr A Damms (appointed 25 November 2021/resigned 13 July 2022) R Davison (appointed 13 July 2022) M Greaves (appointed 8 April 2021) C McDonald (appointed 13 July 2022) R McGloin (appointed 8 April 2021) P Meleady (appointed 8 April 2021) S Ransom (appointed 8 April 2021) J Robinson (appointed 8 April 2021) M Singer (appointed 25 November 2021) A Singh (appointed 21 December 2020) L Tyson-Green (appointed 25 November 2021)
Chief executive officer	Kim Streets
Company Secretary	Jennifer Cocker (resigned 9 June 2022) Kim Streets (appointed 9 June 2022)
Registered office	Leader House Surrey Street Sheffield S1 2LH
Auditor	BHP LLP Chartered Accountants 2 Rutland Park Sheffield S10 2PD
Bankers	Natwest Bank 42 High Street Sheffield S1 2GE

Sheffield Museums Trust Chair's Message

Period Ended 31 March 2022

It gives me great pleasure to report on the first year of Sheffield Museums Trust. Our new charity was created on 1st April 2021 with the merger of Sheffield Galleries and Museums Trust and Sheffield Industrial Museums Trust. Bringing together these two organisations with their 6 sites and being the chair of a united museums service for the people of Sheffield is a great honour.

I would like to place on record our gratitude for the invaluable support and guidance of Sheffield City Council and Arts Council England during the merger process. The merger was the end result of many years of collaboration between the two organisations. It was a challenging process to complete all the necessary due diligence and legalities, particularly as it all had to be done remotely! Indeed, even after 1 April it was several months before all our sites could fully reopen and before our staff could get together in person again.

It is brilliant to see how the workforce have come together, bringing passion, enthusiasm and commitment and sharing all that with the people of Sheffield, making a real difference to people's lives. We live in continuingly challenging times, particularly economically. Nonetheless, we believe there is a truly exciting future for Sheffield Museums Trust. We have a strong base on which to make our sites and visitors' experiences even better.

I would like to thank my fellow trustees, both those who joined from the two legacy trusts, and those appointed since the merger, for their support and wisdom. Thanks to our new Associate Trustees who joined us this year. Finally, thank you to the Executive, Kim Streets, Kirstie Hamilton and Jenny Cocker, and to the entire team at Sheffield Museums Trust for their amazing dedication over the past year.



Neil MacDonald, Chair of Sheffield Museums Trust, Graves Gallery

Sheffield Museums Trust CEO Message

Period Ended 31 March 2022

After five years of collaborative endeavour and for the first time in their long history, Sheffield's museums, galleries, and collections are operating as one entity.

Despite the challenges of the pandemic, high inflation and the cost-of-living crisis, it has been an extraordinary first year for Sheffield Museums. The new team have worked together to deliver a warm welcome and a brilliant programme, established working groups focused on access and inclusion and environmental sustainability, developed a host of exciting ideas and initiatives, and laid strong foundations that will begin to bear fruit in the next few years.

What unites us is a drive to create exciting, engaging museums where people can share extraordinary experiences. The museums are places that enrich peoples' lives and expand their thinking. Looking ahead, we will enhance and develop the estate so that the museums and the collections they house remain vital and relevant to our communities.

We have an opportunity for the museums to play a pivotal role at the heart of the city's recovery and regeneration and we look forward to working with our partners, Sheffield City Council, Arts Council England and the Mayoral Combined Authority as we develop our plans in the year ahead.

I would like to thank our Trustees, Associate Trustees, and the whole team for their great work to get us off to such a positive start.

Kim Streets
[Kim Streets \(Aug 23, 2022 14:38 GMT+1\)](#)

Kim Streets
CEO, Sheffield Museums



Kim Streets, CEO Sheffield Museums Trust, Graves Gallery

Sheffield Museums Trust
First year highlights at a glance

Period Ended 31 March 2022

- **United Sheffield's amazing collections of art, social and industrial history and natural science under the care of a single Museums Trust for the first time.**
- **Re-opened all six of our sites and safely welcomed 508,559 visitors**
- **Removed admission charges from all of our sites, so everyone can access and enjoy Sheffield's inspiring collections, heritage and culture for free**
- **Inspired 11,600 children from 161 schools across the Sheffield City Region and beyond.**
- **Presented an engaging exhibition programme working collaboratively with young people, artists and the National Portrait Gallery to explore creativity in the prison service, the work of Cecil Beaton, John Hoyland and Kenneth Steel and the changing landscape around us.**

Sheffield Museums Trust
Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

The Trustees present their report and the audited financial statements of the charity for the period from 4 December 2020 to 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Aims & Objectives



An ambitious, resilient, and united museums service that represents, celebrates, and inspires Sheffield.

Sheffield Museums Trust Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Sheffield Museums Trust (SMT) began operations on 1 April 2021 after four years of collaboration between Sheffield Galleries & Museums Trust and Sheffield Industrial Museums Trust. In resolving to become one new organisation, Trustees believe that the museums will be stronger, more resilient, and better placed to develop and share Sheffield's extraordinary collections into the future.

Our ambition is that Sheffield's collections fire the imaginations of the audiences we serve, and that Sheffield's museums are celebrated for being culturally relevant and representative. Our ethical ambition underpins our charitable objectives in four key areas:

- **Ambition for Place**
Vibrant museums at the heart of our city and at the heart our communities
- **Ambition for People**
Be a great place to work with a culture of collaboration, creativity, and high performance
- **Ambition for Creativity**
Be recognised for dynamic museum experiences that inspire people to think, engage, be creative and connect with the city's past, present, and future
- **Ambition for Sustainability**
To be operationally, financially, and environmentally resilient and sustainable

Sheffield Museums Trust is operating against a backdrop of economic uncertainty following two difficult years of Covid-19 restrictions. Initially, our focus will be on stabilizing the foundations, developing our people and culture, and continuing to deliver an outstanding creative programme.

Our exhibitions, activities and programmes are designed to inspire our visitors and users to learn from the past, find their creativity and feel hopeful about the future – the work we do demonstrates our purpose, impact and power and a clear case for investment.

Vision and Mission

Our vision and mission continues to be developed and refined with staff from across SMT. To guide us through our first year we have focused on a destination vision that supports our planning and development:

An ambitious, resilient, and united museums service that represents, celebrates, and inspires Sheffield.

To realise our destination vision, resilience, relevance, and representation must underpin every aspect of our work. We must be:

Resilient – with people who have the confidence, opportunity, and capacity to learn, adapt and recover from the challenges we will face.

Relevant – delivering collections and creative programmes that are relevant and useful to the communities we serve. By improving the quality and relevance of our work we'll engage people from all walks of life and every area of Sheffield and inspire them to connect with arts and heritage and express their creativity throughout their lives.

Representative – the museums will be more engaging places if our people, programmes and audiences represent the communities we serve and reflect our connected history.

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Charitable Objectives

As a charitable trust we have clearly defined charitable objectives that govern our purpose, underpin our mission and vision, and are translated into considered, actionable ambitions with defined outcomes:

The objects are to advance education by the establishment and maintenance of museums and art galleries for the benefit of the public in particular in the fields of social and industrial history, science and engineering, design, technology, visual arts and crafts and natural sciences, in particular but not exclusively by:

a) the acquisition, ownership, preservation, protection, restoration, improvement, enhancement and maintenance of items and features of artistic, scientific, historical and industrial interest for the public benefit; and

b) the care, management, display and development of:

- i. the collections of the Sheffield City Council;
- ii. the art collection of the Mappin Trust;
- iii. the collection of the Guild of St George;
- iv. the collection of the Ken Hawley Collection Trust; and
- v. collections of any other person or body to an extent consistent with the objects of the Charity.

Our charitable objects represent our purpose, impact, and power:

- **Our purpose** is to care for and develop Sheffield's extraordinary heritage collections and to use them as a tool for inspiration, for making sense of the world around us. We will make the city's heritage accessible to the widest audience - people from all walks of life.
- **Our impact is measured in our** contribution to quality of life, learning and skills, to place-making and vibrancy and to Sheffield and the South Yorkshire economy.
- **Our power** is in celebrating local identity and distinctiveness, bringing the best to Sheffield, and enabling people to feel proud of their city and enjoy where they live.

Period Ended 31 March 2022

Structure, Governance & Management



River Don Engine, Kelham Island Museum

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Sheffield Museums Trust was formed on 4 December 2020 to facilitate the merger of Sheffield Galleries & Museums Trust and Sheffield Industrial Museums Trust. The company is a charity registered in England Wales.

The company began operations on 1 April 2021 following the transfer of operations, assets and liabilities from the legacy trusts.

Both Sheffield Galleries & Museums Trust and Sheffield Industrial Museums Trust Limited were separate charitable companies that merged on 1 April 2021 into Sheffield Museums Trust.

To enable income generation, the trust operates commercial trading through a 100% owned and controlled subsidiary, SGMT Enterprises Limited. The shares of SGMT Enterprises Limited were transferred to the trust from Sheffield Galleries & Museums Trust as a part of the merger arrangements.

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

	Appointed / resigned		Appointed/ Resigned
Neil MacDonald	4 December 2020	Richard Abdy	8 April 2021
Patrick Abel	8 April 2021	Darren Chouings	8 April 2021
Cllr Anthony Damms	25 November 2021 / 13 July 2022	Maxine Greaves	8 April 2021
R Davison	13 July 2022	Richard McGloin	8 April 2021
C McDonald	13 July 2022	James Robinson *	8 April 2021
Patrick Meleady	8 April 2021	Martin Singer	25 November 2021
Susan Ransom	21 December 2020	L Tyson-Green	25 November 2021
Arun Singh	21 December 2020		

* V & A appointed Trustee

Trustees appointed to the trust were initially drawn from the two legacy trusts. This has ensured continuity and enabled Sheffield Museums Trust to benefit from the wealth of organisational experience that Trustees were able to bring with them.

Trustees serve an initial term of three years that can be extended up to a maximum of nine years.

Trustees meet as a Board for a minimum of four formal board meetings each year, although during complex times such as merger and Covid-19, the Board meet more regularly to support the Executive.

Trustees provide scrutiny and advise and support the strategic leadership team and wider teams through focused committees that report back to the Board of Trustees.

Associate Trustees

We have developed a new approach to ensuring future diversification of our Board. We have recruited four Associate Trustees to this developmental role. Candidates were drawn from those interested in building their knowledge and experience in the sector whilst not having undertaken a role like this before. We particularly welcomed applications from people who are underrepresented at a leadership level within the cultural sector, including people who identify as being from an African, Asian or a minoritised group and/or as having a disability. Associate Trustees join the meetings and discussions to gain insight and understanding but do not have a decision-making responsibility and are not Trustees of the charity.

