



**Annual report and financial
statements**

31 March 2024

Company limited by guarantee
Registration number
01300565 (England and Wales)

Charity registration number
0273984

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Reference and administrative details about the charity, its board and its advisers

Charity name	Collections Trust
Charity number	0273984
Company number	01300565
Registered office	Rutland House 23-25 Friar Lane Leicester LE1 5QQ
Trustees and directors	Ms L Pye (Chair) Mr R Avann Mr R Bending Dr A Bhaugeerutty Ms K Childs Ms N Golding Ms S Johnson Ms A Karia Mr N Klee Ms R Sloss Ms C St Clair Inglis Mr P Stevenson Ms L Turner
Company Secretary and Chief Executive	Mr K Gosling
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling ME19 4JQ
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Trustees' annual report 31 March 2024

The trustees, who are also directors and members under company law, present their report and financial statements for the year ended 31 March 2024. The trustees confirm that the financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: applicable to charities preparing their financial statements in accordance with the Charities SORP (FRS 102). Collections Trust does not fall within the definition of a 'larger charity'.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Collections Trust is a charitable company limited by guarantee (01300565), originally incorporated (as the Museum Documentation Association) on 28 February 1977. It is registered as a charity with the Charity Commission (0273984).

Updated articles of association were adopted by a special resolution of the members at an extraordinary general meeting on 25 July 2023.

Governance

Collections Trust is governed by its board of trustees, who – as noted above – are also directors and members of the company.

Trustees give their time voluntarily and receive no benefits except for the offer of a free copy of Spectrum and discounted conference tickets in order to further their understanding of our work. Any expenses reclaimed are set out in note 6 to the financial statements.

The trustees who served throughout the year ended 31 March 2024 and up to the date these financial statements were approved, except where indicated, were:

Trustees	Appointed / Resigned
Ms L Pye	(appointed 11 December 2023)
Ms C Hampshire	(resigned 31 December 2023)
Mr R Avann	
Mr R Bending	(appointed 24 July 2024)
Dr A Bhaugeerutty	
Ms K Childs	
Ms N Golding	
Ms S Johnson	
Ms A Karia	
Mr N Klee	(appointed 10 October 2024)
Ms S Longmuir	(resigned 13 May 2024)
Dr C Michaels	(resigned 11 December 2023)
Ms T Simpson	(resigned 11 December 2023)
Ms R Sloss	
Ms C St Clair Inglis	(appointed 11 December 2023)
Mr P Stevenson	
Ms L Turner	

The board meets quarterly, with interim meetings as required to deal with specific matters such as the sign-off of major grant applications.

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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Governance (continued)

In addition, an audit committee comprising a sub-group of trustees with an external chair, meets twice a year to monitor and review all aspects of the organisation's financial management. A further sub-group (the commitments committee) reviews the budget, contractual terms and risks of any proposed project with a value over £10,000, as and when required.

Key management personnel

The key management personnel of the charity are the unremunerated trustees and the Chief Executive, the latter a paid employee. Remuneration of the Chief Executive is set by the board and, if deemed appropriate, increased annually by a percentage in line with all other employees.

The Chief Executive is responsible for the overall management of the organisation, leading in particular the organisation's role in developing the Museum Data Service, and acting as company secretary. He works closely with the Deputy Director, who leads the grant-funded activity we deliver as one of Arts Council England's Investment Principle Support Organisations, and the Finance Manager, who takes the lead in day-to-day financial management. All three prepare reports for the board and audit committee, including regular updates to the risk register, and attend their meetings.

OBJECTIVES

Charitable purpose

Our charitable object, set out in our memorandum and articles of association, is to:

Promote the education of the public by the development of museums and similar organisations by all appropriate methods.

Our charitable purpose therefore falls within the scope of the 'advancement of the arts, culture, heritage or science' purpose specified in the Charities Act 2011.

Mission and aims

The mission of Collections Trust is to:

Help museums work with the information that connects collections and audiences.

This mission is fleshed out in our five strategic aims:

- ◆ Continue to build Collections Trust into a dynamic, ambitious sector support organisation, valued around the world as a leader in collections management standards and advice.
- ◆ In partnership with other sector bodies, help UK museums meet the Accreditation standards for managing collections.