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Committees active during the year and the remit of their responsibilities were:

Risk, Assurance and Governance (RAG)

The RAG Committee is a committee of the Board of Trustees that has delegated powers to ensure that there is a framework for accountability for examining and reviewing the outcomes to all systems and methods of control both financial and otherwise.

Finance

The Finance Committee is a committee of the Board of Trustees that has delegated powers to ensure that financial responsibilities and duties are effectively managed and for monitoring financial risk assessment, performance measures and reporting.

Challenge and Change

The Challenge & Change Committee is a committee of the Board of Trustees that has delegated powers to scrutinise and comment on the charity's plans for exhibitions, learning, events, research and partnerships activity, to evaluate and review the performance of past programmes and ensure that SMT's creative programmes are representative, relevant, accessible and useful to the communities it serves.

Collections Development

The Collections Development Committee is a committee of the Board of Trustees that has delegated powers to scrutinise and comment on the charity's collections development policies and plans and to ensure that its approach to the care, acquisition and development of Sheffield City Council's collections adheres to the standards and guidance provided by the Arts Council England Accreditation¹ scheme for UK museums and the Museums Association's Code of Ethics² to ensure that the collections are representative, relevant, accessible and useful to the diverse range of communities they belong to.

Fundraising

The Fundraising Committee is a committee of the Board of Trustees with delegated powers to ensure that fundraising priorities are agreed and delivered. It aims to provide advice, contacts and intelligence to support fundraising events and opportunities.

Remuneration and Employment

The Remuneration and Employment Committee is a committee of the Board of Trustees that has delegated powers to scrutinise the trust's employment policies and practices and ensure that the charity retains a motivated, skilled and experienced workforce through competitive and affordable pay and benefits packages.

Nominations

The Nominations Committee is a committee of the Board of Trustees with delegated powers to review the structure, size and composition required of the Board, to undertake succession planning and to lead the process for appointments and election to the Board of Trustees.

To ensure that Sheffield Museums Trust is managed efficiently and effectively, the Trustees have delegated a range of day-to-day decision-making powers to the Executive which reports directly to the Board.

The Executive is led by Kim Streets, Chief Executive supported by Kirstie Hamilton, Director of Programmes and until July 2022, by Jennifer Cocker, Director of Finance and Resources. Clair Taylor joined the Executive as Director of Finance and Resources in July 2022. The Executive is in turn supported by Heads of Service that manage and provide expertise in each area of the trust's operations.

¹ <https://www.artscouncil.org.uk/supporting-arts-museums-and-libraries/uk-museum-accreditation-scheme>

² <https://www.museumsassociation.org/campaigns/ethics/code-of-ethics/>

Sheffield Museums Trust
Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Fund-raising Standards Information

Sheffield Museums Trust is committed to complying with the regulatory standards of fundraising, and to ensuring that our fundraising is delivered in a manner consistent with our values. We are registered with the Fundraising Regulator and take care to ensure that our fundraising complies with UK data protection legislation.

The trust undertakes its own fundraising activities and has not used the services of commercial fundraising suppliers.

Fundraising activities include requesting donations both on our sites and through our website, fundraising events and encouraging legacy gifts. Our legacy giving programme is supported through a partnership with Wake Smith Solicitors.

We make every effort to ensure that fundraising communications are respectful and appropriate for the people they are aimed at and that we do not bombard people with asks that are heavy-handed, pressurised or too frequent. We have received no complaints about fundraising in 2021-2022.

Public benefit statement

The Trustees have given due regard to the Charity Commission guidance in respect of public benefit.

Period Ended 31 March 2022

Strategic Report

Activities and Impact



Weston Park Museum

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Vibrant museums

The total visitor number for all sites during the year was 508,559. This was low but not unexpected due to sites closures until 20 May 2021, reduced opening hours and the Graves Gallery not reopening at all until September 2021. Most significantly the impact of Covid on visitor confidence, particularly over the winter period with the Omicron variant, should be noted. We believe that this is a good figure to grow from.

During this period of disruption, we continued to gather audience research using Audience Finder at four sites, providing useful insight into demographics, visitor behaviour, motivations and ratings. Collectively, we exceeded our data collection target, however the pandemic's impact on both footfall and confidence in personal interaction meant that our individual survey targets for three of the four sites were not met. As such, we're mindful of the robustness of the data, which is drawn from smaller samples as a result.

Our Net Promoter Score (the percentage of people who would recommend a museum to friends or family) was strong overall, with 3 out of 4 sites seeing an increase and Weston Park Museum retaining the highest rating (88%). Graves Gallery saw a decrease, which can largely be attributed to half of the gallery being closed for refurbishment for some of the year.

14% of those surveyed across sites were from ethnic minority groups compared to 10% the previous year. All sites saw a decrease in visitors aged 45-54 and over 65s. The gender split remained the same as 2019-20 with a higher number of female visitors, while 1.3% of visitors identified in another way. There was very little fluctuation in the number of visitors identifying as having a long-term health condition or disability.

We successfully met our data collection targets for Arts Council England's Impact & Insight survey, required by all National Portfolio Organisations. We measured the impact of our programme, evaluating four activities and exhibitions. The two exhibitions surveyed were cited as the main or part reason for the visit and scored highest on the Impact & Insight dimensions of concept, rigour and captivation. The Kenneth Steel exhibition attracted new audiences - the over 50s and under 20s were the main audiences, contrasting the typical Weston Park Museum audience (predominantly 25-55 year-olds).

Volunteering

Opportunities for volunteers were limited by the ongoing impact of Covid but still included roles across collections management and research, exhibitions research, learning, visitor engagement, outreach engagement, audience surveying and communications.

In 2021-22, 183 volunteers gave a total of 3,952 hours of their time in a variety of roles to support our charitable work. Their work on the Museums By Mail project connected people at risk of isolation and led to Sheffield Museums winning the Marsh Award for Volunteering in Museum Learning.

Volunteers make an immense contribution to the quality and quantity of activities that we can undertake, and we would like to express our thanks to all who gave their time to support us this year.

TAP placements

In Summer 2021 we worked with the University of Sheffield to host two Transforming and Activating Place funded student placements. The project supports greater diversity in the workforce through enabling undergraduate students to undertake three-week internships with partners in Sheffield and across the UK.

Weston Jerwood Creative Bursary

We hosted a fixed term entry level position for a Curatorial Assistant (Exhibitions). This was part of a funded national programme working with 50 cultural organisations across the country. The position brought expertise and capacity and the successful candidate has gone on to a permanent position in the sector.

Curator of Industry and Metalwork

In Summer 2021, we were awarded three years of funding by the John Ellerman Foundation to support a foundational curatorial role for the trust – the Curator of Industry and Metalwork. Neither of the legacy trusts had specialist curatorial knowledge in these areas and this role will provide vital insight and expertise.

Sheffield Museums Trust Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Team development and anti-racism

In our first year, a top priority was to bring colleagues together to form a new team. Due to Covid it took until October 2021 to get the team physically together for our first staff away day at Kelham Island Museum. Roger Wilson from Black Lives in Music shared his experiences, and this set a tone for our journey towards becoming an anti-racist organisation.

We commissioned consultants Two Trees and Sea-Change to undertake a Race Inclusion Maturity Assessment of the organisation to inform an action plan. We also formed a Race Inclusion Steering Group comprising team members from across the organisation, to support the gathering of data, review findings and help develop a subsequent action plan. This is the start of a journey that will take time and consideration.

In addition to this we have formed an Accessibility and Inclusivity Working Group and two anti-racist book groups, comprising volunteers from across the organisation. The Accessibility and Inclusivity Working Group have a remit to review this area of the organisation, suggest improvements and implement change.

Collaboration, Creativity and high performance

Highlights of our exhibition and display programme are listed below. Engagement with the programme has remained strong. All the exhibitions listed were developed collaboratively with artists, communities and organisations and offered free admission.

The Sheffield Project

23 October 2020 – 28 November 2021 (Weston Park Museum)

During the 1980s, Untitled Gallery (now Site Gallery) commissioned and exhibited a series of photographers to document and explore the city at a monumental stage in its history. Curated by Matt Conduit, this exhibition was subject to closure due to lockdown and therefore we extended the run. Most of the 15 photographers included in this exhibition have gifted work to the collection resulting from the exhibition. We intend to display their work at Kelham Island Museum over the forthcoming years.

Visitor figure: 91,496

My Path: Art by People in the Criminal Justice System

28 January – 20 June 2021 (Millennium Gallery)

Created in collaboration with Koestler Arts, this exhibition displayed artwork made in prisons around the U.K. The exhibition was co-curated by a group of young people from the Sheffield Youth Justice Service.

Visitor figure: 6,564

Cecil Beaton: Bright Young Things

1 April – 4 July 2021 (Millennium Gallery)

Curated and toured by the National Portrait Gallery. This exhibition explored the extravagant world of the glamorous and stylish 'Bright Young Things' of the 1920s and 1930s through the lens of world-renowned photographer Cecil Beaton.

Visitor figure: 12,810

John Hoyland: The Last Paintings

3 July - 10 October 2021 (Millennium Gallery)

Born in Sheffield, John Hoyland (1934-2011) is regarded as one of Britain's leading abstract painters. To commemorate the 10th anniversary of his passing, this new exhibition in collaboration with the John Hoyland Estate showcased some of the very last works he created.

Visitor figure: 36,003

Earthbound: Contemporary Landscape from the Roberts Institute of Art

5 August - 31 October 2021 (Millennium Gallery)

Curated in collaboration with the Roberts Institute of Art Earthbound brought together works from the David and Indrè Roberts Collection, alongside examples from Sheffield's own visual art collection, to investigate our relationship with our environment.

Visitor figure: 36,149

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Precision as a State of Mind: Sculptures by Mark Firth

3 September 2021 – 15 January 2022 (Graves Gallery)

This was the first major museum exhibition of work by the British sculptor Mark Firth curated with Bill Jackson. The exhibition focused on recent sculptures by Firth and included his new series Ten Cubes for Sheffield. His sculpture Key was also displayed at Kelham Island Museum. Three of the Cubes for Sheffield and another work entitled Conjunction 1 have been gifted to the collection again resulting from the exhibition. One of these works will be included in the new abstraction themed display opening in Graves Gallery 4 at the end of March.

Visitor figure: 5,704

Beyond Bloomsbury: Life, Love and Legacy

25 November 2021 – 13 February 2022, (Millennium Gallery)

The Bloomsbury Group were a fluid group of free-thinking artists, writers and intellectuals. This exhibition uncovered the neglected narratives of figures who were connected with the circle and included loans from the National Portrait Gallery and York Museums Trust alongside artworks from Sheffield's visual art collection. This project, co-curated by York and Sheffield, questioned some of the group's establishment attitudes to race and empire. New commissions by artist Sahara Longe also reflected on this aspect of The Bloomsbury Group.

Visitor figure: 25,421

Places in Time: The Art of Kenneth Steel

17 December 2021 – 2 May 2022 (Weston Park Museum)

Kenneth Steel was a consummate printmaker and exceptional artist and designer in the fields of both railway art and commercial art. He lived and worked in Sheffield all his life. His keen eye for detail, colour and composition has left us with a unique record of not only the Sheffield area but also notable areas of the British landscape. This exhibition was co-curated with Edward Yardley, a knowledgeable collector of Steel's work.

Visitor figure: 50,722

Where We Live

15 January - 5 June 2022, (Millennium Gallery)

Where We Live was an artist-curated exhibition that brought together a group of painters whose work arose out of a sustained attention to a specific place or locality over a long period. The artists were Trevor Burgess, Jonathan Hooper, Narbi Price, Judith Tucker and Sheffield based Mandy Payne.

Visitor figure: 56,465

Looking Forward: Graves Gallery

This five-year, £455,000 Ampersand Foundation funded project aims to rejuvenate the Graves, display more of the collections and develop new programmes with artists, young people and communities to develop thinking for the future of the building and grow ownership of the city's visual art collection. Year one of the project was completed in Autumn 2021 and the gallery reopened with a very positive launch event on 3 September 2021. We launched with a new display curated by artist Keith Piper that invited people to consider what we understand by history and consider what is missing.

Funders: SCC, ACE, Ampersand Foundation

Ruskin Gallery refurbishment

The Ruskin Gallery's refurbishment and new display opened on 23 October 2021 in time for half term and was well received. This flexible and engaging display involved different voices and collections and has a gallery layout that will enable more impactful change to be delivered in the future. We worked with gardening volunteers from Abbeydale Industrial Hamlet and a student from Manchester Metropolitan University on displays themed around a significant holding of ornithological prints in the collection. The refurbishment was funded by SCC, ACE and the Guild of St George.

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Collaborators

The V&A

The city has had a strategic partnership with the Victoria & Albert Museum since 1999. It has enabled the people of Sheffield to enjoy high quality collections and exhibitions and the trust has benefitted from curatorial advice and professional expertise through talks, secondments, trustee involvement and training. This was the final year of the Design Lab Nation project that connected young people with creative processes and works in Sheffield's and the V&A's collections.

The Guild of St George

The trust works closely with The Guild of St George through our stewardship of the Ruskin Collection. The Guild continue to support us to care for and display the Ruskin Collection. The Guild have agreed to continue to financially support the trust and, in this year, also gave £30,000 in additional funding to support the refurbishment of the Ruskin Gallery. The Board of Trustees and staff team would like to thank the Guild of St George for their ongoing commitment to Sheffield and the work of the trust during this and future years.

The Ken Hawley Collection Trust

The Ken Hawley Tool Collection is stored and displayed at Kelham Island Museum. The trust is working with the Hawley Trust to maximise opportunities to collect, display and engage with this aspect of the city's heritage. The trust facilitated discussions around the Hawley Trust's acquisition of the Stanley Millennium Knife.

Partnership and Projects

National Portrait Gallery

The Creative Connections project with the National Portrait Gallery is working with artist Conor Rogers and students from Sheffield Park Academy. It will result in an exhibition opening June 2022 including works from the national and Sheffield's collection alongside work created by Conor and the students.

Sheffield Assay Office

This year we have celebrated 20 years of the commissioning programme Precious Little Gems with a new display. We are working together to mark the 250th anniversary of the company in 2023.

ArtWorks

ArtWorks challenge people's perceptions of learning disabilities and autism through celebrating the creativity and ambition of the artists they work with. Over 80 artists contributed to the design for a new vinyl window installation for the Millennium Gallery due to open in February but delayed to June 2022.

Sheffield Culture Consortium

Membership of the Sheffield Culture Consortium continues to be of strategic importance as we seek to position culture as a key component in the city's recovery and development. We work alongside colleagues at Sheffield Theatres Trust, Site Gallery, The Showroom, Doc/Fest, Yorkshire Artspace, Music in the Round and the Universities, to develop the Consortium's role and deliver on its strategic objectives. The Consortium was key to the delivery of Covid recovery funding for the city's freelance creative practitioners. The Trust continues to administer the Sheffield Culture Consortium Visual Art Newsletter.

Sheffield Culture Collective

The trust is a founding member of the Sheffield Culture Collective. The Collective works together to develop a strategy that will place culture at the heart of a strong, vibrant and inclusive city and as a key component in city centre development, the visitor economy, the Local Industrial Strategy and the Strategic Economic Plan for the city region – including Covid-19 recovery strategies.

South Yorkshire Museums

The trust meets regularly with our regional peers in Barnsley, Doncaster and Rotherham and discusses opportunities to share learning and resources as well as connecting planning.

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Dynamic museum experiences

We offered accessible and inspiring opportunities for people from all walks of life to use their museums as places to reflect upon the past, question the present and imagine the future.

During 2021/22 over 11,600 formal education visitors engaged with exhibitions, events and activities at our sites. We saw schools slowly return in the summer term as Covid restrictions allowed and they returned in increasing numbers from September 2021. We were delighted to work with 161 different schools from across Sheffield as well as from across Yorkshire, Nottinghamshire and Derbyshire. The team delivered 176 workshops on a wide variety of subjects through the year and facilitated a further 107 self-guided visits. We continue to employ casual learning delivery staff to increase our capacity and enhance our offer in areas of the city with the least engagement. We have used the pause in activity caused by the pandemic to review and redevelop a number of our school workshops and this process will continue.

March 2022 saw the completion of our final year of the DesignLab Nation project with the V&A. DesignLab Nation is a partnership project with the Victoria and Albert Museum that brings together schools, museum educators, practising artists and designers, and museum collections. It aims to inspire a new generation of creative practitioners as well as broaden young people's understanding of the designed world around them. It equips young people with 21st-century skills necessary for workplaces of the future and focuses on the steps of design practice rather than the final outcome. Since 2018 we have worked with seven secondary schools and three Sheffield-based artist-designers.

We also worked with young people across a variety of other projects. Both the Ignite project and the Youth Acceleration Fund project have seen young people engage in a variety of different ways; from reimagining a phone booth as an exhibition space to exploring how young people are represented in the city's collections.

We have started to rebuild our family activities through working collaboratively with community partners including sessions for 400 children delivered in community settings as part of the Healthy Activities and Food programme and innovation sessions delivered at community venues with the MakerFutures team.

Our engaging public programme of events and activities welcomed 863 people to regular classes and over 7,000 people to events in our spaces. Events are an opportunity to add depth to our exhibitions and the collections we care for through a mix of online and in-person events. Numbers at events and at regular classes have been restricted by Covid guidelines however attendance has been at capacity for numerous sessions demonstrating visitor confidence in our procedures and the value of our offer.

The annual two-day Victorian Christmas Market on 4 and 5 December at Kelham Island Museum comprised over 80 stalls gifts and local makers; food and drink; festive entertainment; traditional craft demonstrations; family activities, Santa's Grotto and a fairground. It welcomed 4,807 visitors, about 50% down on previous events due to adverse weather conditions, Covid and visitor confidence.

In addition, we hosted the Sheffield Print Fair at Millennium Gallery and the Sheffield Ceramics Fair and Selected Space at Kelham Island Museum. Curated by local makers, these events increased our profile and generated income through hire fees and donations.

We continue to work with the Professors and the Burton Street Group providing space for them to meet and work at Weston Park Museum through a generous hosting agreement.

Collections

The main focus of collections activity has been the merger and management of the collections from the legacy trusts. This included planning and preparation for the merger of the two existing databases and the commissioning of a report into the digital asset management of the collection. This has provided guidance in good practice and enabled us to develop workable policies and procedures. Preparations for the new online collections database have also taken place which will be launched in 2022.

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

We continue to work toward Arts Council Accreditation targets. The accessioning backlog has seen 111 items accessioned and entered onto The Museum System (TMS) and 966 records upgraded to SPECTRUM standard. Work also progressed on the documentation of the Pleistocene vertebrate palaeontological collection, identifying and accessioning historic items.

In 2021-22 we acquired objects and ephemera relating to;

- the experience and impact of Covid-19 in Sheffield including the vial from first vaccine given in Sheffield and items donated by Ben's Centre who support vulnerable people with substance misuse, alcoholism and homelessness.
- the changing city reflected through several signs including the local landmark Woollens for Signs, the Leadmill and the Athol Hotel as well as the hearts and messages from the windows of John Lewis following its closure. Photographs from The Sheffield Project exhibition show the changes Sheffield has seen over the last 30 years with several artists donating to the collection including Berris Conolly.
- the Industry and Metalwork collection with a canteen of cutlery given to J.G Graves brother by his staff on his wedding, a silver Trophy awarded by Sheffield United Harriers to the Sheffield Works District Association and a collection of material from Hadfields Limited a key manufacturer of special steels.
- the Visual Art collection with a significant gift of artworks from Jack Kirkland through the Arts Council Cultural Gifts Scheme including work by David Austen, David Batchelor, Matt Calderwood and Mark Wallinger and the donation of four sculptural works by Mark Firth.
- the Natural Science collection with the Lazenby Beetle collection of approximately 15,000 specimens, the Booney collection of minerals and the Widdop egg collection.

A total of 113 items were conserved during the year with the majority being artworks including *Evening in Benares, India* by William Rothenstein, *Winter Sea* by Paul Nash, *Minuet* by Tess Jaray and *Painting* by Jean Spencer, as well as sculptures by Francois Morellet and Michael Lyons. This has enabled the display of some works that have not been shown for decades and has been supported by the Ampersand Foundation. The Bateman exhibition also facilitated the conservation of 24 items from the Archaeology collection and an Ichthyosaur fossil with samples currently being tested to give us a more accurate age and location for the fossil, this was supported by the Curry Fund of the Geologists' Association and the Bill Pettit Memorial Fund of NatSCA.