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OBJECTIVES (continued)

Mission and aims (continued)

- ◆ Help UK museums make their collections information inclusive and relevant, enriching it with knowledge drawn from a wide range of people.
- ◆ Influence the development of a sustainable, futureproof infrastructure for sharing and storing the UK's digital collections, linked to the wider online cultural heritage ecosystem.
- ◆ Use that infrastructure to develop tools and services that support smarter working with collections across the sector.

PUBLIC BENEFIT

The trustees reaffirm that Collections Trust's charitable purpose is for the public benefit, having given due regard to the Charity Commission's guidance. This benefit is indirect: we ourselves do not work directly with the general public, but we help museums that do.

By 'helping museums work with the information that connects collections and audiences' we deliver two kinds of public benefit. Collections information is essential for the accountability and smooth administration of museums behind the scenes, but it is also the raw material for all audience-facing use of museum objects. Every exhibition, every online resource, every learning session museums deliver depends on existing information being available to those working on that activity, and new information arising from it being recorded for future use.

ACTIVITIES AND ACHIEVEMENTS

In April 2023, we entered a new funding agreement with Arts Council England (ACE), becoming an Investment Principle Support Organisation (IPSO) within the ACE National Portfolio 2023-27. In this role, our focus is two of the investment principles set out in ACE's ten-year strategy, *Let's Create*:

- Dynamism
- Inclusivity and relevance

Dynamism: Museum Data Service

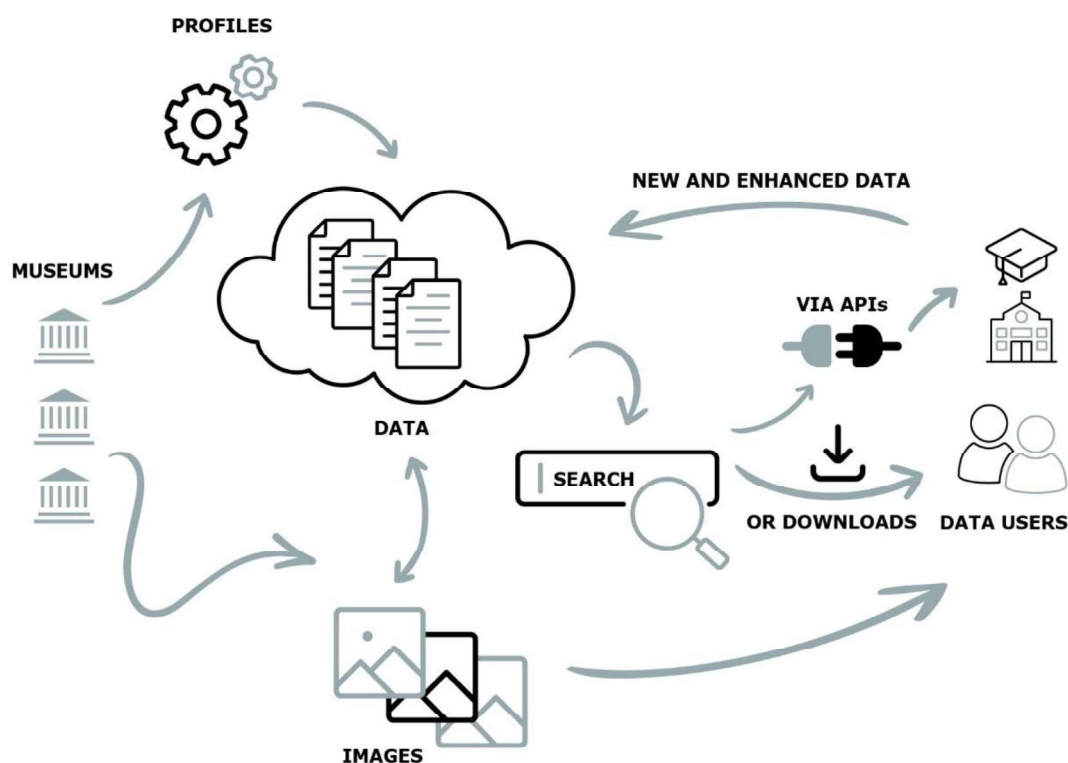
Dynamic collections need dynamic collections information. For decades, UK museums have been held back by systemic difficulties in sharing such information. This has hindered collaboration between museums themselves and with others, often reinforcing the gatekeeper mentality discussed below. It has also made it impossible for policymakers, funders or anyone else to grasp the scope and significance of museum holdings across the country clearly enough to inform a strategic approach to collecting, disposal or digitisation.