We received 4,469 enquiries encompassing requests for images, collections information, meteorological data and physical access enquiries at the store relating to items ranging from the Painted Fabrics collection to items relating to Catcliffe, to lichen from the Salt herbarium. There has also been particular interest in the weather station due to recent extreme weather conditions, including coverage on BBC Breakfast and Look North. We have welcomed research visits from artists, Sheffield Hallam University, the University of York, Nottingham Trent University, Scissor manufacturer Grace Horne, and a representative from Always an Alternative, an organisation working with young people and knife crime. We have facilitated tours and collections access visits for groups including: the Peak District Young Archaeologists' Club, NHS Staff, the University of Chicago and the Portable Antiquities Scheme as well as participation in behind-the-scenes store tours as part of Heritage Open Days

Digital access to the collections has improved with the Graves Gallery joining the Bloomberg Connects App, *Sharpe's Monograph of the Kingfishers*, 1868-1871 being digitally available in the Ruskin Gallery and a new Talking Art recording focusing on Godfrey Sykes' *Norfolk Street and Pinstone Street with St Paul's, Sheffield*.

Sheffield Museums loaned 85 objects locally, nationally and internationally including,

- *Untitled* by Claudette Johnson lent to *Life Between Islands Caribbean-British Art 1950s – Now* at Tate Britain
- *Interior Avec Aline* by Paul Gauguin's to the Kunstmuseum, Basel and the Ashmolean, Oxford
- *Scene in a Dressing Room* by Laura Knight to MK Gallery in Milton Keynes and Nottingham Castle Museum
- *Ink City* by Brian Fielding to the Stanley & Audrey Burton Gallery, Leeds
- Natural history specimens to Abbey House Museum, Leeds and Sheffield & Rotherham Wildlife Trust
- 26 toys to the Mini Museum at Sheffield Children's Hospital.

We also facilitated access to specimens of Hymenogaster fungi bryophyte from Stuttgart and Munich museums, through the interherbarium loans scheme.

Sheffield Museums Trust Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Research into the connections between Sheffield's collections (in particular Metalwork) and the trade of enslaved people has started in discussion with Sheffield Archives and the University of Sheffield. We will commission some specific research in this area funded by the John Ellerman Foundation in Summer 2022.

Environmental Impact

Every aspect of our work has consequences for the environment; we encourage visitors to travel to our sites; we use resources in exhibitions; we maintain climate control in our buildings. Our main environmental impacts are;

- Energy use, in particular through maintaining environmental conditions within our buildings and running gas-powered engines
- Audience, supplier and staff travel to and between our sites
- Exhibition resource use: paint and materials
- Catering waste - managed by our franchisees

By reducing, re-using and making informed environmental decisions about how we run our buildings we expect to be able to improve our environmental sustainability and reduce our environmental impact

We have made a commitment to:

- ensuring compliance with environmental legislation
- reducing waste by encouraging staff to consider environmental impacts in buying decisions
- reducing waste by encouraging the re-use of display and other materials
- reducing energy consumption in buildings management
- reducing energy consumed in everyday working practices
- encouraging the use of public transport for our visitors and staff
- working with contractors who share our environmental ideals
- considering environmental impact as an issue in our project planning
- developing a sustainable collections management plan

During the year we established an Environmental Sustainability Working Group from across our staff team. The working group will challenge and promote change across the organisation.

We also recognise that our collections and sites are valuable in helping us to advocate for environmental change as demonstrated through our bird themed display in the Ruskin Gallery and a display about the impact of plastics at Weston Park Museum, both highlight humanity's impact on biodiversity.

Period Ended 31 March 2022

Finance and Resources Review



Abbeydale Industrial Hamlet

Sheffield Museums Trust Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Sheffield Museums Trust began operations on 1 April 2021 following the merger and transfer of assets, liabilities and operations from Sheffield Galleries & Museums Trust and Sheffield Industrial Museums Trust.

Our first year of activity has been heavily impacted by Covid-19 and this is reflected in our finances.

The Trust is reporting a net consolidated unrestricted operating deficit of £(237)k for the period ending 31 March 2022 (2021 combined deficit £(451k)).

The consolidated statement of financial activities shows a total deficit for the year after other recognised gains and losses of £(176)k (2021 combined deficit £(335k)). This figure is heavily influenced by gains on the South Yorkshire Pensions Authority Defined Benefit Scheme and by the depreciation costs of grant funded assets. Depreciation on grant funded assets is shown in restricted funds and totalled £758k (2021 combined £725k) for the period. Depreciation is funded from the restricted capital reserve fund.

The deficit result is in line with expectations. We recognise that operating at an operating deficit on unrestricted funds is not sustainable in the long term, however, we believe that given the challenges faced, the financial performance of the Trust for the year is acceptable.

In the face of challenging times, we have adopted a pragmatic but ambitious approach. We have sought additional funding to help us through periods of reduced income and towards recovery; we have controlled our expenditure and we have planned with ambition to ensure that we are able to optimise future opportunities.

At 31 March 2022 the group's balance sheet and free reserves are in a strong and stable position with net assets of £9,988k (2021 combined £10,164k). Free reserves of £1,018k (2021 combined £821k) are supported by a cash balance of £1,691k (2021 combined £1,632k) and this provides the trust with appropriate stability and resilience.

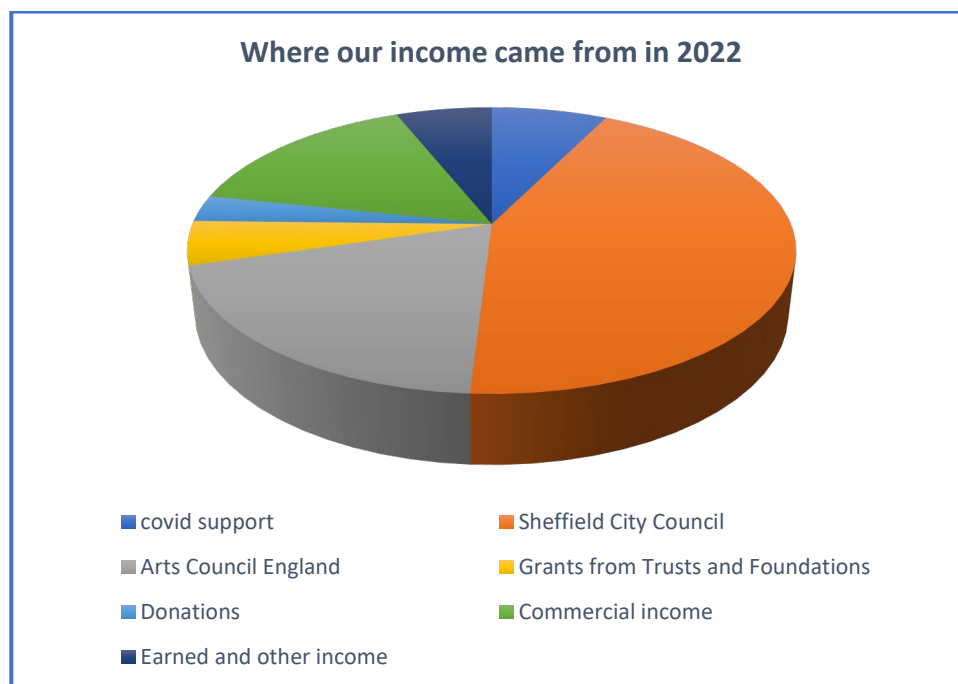
We recognise the financial challenges ahead. We expect that for the next few years we will be in a position of stagnant support from our major funders with an increasing cost base due to inflationary pressures. It is our intention to diversify our income base and develop opportunities for self-generated income. Expenditure will remain tightly controlled.

Sheffield Museums Trust Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Income

Sheffield Museums Trust income for the period to 31 March 2022 was £4,247k. This is a decrease of £296k compared to the combined total income of 2020-21 of £4,543k.



Income both this year and the prior year have been heavily influenced by Covid funding. In 2022, the trust received Culture Recovery Funding (round 2) of £150k and also received discretionary hospitality support and business rates relief of £69k. In 2021, the combined trust received CJRS income of £677k.

Sheffield City Council continues to be the main supporter of the trust providing £1,741k in service charge income (2021 combined £1,841k). SCC agreed to maintain funding for the merged trust at the same level of support offered to the previous trusts. The trust acknowledges the difficult financial challenges facing Sheffield City Council and are grateful for their continuing financial and operational support.

Sheffield Museums Trust has benefitted from continued Arts Council England NPO support. A grant of £800k was awarded to Sheffield Galleries & Museums Trust in 2018 and funding will continue until 31 March 2023. We are grateful for Arts Council England's support throughout the merger process. An application for the NPO programme for 2023-2026 has been submitted to Arts Council England and a decision is expected in October 2022.

Visitor numbers were 52% lower than in pre-pandemic 2019 and totalled 509k visitors. In 2019-20 the combined Trusts welcomed 1,029k visitors. A reduced audience has impacted negatively on several income sources but particularly on donations. Donations income as a total was £127k (2021 combined £69k). The comparative figure reflects a year of Covid enforced closures. Donations received on a per visitor basis rose at each site compared to 2021 data.

Sheffield Museums Trust took the decision to make all sites free entry from re-opening in May 2021. Trustees believe that this is a significant step in making Sheffield's museums accessible to a wider audience.

Commercial income is an increasingly important contributor to the income and financial resilience of the trust. The trust operates a wholly owned commercial trading subsidiary SGMT Enterprises Ltd. The trading subsidiary distributes its reserves to the trust by gift aid.

Sheffield Museums Trust Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

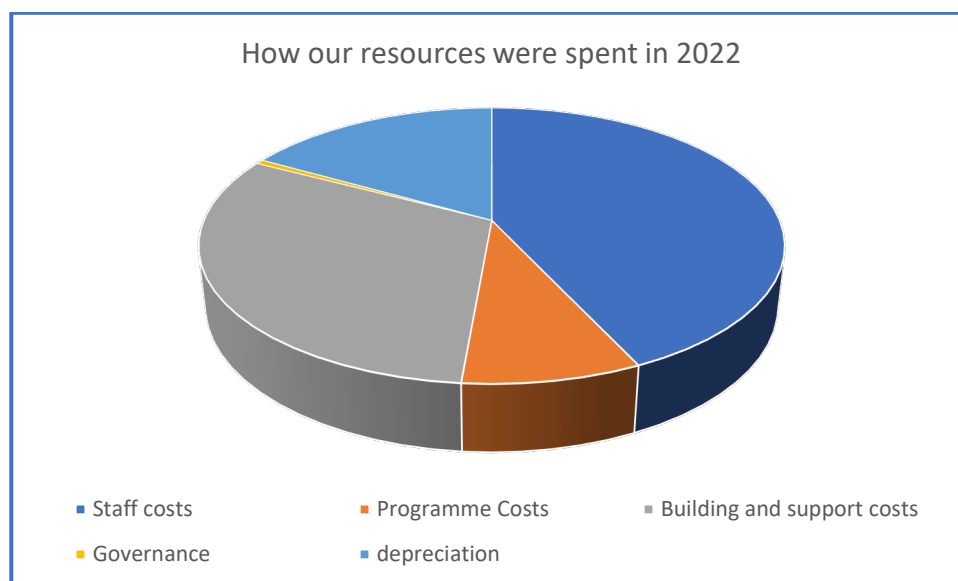
Commercial income for the year was £661k (2021 combined £114k), comparisons to the previous year are not wholly appropriate given the extent of Covid disruption in both years.

Commercial income is generated from retail sales through the museum shops, hospitality bookings and café operations.

Commercial income is in line with expectations and performance indicators such as customer conversion rates, average spend and venue booking pipelines demonstrate positive improvements. SGMT Enterprises Ltd has reported a pre-tax profit of £113k in 2022 (2021 loss £(104)k). A distribution will not be made to the Trust as reserves within the trading company need to be rebuilt.

Expenditure

Expenditure for the year totalled £5,215k (2021 combined £5,012k). Of this £3,943k was unrestricted expenditure (2021 combined £3,732k) and £1,272k was restricted expenditure (2021 combined £1,346k). Of the restricted expenditure a significant £758k relates to depreciation costs.



Expenditure has been well controlled and reflects a lean staffing structure and careful approach to spending.

The main expenditure areas for the trust are staffing costs at £2,336k (2021: combined £2,342k) and site operational costs £1,608k (2021: combined £1,668k). These two areas represent 74% of total expenditure.

The costs of maintenance and the running expenses of the trust's eight operational buildings is a significant expense and concern.

Millennium Gallery and Weston Park Museum are both substantial buildings that are leased from SCC on a full repairing basis. Both buildings are requiring increasing levels of maintenance and repair with some substantial items of plant nearing the end of their lives. The need to sustain stable environmental conditions and the use of full fresh air ventilation to improve visitor conditions means that our energy usage is high and not easily reduced. Energy contracts are regularly reviewed to ensure value for money, but costs are expected to rise. We are involved in sector wide discussions regarding the environmental impact of the requirement to maintain strictly defined environmental conditions for the collection.

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Charity Funds

Restricted Funds

Restricted funds are tied to particular purposes, as specified by the donor or funder. Restricted funds totalled £8,458k at 31 March 2022 (2021 combined £9,165k).

The largest source of restricted funds is the Capital Depreciation reserve. This fund is used to support the depreciation costs of grant funded assets.

Unrestricted Funds

Unrestricted funds comprise those funds that are not subject to specific donor restrictions. Total unrestricted funds at 31 March 2022 increased by £531k to £1,530k from £999k. The positive movement in funds was heavily influenced by gains on the defined benefit pension plan of £746k.

Unrestricted funds include a deficit of £883k relating to Sheffield Museums Trust's Defined Benefit Pension Scheme. This is a closed pension scheme with liabilities transferred into the trust as part of the merger process.

Balance sheet and cashflow

Overall net assets fell by £176k during the year to close at £9,988k from a combined total of £10,164k, mainly due to the decline in restricted reserves. Liquidity was not significantly impacted by the decrease in reserves and cash and cash equivalents rose by £59k to £1,691k from £1,632k. This strong cash balance provides a solid base from which Sheffield Museums Trust can address and adapt to the challenging times ahead.

Looking Ahead

We recognise that we face substantial pressures from the impact of increases in the National Living Wage and other rising costs, particularly energy costs. Our financial plans recognise that we must significantly increase earned income through commercial activity, visitor giving and by finding income generating opportunities throughout our activities. We operate from a lean cost base and savings are not easily identified but we will continue to maintain tight control over expenditure and seek best value.

We will ensure our relevance and in turn our financial resilience by increasing our work with communities, starting with our doorstep communities.

Developing a sophisticated understanding of our audiences, both existing and potential, is a strategic priority over the next three years as we seek to build a strong community of support for the city's museums.

Employees and Volunteers

During 2022 Sheffield Museums Trust employed an average of 100 staff (2021 combined 113 staff) and is supported by an additional 42 workers and 708 volunteers.

All individuals considered for employment are assessed based on their relative experience, knowledge, skills and qualifications.

It is against Sheffield Museums' policy to discriminate either directly or indirectly against any person because of their protected characteristics.

However, we recognise that more needs to be done to achieve our aim of a workforce that is as diverse as the city's population. A Race Inclusion Maturity Assessment undertaken during the year has highlighted the need for change in numerous areas including recruitment procedures. This work is being undertaken supported by the Race Inclusion Steering Group.

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Sheffield Museums Trust recognise that training is an important way in which employees and potential employees develop the knowledge, skills, qualifications and experience necessary for the effective performance of their job. Where training needs are identified through the performance management process, training opportunities will be made available, subject to financial and operational constraints, to all staff.

Volunteers continue to contribute enormously to the trust. Volunteers contributed 3,939 hours (2021: 1,363 hours) of their time and skills to support our service. We run the programme on a strictly practical basis, recruiting volunteers to fit roles and undertake tasks identified by museum staff. All our volunteering opportunities are advertised via the website and to registered volunteers.

Key management personnel remuneration policy and benefits

The trust bases its reward policies and strategies on the needs of the organisation. Salaries in general are determined by reference to similar museum services in the UK, and consistency is ensured by regular evaluation of employees' performance. Senior executive's remuneration is decided by the Trustee remuneration and employment committee which has access to external data. A Personal Pension Plan is available to all staff that is auto-enrolment compliant.

Related parties

The trust has a subsidiary, SGMT Enterprises Limited, which undertakes the non-charitable activities based within the sites operated by the Trust. Any surpluses generated by the activities of the subsidiary are donated to the Trust to support its charitable activities.

Investment policy and returns

The trust does not currently benefit from a surplus of long-term reserves. All cash held is primarily for working capital or specific projects and as a result, is held in liquid accounts at the bank that can be called upon at short notice.

Trustees will review the investment policy as funds grow in the future, although current cash flow projections do not show any significant increase in cash reserves.

Risk management

Trustees are committed to the identification and management of the major risks facing the Trust.

Identification and Governance of Risk

Strong communication throughout the organisation enables risks to be identified. Risks are recorded on a detailed register, the Board Assurance Framework. This register quantifies the impact and likelihood of the risk and identifies influencing factors, mitigations and controls for all major risks identified.

The Risk, Assurance and Governance Committee (RAG) meets at least quarterly, and a review of the Board Assurance Framework (BAF) is a standing agenda item on all meetings. The RAG committee regularly reports to the full Board of Trustees.

Principal Risks

The most significant risks and uncertainties facing the organisation at the time of this report are:

- **Funding and income generation**
The Trust is reliant on the financial support of two main funders, both of whom themselves face financial pressures.

Covid-19 has reduced visitor numbers and as a consequence self-generated income has reduced. Visitor numbers have been slow to return.

Sheffield Museums Trust

Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

- **Increasing costs**

Inflation and the growing demands of the National Living Wage will impact adversely on the finances of the Trust. As we operate from a lean cost base identifying cost reductions that do not adversely affect our impact is a challenging task.

Capacity funding constraints over several years have resulted in a very lean organisation, reliant on committed and loyal staff. Capacity limitations mean that the Trust is not always able to deliver as full a range of activities as it would wish, nor respond to all opportunities. The changing employment market and continuing funding constraints are expected to continue to impact adversely on staffing capacity.

- **Buildings**

The sites that we operate all present unique operating challenges, but a common theme is an historic under investment in maintenance. Past financial constraints have led to a make do and mend approach rather than a considered programme of maintenance and improvement. A number of sites are now at a critical point where this approach is unviable. The Trust is working towards a masterplan for all sites that will address the risks and opportunities at all sites. We will work closely with SCC who own all of the sites and have repair obligations over some of the sites to develop plans.

Reserves Policy

Trustees adopt a risk-based approach to the management of reserves that seeks to balance long term financial sustainability and flexibility with current operational requirements. In assessing the level of free reserves required the Trustees have taken due note of the major risks facing the charity, considered the likelihood of the risks and the potential financial impact of those risks.

The major financial risks that have been considered in determining the level of free reserves required by the trust are the security of the funding that we receive from our major funders; our ability to supplement funding with self-generated income; and the level of expenditure that we need to maintain our buildings in the appropriate conditions to operate as publicly accessible accredited museum and galleries.

At 31 March 2022 Trustees determined that based on the assessment of principal risks the appropriate targeted free reserves level for the trust was £600k. At 31 March 2022 free reserves, calculated as unrestricted funds less fixed assets not included within the restricted capital reserve fund plus the long-term guaranteed defined benefit pension liability, were £1,018k (2021 combined £821k).

The level of free reserves at 31 March 2022 is above the targeted free reserves level. However, Trustees consider this to be appropriate in light of the expected decline in free reserves that is anticipated as a result of standstill funding and increasing costs over the next few years.

Sheffield Museums Trust
Trustees' Annual Report (Including Directors' Report and Strategic Report)

Period Ended 31 March 2022

Statement of trustees' responsibilities

The trustees (who are also directors of Sheffield Museums Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations 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 parent charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Charities SORP 2019 (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and parent charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group 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 charitable company's website. Legislation in the United Kingdom may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditor

In so far as the trustees are aware

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

In approving the Trustees' Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board


[Neil MacDonald \(Aug 23, 2022 14:57 GMT+1\)](#)

Neil MacDonald, Trustee

Date Aug 23, 2022

Sheffield Museums Trust

Independent Auditor's Report to the Members of Sheffield Museums Trust

Period Ended 31 March 2022

Opinion

We have audited the financial statements of Sheffield Museums Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 31 March 2022 which comprise the consolidated statement of financial activities, consolidated and trust balance sheets, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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.

Sheffield Museums Trust

Independent Auditor's Report to the Members of Sheffield Museums Trust

Period Ended 31 March 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

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

Sheffield Museums Trust
Independent Auditor's Report to the Members of Sheffield Museums Trust

Period Ended 31 March 2022

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with management and trustees, and from our knowledge and experiences of the sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, Companies Act 2006, GDPR, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management;
- 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

To address the risks of fraud through management bias and override 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 1q 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.