For decades, too, Collections Trust has been trying to address this problem, in a funding environment that has often seemed incapable of investing in the necessary infrastructure. It was therefore a huge milestone when, at the Museums Association conference in November 2023, we – and co-founders Art UK and the University of Leicester – unveiled plans for a long-anticipated national **Museum Data Service (MDS)**.

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ACTIVITIES AND ACHIEVEMENTS (continued)

MDS is a transformative new service that aims to connect and share all the object records across all UK museums, providing the raw material for anyone to work with this wealth of knowledge. The diagram below summarises what the service does.



Much of 2023-24 was spent developing the core systems and governance arrangements for MDS, with generous start-up funding (via Art UK) from Bloomberg Philanthropies, a donor that understands very well the value added when data is brought together at scale.

"Bloomberg was founded on a belief in the power of data to drive transparency, efficiency and innovation so it's incredibly exciting that funding from the Bloomberg Philanthropies Digital Accelerator Programme has enabled the development of a project that applies the same vision to the UK's rich and dynamic cultural sector. The Museum Data Service promises to transform the UK's cultural digital infrastructure, and we're thrilled to be part of a collaboration that is breaking down industry silos to make this ambitious idea a reality."

Jemma Read, Global Head of Corporate Philanthropy at Bloomberg

As well as working with developer Knowledge Integration to test and refine the back-end repository, Collections Trust led on launching the MDS website, **museumdata.uk**, working with early adopter museums to develop onboarding processes, and raising awareness through conference presentations and online briefings.

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ACTIVITIES AND ACHIEVEMENTS (continued)

With significant *pro bono* help from Freshfields Bruckhaus Deringer, and input from charity specialists Womble Bond Dickinson, in June 2024, MDS was registered as a company (number 15790086) by founding members Art UK, Collections Trust and the University of Leicester. The company will be registered with the Charity Commission as soon as possible.

The start-up activity throughout the year and beyond bore fruit with the official launch of MDS in September 2024, when an initial three million object records from 21 institutions went live, along with summary guides to many hundreds of further collections.

"Museums are changing. They have always showcased the stories of how we came to be who we are today. But the Museum Data Service is another leap forward in museums' digital capabilities, expanding opportunities for research and collaboration, and preserving the rich history that our museums hold."

Sir Chris Bryant MP, Museums Minister



MDS official launch, 12 September 2024 (photo: James Winspear)

Another significant achievement of the year was that MDS became part of an emerging portfolio of digital infrastructure supported by the Arts and Humanities Research Council (AHRC), recognising the huge research potential of bringing together collection data at scale. In June 2024, the AHRC grant picked up the core running costs of MDS after the end of the Bloomberg-funded start-up, initially to the end of March 2025, but within the context of AHRC's ambitious, long-term ambitions for digital arts and humanities research infrastructure.

"I am pleased that AHRC is funding this exemplary and world-leading piece of digital heritage infrastructure that will make our heritage sector better and more inclusive, as part of our commitment to supporting sustainable digital humanities right across our sectors. This major milestone in the full integration of modern technology and our rich cultural heritage will create a place where anyone can access the immense resources held by our museums."

Professor Christopher Smith, Chair of AHRC

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ACTIVITIES AND ACHIEVEMENTS (continued)

Dynamism: supporting Museum Accreditation

Dynamic collections, of course, start with the staff and volunteers in museums across the country. Those in museums that are officially Accredited by ACE (and its counterparts in the other home nations) look to our collections management standard, **Spectrum**, for guidance. Key parts of Spectrum are embedded in the Accreditation requirements.

The full standard is freely available for museums to use via our much-valued **website**, **collectionstrust.org.uk**, along with a wealth of other collection management resources which, between them, were downloaded 24,000 times during the year.

"I massively use their online resources. I use them in my museum development work all the time in training, forwarding them."

Museum Development stakeholder

In 2023-24, we continued the successful development of **bitesize video content**, publishing five new videos on our **YouTube** channel, which saw a 15% increase in subscribers. Our **LinkedIn** page and collections management group continue to develop too, with the Collections Trust page followers increasing from 3,350 to 5,377 over the year.

To help us stay in touch with our audience, our new **user group** met for the first time in September 2023, giving valuable insights into our website and comms. There was particular praise for the monthly e-newsletter, which goes to over 5000 subscribers, and is seen as the best way to find out about our events and new resources.

Our **outreach** team supports museums to put Spectrum into practice through the ACE-funded outreach programme we run in partnership with the (also ACE-funded) Museum Development (MD) network in England. In a much-valued collaborative approach we pioneered with MD, we offer free days of training and other support according to the proportion of Accredited museums in each region. Overall, we ran 68 such regional sessions over the year, reaching 863 participants. Most of these events were delivered online, a post-Covid trend set to continue for the foreseeable future.

"Museum Development practitioners in England consider the ACE funded activity provided by Collections Trust to be a vital support element to the museums in their regions. The programmes and outreach developed and delivered by Collections Trust are essential for the continued professional and organisational development of museums in England."

Collections Trust external impact evaluation, 2023-24

The team delivered a further 25 online events nationally, reaching over 600 participants. Of these, ten dealt with **accountability for collections**, a swift response to the reports of thefts from the British Museum, and apparently missing items elsewhere, that attracted media scrutiny in autumn 2023. These well-received events attracted a new audience of senior managers and trustees, a welcome development that hopefully signals an increased awareness of the importance of sound documentation for museum governance.

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ACTIVITIES AND ACHIEVEMENTS (continued)

“Museums can feel a bit on their own sometimes. And that’s how the Collections Trust [is] a really useful organisation to work with, because it just helps emphasise the need for accountability in terms of collections and collections management...I’ve drawn upon the resources that they’ve created around this quite positively over the past year.”

Museums Galleries Scotland stakeholder

As in previous years, ACE’s Accreditation partners in Scotland, Wales and Northern Ireland commissioned Spectrum training sessions to help the museums they support meet the required standards. Ten sessions were delivered during 2023-24, to over 100 participants.

Furthermore, we were grateful to the Welsh Government for supporting a **Welsh translation of Spectrum**. The project, managed by the Deputy Director, was carried out by a translator and proofreader with museum backgrounds and included user consultation on the initial glossary of key terms. In March 2024, this version became the eighth translation published on our website, joining Arabic, Dutch, French, Norwegian, Polish, Spanish and Swedish.

Our **Spectrum Partners** not only provide much-appreciated income through their licensing of Spectrum for commercial use, but the collection management systems they develop and supply help museums in the UK and many other countries put the standard into practice. To help connect our Spectrum Partners with museums thinking of buying a new system, or upgrading an existing one, in June 2023 we experimented with an online event called **choosing collections software**. This was extremely well received on all sides, and will become a regularly repeated event.

Inclusivity and relevance

Fifteen of the national outreach events noted above focused on embedding a more inclusive and open approach to cataloguing, as part of our ongoing **rethinking cataloguing** initiative, which began in 2022 with the revision of the relevant Spectrum guidance.

A new strand of work for 2023-24 was the piloting of collaborative **use of collections** projects with museums in local authority areas that ACE is particularly keen to support. These projects aimed to put the new ‘rethinking cataloguing’ guidance into practice and demonstrate the potential of MDS to enable a more inclusive approach to working with collections.

The difficulties of sharing source data with, for example, community co-curators, and of dealing with any text that is not entered directly into collection databases, have long been barriers to collaborative working with collections. To address this problem, we have developed a **‘use of collections’ data model** based on Spectrum and demonstrated how a simple spreadsheet tool can be used to create new text, such as exhibition captions, and save it as MDS-ready re-usable content.

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FINANCIAL REVIEW

During the year, Collections Trust had income, excluding bank interest, of £449,300 (2023: - £371,607). Of this, £255,827 (2023: £235,198) was restricted funding with £234,232 (2023: £234,232) received from the Arts Council England.

Unrestricted income from charitable activities of £193,473 (2023: £136,409) was made up from: retail sales of publications and forms £30,903 (2023: £34,097); Spectrum partnership membership fees £64,043 (2023: £62,628); consultancy projects £86,193 (2023: £27,584); conference ticket sales £5,949 (2023: £5,800) and training income £6,385 (2023: £6,300).

Collections Trust spent £214,084 (2023: £234,232) directly on Arts Council England projects, including staff time. £164,381 (2023: £130,674) was spent on other charitable activities (Other grant funding, retail, Spectrum partnerships, and consultancy).

The year finished with an overall surplus of £73,685 (2023: £7,395). This surplus includes a credit in respect of the pension scheme of £26,000, which is offset against the loss on actuarial valuation included on other recognised gains/(losses). Total funds carried forward were £198,690 (2023: £151,005) of which £158,543 (2023: £131,005) was unrestricted, £20,000 designated (2023: £20,000) and £20,147 (2023: £nil) restricted, giving free reserves (unrestricted funds excluding fixed assets, pension liability, and designated funds) of £155,606 (2023: £128,089).