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.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Sheffield Museums Trust
Independent Auditor's Report to the Members of Sheffield Museums Trust

Period Ended 31 March 2022

Use of our report

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



[Jane Marshall \(Aug 23, 2022 15:00 GMT+1\)](#)

Jane Marshall (Senior Statutory Auditor)
For and on behalf of BHP LLP, Statutory Auditor
2 Rutland Park
Sheffield
S10 2PD

Aug 23, 2022

Sheffield Museums Trust
Consolidated Statement of Financial Activities (including income and expenditure account)
Period Ended 31 March 2022

		2022	2022	2022	Combined 2021
	Note	Unrestricted funds £000	Restricted funds £000	Total £000	Total £000
Income and endowments from:					
Donations and legacies	2	1,022	441	1,463	1,751
Charitable activities	3				
Income from charitable activities		236	-	236	156
Management service charge		1,741	-	1,741	1,841
Other trading activities	4	661	-	661	114
Other	5	46	100	146	681
Total income and endowments		3,706	541	4,247	4,543
Expenditure on:	6				
Raising funds					
Trading activities		(503)	-	(503)	(294)
Fundraising costs		(49)	-	(49)	(189)
Charitable activities					
Exhibitions, collections and participation		(1,001)	(290)	(1,291)	(868)
Operational costs		(2,390)	(982)	(3,372)	(3,661)
Total expenditure		(3,943)	(1,272)	(5,215)	(5,012)
Net (expenditure)		(237)	(731)	(968)	(469)
Transfers between funds		(24)	24	-	
Other recognised gains:					
Remeasurement gain on defined benefit pension plan	25	746	-	746	102
Corporation tax relief		46	-	46	32
			-		
Net movement in funds	22	531	(707)	(176)	(335)
Reconciliation of funds:					
Total funds brought forward	22	999	9,165	10,164	10,499
Total funds carried forward	22	1,530	8,458	9,988	10,164

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year

Sheffield Museums Trust Consolidated & Trust Balance Sheets

As at 31 March 2022

		Group	Trust	Combined Group	Combined Trust
	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Tangible assets	13	9,533	9,488	10,345	10,287
Heritage assets	15	-	-	179	179
		9,533	9,488	10,524	10,466
Current assets					
Stocks	16	62	-	53	12
Debtors	17	288	496	314	544
Cash at bank and in hand		1,691	1,519	1,632	1,579
		2,041	2,015	1,999	2,135
Creditors: amounts falling due within one year	18	(304)	(247)	(420)	(405)
Net current assets		1,737	1,768	1,579	1,730
Total assets less current liabilities		11,270	11,256	12,103	12,196
Creditors: amounts falling due after more than one year	20	-	-	(93)	(93)
Provisions for liabilities	21	(399)	(399)	(376)	(376)
Net assets excluding pension liability		10,871	10,857	11,634	11,727
Defined benefit pension liability	25	(883)	(883)	(1,470)	(1,470)
Net assets		9,988	9,974	10,164	10,257
Charity Funds					
Restricted funds	22	8,458	8,458	9,165	9,165
Unrestricted funds	22	1,530	1,516	999	1,092
Total charity funds	22	9,988	9,974	10,164	10,257

The Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements. The deficit of the Trust only was £283k

The financial statements were approved and authorised for issue by the Board on

Signed on behalf of the board of trustees


Neil MacDonald (Aug 23, 2022 14:57 GMT+1)

Neil MacDonald,
Chair of Board of Trustees
Date **Aug 23, 2022**

The notes on pages 37 to 64 form part of these financial statements.
Company registration number: 13063156

Sheffield Museums Trust
Consolidated Statement of Cash Flows

Period Ended 31 March 2022

Consolidated Statement of Cash flow for the period ended 31 March 2022

	Note	2022 £000	Combined 2021 £000
Net cash flow from operating activities	24	108	685
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(49)	(138)
Net cash flow from investing activities		(49)	(138)
Net increase in cash and cash equivalents		59	547
Cash and cash equivalents at beginning of the period		1,632	1,085
Cash and cash equivalents at end of the period		1,691	1,632
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,691	1,632
Cash and cash equivalents at end of the period	24A	1,691	1,632

Sheffield Museums Trust

Notes to the Financial Statements

Period Ended 31 March 2022

1 Summary of significant accounting policies

(a) General information and basis of preparation

Sheffield Museums Trust is a limited company and charity registered in England. 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 are education, the operation of museums and the care and development of Sheffield's collections.

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.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Following an agreement to transfer the assets, liabilities and undertakings of Sheffield Galleries & Museums Trust and Sheffield Industrial Museums Trust Limited on 1 April 2021, the financial statements of the charity have adopted the merger method of accounting, which involves aggregating the assets, liabilities and funds as a combined entity and presenting them as though they had always been part of the same reporting charity.

The financial statements include the results of the combining charities for the whole of the reporting period in which the merger occurred and present comparative amounts on the same basis to show the aggregated results for the combining charities for the previous reporting period.

On 1 April 2021 Sheffield Galleries & Museums Trust and the Sheffield Industrial Museums Trust Limited, two separate charitable companies combined by mutual agreement to further their common objectives into the Sheffield Museums Trust.

True and fair override

The trustees have concluded the financial statements present fairly the entity's financial position, financial performance and cash flows and that they have complied with applicable legislation, except that it was necessary to depart from the Companies Act 2006 as it is inconsistent with the requirement for the financial statements to show a 'true and fair' view. For the overriding purpose of giving a true and fair view, merger accounting has been adopted in presenting the business combination between Sheffield Galleries and Museums Trust and Sheffield Industrial Museums Trust Limited. Accounting for this business combination as an acquisition and using the purchase method of accounting would not reflect the substance of the transaction. The two individual charities were of comparable size and have combined by mutual agreement to further their common objective. In accordance with FRS 102 paragraph A4.30A the trustees consider merger accounting is a fairer presentation.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the trust and its subsidiary undertakings. The result of the subsidiary are consolidated on a line by line basis.

The trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

Sheffield Museums Trust

Notes to the Financial Statements

Period Ended 31 March 2022

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity 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 charity for particular purposes. The cost 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.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of funding from the Arts Council England National Portfolio Organisations grant programme. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Sheffield Museums Trust

Notes to the Financial Statements

Period Ended 31 March 2022

- Costs of raising funds includes charitable fundraising activities and commercial trading operation expenditure;
- Expenditure on charitable activities includes expenditure incurred on exhibitions, collections and participation; and operational costs including building management, visitor services and overheads
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated to operational costs and other overheads have been allocated on a proportionate basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Expenditure of less than £1,000 is normally not capitalised unless it forms part of a larger project which has either a) an aggregate value in excess of £1,000 or b) has been specifically designated as a capital project by management. In all cases the decision to capitalise expenditure or otherwise will be made on an item by item basis with regard to the nature of the items and the economic benefits derived.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Leasehold land and buildings	4% or period of lease, whichever is lower
Gallery Improvements	4 - 12.5%
Plant and machinery	10%
Fixtures and fittings	10 – 33%
Motor Vehicles	33%

Large scale capital projects are accounted for as capital works in progress. As the project is completed, transfers are made between capital works in progress and the most appropriate fixed asset account.

(g) Heritage assets

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Fair values for donated assets are estimated by reference to market prices.

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

Sheffield Museums Trust

Notes to the Financial Statements

Period Ended 31 March 2022

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geophysical or environmental qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

(h) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

(i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(j) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(k) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(l) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(m) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(n) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(o) Termination

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Sheffield Museums Trust

Notes to the Financial Statements

Period Ended 31 March 2022

The charity also has a closed defined benefit plan for the benefit of employees who were in the scheme at the date of merger. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

(o) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(p) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(q) Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

- i. Useful economic lives of tangible assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment.
- ii. Dilapidations Provision
The provision for dilapidations reflects anticipated future expenditure on the repair of leased premises based on current assessments of the condition and the necessary repairs requirement in the short term. The Trust has full repairing lease obligations for two properties, Weston Park Museum and Millennium Galleries and lesser obligations at other sites.
- iii. Pensions
The pension liability is calculated using assumptions on the discount rate, increases in inflation, salaries, pension and morality. The discount rate is determined by reference to market yields on high quality corporate bonds. The rates of inflation, salaries, pension and morality are detailed in the notes of the accounts.
- iv. Support cost allocations
Allocation of support costs is estimated based on resources used as detailed in the expenditure – operational costs noted above.

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

2 Income from donations and legacies

	2022 £000	Combined 2021 £000
Donations	127	69
Grants	1,336	1,682
	<u>1,463</u>	<u>1,751</u>

Income from donations and legacies was £1,463k (2021 combined - £1,751k) of which £441k (2021 combined - £741k) was attributable to restricted and £1,022k (2021 - £1,010k) was attributable to unrestricted funds.

Included in grants is £814k (2021 combined - £814k) of government grants received from Arts Council England National Portfolio Organisations Programme.

3 Income from charitable activities

	2022 £000	Combined 2021 £000
Charitable activities	236	156
Management Service Charge	1,741	1,841
	<u>1,977</u>	<u>1,997</u>

Income from charitable activities was £1,977k (2021 combined - £1,997k) of which £nil (2021 combined - £78k) was attributable to restricted and £1,977k (2021 combined - £1,919k) was attributable to unrestricted funds.

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

4 Income from other trading activities

	2022 £000	Combined 2021 £000
Commercial trading income	661	114
	661	114

All income from other trading activities was attributable to unrestricted funds.

5 Other income

	2022 £000	Combined 2021 £000
SCC – asset maintenance support	100	-
Other ancillary income	46	4
Coronavirus Job Retention Scheme	-	677
	146	681

Income from other sources was £146k (2021 combined - £681k) of which £100k (2021 combined - £nil) was attributable to restricted and £46K (2021 combined - £681k) was attributable to restricted funds.

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

6 Analysis of expenditure

	2022	2022	2022	2022	2022	2022
	Staff Costs	Programme Costs	Building and overhead costs	Governance	Depreciation	Total
	£000	£000	£000	£000	£000	£000
Raising funds						
Trading activities	257	-	217	6	23	503
Fundraising costs	40	-	9	-	-	49
Charitable activities						
Exhibitions, collections and participation	902	386	-	3	-	1,291
Operational costs	1,137	-	1,377	23	835	3,372
Total Expenditure	2,336	386	1,603	32	858	5,215

	2021	2021	2021	2021	2021	2021
	Staff Costs	Programme Costs	Building and overhead costs	Governance	Depreciation	Total
	£000	£000	£000	£000	£000	£000
Raising funds						
Trading activities	228	-	40	-	26	294
Fundraising costs	136	-	48	5	-	189
Charitable activities						
Exhibitions, collections and Participation	723	124	12	9	-	868
Operational costs	1,138	-	1,432	33	805	3,408
Other	117	-	136	-	-	253
Total Expenditure	2,342	124	1,668	47	831	5,012

Staff costs includes wages and salaries, training and development and other staffing overheads.

Programme costs are the costs of the creative programme, learning programmes and the costs of the care and development of the collections.

Building and overhead costs are the operational costs of maintaining and opening sites and administrative overheads.

£1,272k (2021 combined- £1,346k) of the above costs were attributable to restricted funds. £3,943k (2021 combined- £3,666k) of the above costs were attributable to unrestricted funds.

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

7 Governance costs

	2022 £000	2021 £000
Auditor's fee	23	24
Auditor's remuneration – other	9	3
Professional fees	-	20
	32	47

8 Net expenditure for the period

Net expenditure is stated after charging / (crediting):

	2022 £000	2021 £000
Depreciation of tangible fixed assets	858	831
Loss on transfer of heritage asset to the collection of Sheffield City Council	86	-
Loss on sale of tangible fixed assets	3	-
Operating lease rentals	2	11

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

9 Auditor's remuneration

	2022 £000	2021 £000
Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts	18	20
Fees payable to the charity's auditor and its associates for other services:		
Audit of the charity's subsidiaries	5	4
Taxation compliance	5	3
Other services – independent examination of grant funding	4	-
	14	7
	32	27

10 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2021 combined: £Nil).

The total amount of employee benefits received by key management personnel is £255k (2021 combined - £339k). The trust considers its key management personnel in 2022 to comprise 3 employees – Chief Executive, Director of Programmes and Director of Finance & Resources.

The trustees did not have any expenses reimbursed during the year (2021 combined - £nil).

11 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the period was as follows:

	2022 Number	2022 FTE	2021 Number	2021 FTE
Raising funds	18	11	11	9
Charitable Activities:				
Exhibitions, collections and Participation	38	28	40	24
Operations	44	32	62	37
	100	71	113	70

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

11 Staff costs and employee benefits (continued)

The total staff costs and employee benefits were as follows:

	2022 £000	2021 £000
Wages and salaries	1,898	1,906
Social security	136	132
Pension costs	287	213
Consulting fees	-	62
Termination Payments	15	29
	2,336	2,342

Total redundancy and termination payments amount to £15k (2021 combined - £ 29k) and related to voluntary redundancy payments for 2 staff and termination agreements relating to 4 staff.

Recharged employees

Total payroll costs of £2,375k (2021 - £2,245k) include £ 257k (2021 - £ 228k) of costs that are included in the subsidiary company, SGMT Enterprise Ltd. Of these costs, £157k (2021 - £nil) relates to staff directly employed by SGMT Enterprises Limited, and £99k relates to staff recharged from the parent company to SGMT Enterprises Ltd.

The number of employees who received total employee benefits (excluding employer pension costs of more than £60,000 is as follows:

	2022 Number	2021 Number
£60,001 - £70,000	2	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	3	1

12 Interest payable and similar expenses

	2022 £000	2021 £000
Interest on net defined benefit pension liability	32	99

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

13 Tangible fixed assets - Group

	Leasehold Property Improvements £000	Plant & Machinery £000	Fixtures and fittings £000	Motor Vehicles £000	Total £000
Cost or valuation:					
At 1 April 2021	22,926	969	934	30	24,859
Additions	-	17	32	-	49
Disposals	(11)	-	(27)	-	(38)
At 31 March 2022	22,915	986	939	30	24,870
Depreciation:					
At 1 April 2021	12,964	767	773	10	14,514
Charge for the year	727	65	59	7	858
Eliminated on disposals	(8)	-	(27)	-	(35)
At 31 March 2022	13,683	832	805	17	15,337
Net book value:					
At 31 March 2022	9,232	154	134	13	9,533
At 31 March 2021	9,962	202	161	20	10,345

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

13 Tangible fixed assets (continued)
Tangible fixed assets - Trust

	Leasehold Property Improvements £000	Plant & Machinery £000	Fixtures and fittings £000	Motor Vehicles £000	Total £000
Cost or valuation:					
At 1 April 2021	22,926	969	807	30	24,732
Additions	-	17	28	-	45
Disposals	(11)	-	(27)	-	(38)
At 31 March 2022	22,915	986	808	30	24,739
Depreciation:					
At 1 April 2021	12,964	767	704	10	14,445
Charge for the year	727	65	42	7	841
Eliminated on disposals	(8)	-	(27)	-	(35)
At 31 March 2022	13,683	832	719	17	15,251
Net book value:					
At 31 March 2022	9,232	154	89	13	9,488
At 31 March 2021	9,962	202	103	20	10,287

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

14 Subsidiaries

The consolidated financial statements of Sheffield Museums Trust include the results of SGMT Enterprises Limited, a wholly owned subsidiary.

SGMT Enterprises Limited, is a company registered in the UK with the company registration number 04077686. The registered office of SGMT Enterprises Limited is Leader House, Surrey Street, Sheffield, S1 2LH.

Sheffield Museums Trust owns the entire issued share capital of two ordinary shares of £1 each.

The principal activity of SGMT Enterprises Limited is the operation of shops, cafes, events and hospitality at sites owned by the Trust. A summary of its trading results is shown below.

Statement of income and retained earnings for the year ended 31 March 2022	2022 £'000	2021 £'000
Turnover	660	78
Cost of Sales	(241)	(40)
Staff costs	(257)	(228)
Other operating expenses	(47)	(30)
Other operating income – Coronavirus Job Retention Scheme	-	111
Other income, including grants	7	8
Operating profit/(loss)	<u>122</u>	<u>(101)</u>
Interest payable and other expenses	(9)	(3)
Profit/(loss) before taxation	<u>113</u>	<u>(104)</u>
Tax on profit	(6)	-
Profit/(loss) for the financial year	<u><u>107</u></u>	<u><u>(104)</u></u>
Statement of changes in equity		
Profit and loss account at the beginning of the year	(93)	11
Profit/(loss) for the financial year	107	(104)
Profit and loss account at the end of the year	<u><u>14</u></u>	<u><u>(93)</u></u>
Summary of Financial position	2022 £'000	2021 £'000
Net assets / (Liabilities)	<u><u>14</u></u>	<u><u>(93)</u></u>

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

15 Heritage assets

	Assets held at valuation
	£000
Cost / valuation:	
At 1 April 2021	179
Transferred to Sheffield City Council	(179)
At 31 March 2022	-
Depreciation:	
At 1 April 2021	-
Eliminated on disposals	-
At 31 March 2022	-
Net book value:	
At 31 March 2021	179
At 31 March 2022	-

The sole heritage asset transferred on merger was a Simplex car that was donated to Sheffield Industrial Museum Trust in 1999.

In 2022, the Simplex car was transferred at a value of £92,637 to the collection of Sheffield City Council.

A long-term loan of £92,637 from Sheffield City Council was settled by the transfer of the Simplex car from Sheffield Museums Trust to Sheffield's collections.

This transaction resulted in a recognised loss of £86k that has been charged to charitable activities. However, the transfer settled a long-term creditor and also reflected the Trust's role as a manager of collections rather than as an owner of collections.

The collections managed by Sheffield Museums Trust remain the property of Sheffield City Council and the Trust's management of them is governed by a collection's agreement.

The standards of care adopted by the Trust are governed by the requirements of the National Museum Accreditation Scheme.

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

16 Stocks

	Group	Combined Group	Trust	Combined Trust
	2022	2021	2022	2021
	£000	£000	£000	£000
Goods for resale	62	53	-	12
	<u>62</u>	<u>53</u>	<u>-</u>	<u>12</u>

All stock at the period end is held by SGMT Enterprises Ltd to support commercial trading activities

Impaired stock of £2k (2021 combined - £ nil) has been recognised as an expense.

17 Debtors

	Group	Combined Group	Trust	Combined Trust
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade debtors	70	20	41	20
Prepayments and accrued income	135	130	130	129
Amounts owed by group undertakings	-	-	242	231
Other debtors	83	164	83	164
	<u>288</u>	<u>314</u>	<u>496</u>	<u>544</u>

Provisions for uncollectable debtors related to trade debtors totalled £ 1k (2021 combined - £ nil). The expense recognised during the year in respect of bad or doubtful debts related to trade debtors due totalled £2k (2021 combined - £2k).

18 Creditors: amounts falling due within one year

	Group	Combined Group	Trust	Combined Trust
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade creditors	22	52	22	52
Other tax and social security	70	8	63	8
Accruals and deferred income	212	354	162	339
Other creditors	-	6	-	6
	<u>304</u>	<u>420</u>	<u>247</u>	<u>405</u>

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

19 Operating Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	Combined 2021
	£000	£000
Not later than one year	2	2
Later than one and not later than five years	-	2
Later than five years		
	<u>2</u>	<u>4</u>

20 Creditors: amounts falling due after more than one year

	Group	Combined Group	Trust	Combined Trust
	2022	2021	2022	2021
	£000	£000	£000	£000
Sheffield City Council	-	93	-	93
	<u>-</u>	<u>93</u>	<u>-</u>	<u>93</u>

21 Provisions for liabilities

	Dilapidation Provision £000
At beginning of period	376
Additions during the year	23
At 31 March 2022	<u>399</u>

The provision for dilapidations relates to identified dilapidations at museum sites and is based on building surveyor reports undertaken by a consultant third party. The provision relates wholly to the assets of the Trust.

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

22 Fund reconciliation

Unrestricted funds

	Combined Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses)/ taxation £000	Balance at 31 March 2022 £000
Unrestricted	2,445	3,706	(3,784)	-	46	2,413
Pension reserve	(1,470)	-	(159)	-	746	(883)
Designated funds	24			(24)	-	-
	999	3,706	(3,943)	(24)	792	1,530

	Combined Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses)/ taxation £000	Combined Balance at 31 March 2021 £000
Unrestricted	2,303	3,827	(3,608)	(77)	-	2,445
Pension reserve	(1,459)	-	(113)	-	102	(1,470)
Designated funds	35	-	(11)	-	-	24
	879	3,827	(3,732)	(77)	102	999

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

22 Fund reconciliation (continued)

Restricted funds

	Combined Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers £000	Balance at 31 March 2022 £000
Capital Depreciation Reserve	8,778	-	(758)	118	8,138
Social History Collection Recovery Fund	46	-	(3)	-	43
Acquisition Fund	50	-	2	-	52
Lifecycle Fund	-	100	(11)	-	89
Restricted Projects	291	441	(502)	(94)	136
	9,165	541	(1,272)	24	8,458

	Combined Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers £000	Combined Balance at 31 March 2021 £000
Capital Depreciation Reserve	9,403	-	(725)	100	8,778
Social History Collection Recovery Fund	53	-	(7)	-	46
Acquisition Fund	53	-	(3)	-	50
Restricted Projects	104	753	(543)	(23)	291
	9,613	753	(1,278)	77	9,165

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

22 Fund reconciliation (continued)

Fund descriptions

Restricted funds

The capital depreciation reserve represents restricted grants received to finance capital expenditure. The grants have been recognised as restricted income in the Statement of Financial Activities, but the cost of the assets has been capitalised rather than recognised as expenditure. The reserve is reduced each year by an amount equivalent to the depreciation charged on these assets.

The Social History Collection Recovery fund was created following the receipt of insurance monies to refurbish items that were damaged whilst in a former store at Kelham Island. The aim is to spend the monies on conservation and new storage facilities to improve access to the collection.

The acquisition fund has been set up to allow the Trust to acquire further items for the collections. The source of this is income generated from the sale of surplus assets or donations made specifically for this purpose.

The Lifecycle fund represents income received from Sheffield City Council under the lifecycle provision of the Services Agreement. Lifecycle funding is a contribution towards the maintenance costs of Millennium Gallery and Leader House.

Restricted projects are those where income has been received in the current year to fund future specific activities.

Transfers

Transfers between funds represent fixed asset depreciation

23 Analysis of net assets between funds

	Unrestricted funds 2022 £000	Designated funds 2022 £000	Restricted funds 2022 £000	Total 2022 £000
Fixed assets	1,395	-	8,138	9,533
Cash and current investments	1,474	-	217	1,691
Other current assets / liabilities	(57)	-	103	46
Creditors more than one year	-	-	-	-
Provisions / pensions	(1,282)	-	-	(1,282)
Total	1,530	-	8,458	9,988

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

23 Analysis of net assets between funds (continued)

	Combined Unrestricted funds 2021 £000	Combined Designated funds 2021 £000	Combined Restricted funds 2021 £000	Combined Total 2021 £000
Fixed assets	1,538	-	8,807	10,345
Heritage assets	179	-	-	179
Cash and current investments	1,250	24	358	1,632
Other current assets / (liabilities)	(53)	-	-	(53)
Creditors more than one year	(93)	-	-	(93)
Provisions / pensions	(1,846)	-	-	(1,846)
Total	975	24	9,165	10,164

24 Reconciliation of net expenditure to net cash flow from operating activities

	2022 £000	Combined 2021 £000
Net expenditure for period	(968)	(469)
Depreciation and impairment of tangible fixed assets	858	831
Loss on disposal of tangible fixed assets	3	-
Loss on disposal of heritage assets	86	-
FRS 102 Pension Adjustment	159	77
(Increase) / decrease in stock	(9)	21
Decrease / (increase) in debtors	65	(20)
(Decrease) / increase in creditors	(86)	245
Net cash flow from operating activities	108	685

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

24A Analysis of changes in net debt

	Combined 2021 £000	Cash flows £000	2022 £000
Cash and cash equivalents	1,632	59	1,691
Total net cash	1,632	59	1,691

25 Pensions and other post-retirement benefits

The trust currently provides post-retirement benefits to employees in three ways

a) Defined contribution pension plan – Now pensions

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £30k (2021 - £ 24k).

This is the schemes current open retirement scheme and is auto-enrolment compliant. Employer contributions are currently 3% of basic pay and employee contributions are 5% of basic pay.

b) Defined contribution pension plan – Scottish Widows

From 1 April 1999 until 31 December 2012 employees of Sheffield Galleries and Museums Trust were eligible to join Sheffield Galleries & Museums Trust Group Personal Pension Plan operated by Scottish Widows. Employer contributions to the plan are 7.5% of basic pay.

The amount recognised in the period was £31k (2021 - £32k).

c) Defined benefit pension plans

Employees who transferred from Sheffield City Council to Sheffield Galleries & Museums Trust on 1 April 1998 and employees who transferred to Sheffield Museums Trust from Sheffield Industrial Museums Trust on 1 April 2021 are members of the South Yorkshire Pension Scheme. This is a defined benefit pension plan. The pension plan is funded by the payment of contributions and assets of the plan are held in a separately administered fund.

The most recent comprehensive actuarial valuation of pension plan assets and the present value of the defined benefit obligation were carried out at 31 March 2022.

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

25 Pensions and other post-retirement benefits (continued)

The total cost recognised in the period was as follows:

	2022	Combined 2021
	£000	£000
Current service cost	163	130
Past service cost	-	-
Plan introductions, changes, curtailments and settlements	-	2
Administrative expenses		2
Net interest income / expense	32	33
Recognised in net income / expenditure	195	167
Recognised in other gains / losses	(746)	102
Total cost recognised	551	269

Amounts recognised in the balance sheet were as follows:

	2022	Combined 2021
	£000	£000
Present value of funded obligations	9,340	9,388
Fair value of plan assets	(8,457)	(7,918)
	883	1,470

Changes in the present value of the defined benefit obligations were as follows:

	2022 £000
Opening defined benefit obligation	9,388
Current service cost	163
Past service cost	-
Interest expense	196
Actuarial (gains)	(165)
Contributions by scheme participants	27
Benefits paid	(269)
Closing defined benefit obligation	9,340

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

25 Pensions and other post-retirement benefits (continued)

Changes in the fair value of the pension plan assets were as follows:

	2022 £000
Opening plan assets	7,918
Interest income	164
Actual return on plan assets (excluding interest income)	581
Assets distributed on settlements	-
Contributions by charity	30
Contributions by scheme participants	27
Benefits paid	(263)
Closing plan assets	<u>8,457</u>

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

	2022 £000	Combined 2021 £000
Equity instruments	4,790	3,887
Debt instruments (bonds)	1,992	1,718
Property	724	721
Cash	94	111
Other assets	857	1,481
	<u>8,457</u>	<u>7,918</u>

The return on plan assets was as follows:

	2022 £000	Combined 2021 £000
Interest income	164	161
Actual return on plan assets (excluding interest income)	581	1,143
Total return on plan assets	<u>745</u>	<u>1,304</u>

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

25 Pensions and other post-retirement benefits (continued)

The principal actuarial assumptions used were as follows:

	2022	Combined 2021
Discount rate	2.7 %	2.1 %
Expected rates of salary increases	4.3 %	3.9 %
Expected rates of pension increases	3.3 %	2.8 %
Expected rate of inflation - RPI	3.65%	2.7 %

The mortality assumptions used for longevity (in years) on retirement at age 65 are:

Retiring at the balance sheet date		
- Males	22.6	22.5
- Females	25.4	25.3
Retiring in 20 years		
- Males	24.1	24
- Females	27.3	27.2

26 Events after the end of the period

On 17 February 2022, the Charity Commission issued an order under s105 of the Charities Act 2011 authorising the Trustee of The Sheffield Society for the Encouragement of Art (SSEA) to transfer the assets and liabilities of the SSEA to Sheffield Museums Trust. On 25 July 2022, SMT accepted the transfer of £45,460, the total value of the SSEA assets, in to SMT and created a restricted fund to manage the transferred assets in line with the terms of the transfer agreement.

SSEA had no existing or known liabilities at the date of transfer.

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

27 Related party transactions

Information about related party transactions and outstanding balances is outlined below:

	Income £000	Expenditure £000	Outstanding balances due £000	Commitments £000
SGMT Enterprises Ltd – Trading Subsidiary				
At 31 March 2022		11	242	
At 31 March 2021	-	(8)	231	-
Sheffield City Council – major funder				
At 31 March 2022	1,948	(52)	-	-
At 31 March 2021	1,928	(103)	-	-
DBA Consulting – Interim Chief Executive				
At 31 March 2022	-	7	-	-
At 31 March 2021	-	62	-	-
Richard Abdy – Trustee and Director of A.R. Wentworth (Sheffield) Ltd *		2	-	-
Maxine Greaves – Trustee and Director of True Talk Africa C.I.C **		4	-	-
Arun Singh – Trustee and Director of City Taxis Holdings Ltd **		1	-	-

* During the year, SGMT Enterprises Limited, a subsidiary company of Sheffield Museums Trust, has purchased £2k of goods for resale from A.R. Wentworth (Sheffield) Limited. All purchases have been made on usual commercial terms

** All transactions have been independent of Trustee involvement and on usual commercial terms.

Sheffield Museums Trust

Notes to the Financial Statements

Period Ended 31 March 2022

28 Merger Accounting

Sheffield Museums Trust was incorporated as a charitable company limited by guarantee on 4 December 2020.

Sheffield Galleries & Museums Trust and Sheffield Industrial Museum Trust Limited were merged on 1 April 2021 and as such merger accounting has been used in these financial statements. The assets, liabilities and funds of the combining charities are presented as though they have always been part of the same reporting charity.

The results of the combining charities pre and post merger have been disclosed in the note below in line with SORP requirements. As the merger took place on the first day of the accounting period, the current year statement of financial activities in these financial statements related entirely to the new charitable company.

On 1 April 2021 the activities, assets and liabilities of Sheffield Galleries & Museum Trust and Sheffield Industrial Museums Trust were transferred to Sheffield Museums Trust.

Analysis of principal SoFA components for the previous reporting period

	Sheffield Galleries & Museums Trust £000	Sheffield Industrial Museums Trust £000	Merger adjustments £000	Combined £000
Total income	3,636	973	(66)	4,609
Total expenditure	(4,055)	(1,023)	66	(5,078)
Net income/(expenditure)	(419)	(50)	-	(469)
Other gains/(losses)	202	(68)	-	134
Net movement in funds	(217)	(118)	-	(335)
Total funds brought forward	9,005	1,494	-	10,499
Total funds carried forward	8,788	1,376	-	10,164

The merger adjustment represents the collaborative working of the two entities prior to the merger in respect of the Arts Council NPO. This has no impact on the net assets of the combined entity at the date of the merger.

Sheffield Museums Trust
Notes to the Financial Statements

Period Ended 31 March 2022

28 Merger Accounting (continued)

Analysis of net assets at the date of merger

	Sheffield Galleries & Museums Trust £000	Sheffield Industrial Museums Trust £000	Combined £000
Net assets	<u>8,788</u>	<u>1,376</u>	<u>10,164</u>
Represented by:			
Unrestricted funds	1,674	(675)	999
Restricted income funds	7,114	2,051	9,165
Total funds	<u>8,788</u>	<u>1,376</u>	<u>10,164</u>

29 Tax

	2022 £000	2021 £000
UK corporation tax		
Current tax on income for the year	<u>(46)</u>	<u>(32)</u>
	2022 £000	2021 £000
Museums and Galleries Tax Relief	(52)	(32)
Corporation tax – subsidiary	6	-
Tax credit for the year (see above)	<u>(46)</u>	<u>(32)</u>