The balance sheet shows total funds to be in surplus by £198,690 (2023: £151,005), once the defined benefit pension as calculated by the actuary has been taken into account. The final actuarial valuation calculated at cessation of the scheme on 31 May 2024 confirmed that there is no exit credit or cessation debt payable by Collections Trust. The pension scheme asset has been valued at £nil. (2023: £nil).

Reserves policy and position

The organisation's strategic aims, and the risk register, establish that alongside the need for a general reserves fund, there are also both risks and opportunities that require the designation of funds. The reserves policy therefore sets out the following targets and designations:

1. General fund

Three to six months' operational expenditure in free reserves to accommodate variations in income levels, mitigate against any cashflow shortfalls, and meet any unbudgeted expenditure such as parental or sick pay. This figure equates to between £90,000 and £180,000. At 31 March 2024 the organisation held £155,606 (2023: £128,089) in free reserves (unrestricted, undesignated reserves excluding fixed assets and pensions). This equates to approximately four months' operating costs, falling within the target range of the policy.

FINANCIAL REVIEW (continued)

2. Strategic fund

A designated fund of £17,000 to allow for the opportunity and flexibility to invest in strategic initiatives related to the museum data service, and other potential opportunities.

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3. Defined benefit pension fund

A designated fund of £3,000 to cover potential legal and administrative costs of entering into any deferred debt arrangement (DDA) with the pension fund if required. The last active member of the scheme retired on 31 May 2024. As noted above, the final actuarial valuation calculated on cessation of the scheme, confirmed there is no liability, therefore no DDA is needed. Consideration will be given in the coming financial year to the release of this designated fund.

The organisation aims to provide for these reserves through unrestricted surplus funds carried forward at the end of each financial year. This money is invested in bank savings accounts on the most advantageous overall terms, in respect of interest and charges and access, and is regularly reviewed.

Fundraising

The charity does not raise or actively seek to raise funds from the public. The trustees therefore do not consider that they are obliged to make any further disclosures in relation to this area.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing the financial statements. The trustees have made this assessment in respect to a period of at least one year from the date of approval of the annual report and financial statements, and in light of the implications of the current economic downturn, with consideration given to budget forecasts, cashflow, confirmed and pipeline projects.

Further narrative is provided within the assessment of going concern contained within the principal accounting policies at page 22. Based on the information considered, the trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

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PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have considered the strategic risks facing Collections Trust and the measures needed to mitigate them. They consider the key risks and mitigation strategies to be:

Risk	Loss of key member of staff Employee turnover is inevitable, and in a small organisation a lot of institutional knowledge rests with a few key individuals. In particular, the current Chief Executive plans to step down after nearly ten years in 2025.
Tolerance	Medium – the sudden departure of one key member of staff and planned retirement of another – took up time but were not unduly disruptive.
Mitigation	The management team works closely together. Handover procedures and documented processes proved effective. Reserves provide the financial resources to hire interim staff when needed.

Risk	Cyber security CT is reliant on IT and the internet for all its operations. A cyber-attack could compromise its ability to deliver its services and generate income. A data breach could risk litigation and damage to our reputation.
Tolerance	Medium to low – whilst a cyber-attack is unlikely to threaten the existence of Collections Trust, it could take considerable time and resources to resolve an attack and may lead to costly legal fees and fines.
Mitigation	A password management system has been introduced to ensure all passwords are complex, with multi-factor authentication also required for key systems. The level of external IT support has been increased, with support for Cyber Essentials accreditation including mandatory online training on topics such as phishing and password protection.

Risk	Loss of strategic direction and focus during MDS start up As the Museum Data Service becomes a reality, with Collections Trust as one of three founding organisations, there is potential for confusion amongst stakeholders regarding our brand and purpose, and questions around capacity to cope with such change.
Tolerance	Low – the organisation has been working towards this for many years and needs to maximise the current opportunity to deliver on its strategic aims.
Mitigation	Our Investment Principles action plan sets out how the trust will manage the transition, including continued board development and succession planning for board and key staff. It is anticipated that the next Chief Executive will spend less time on MDS than the current one.

Trustees' annual report 31 March 2024

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and accounting standards (United Kingdom Generally Accepted Accounting Practice).

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

- ◆ Select suitable accounting policies and then apply them consistently;
- ◆ Observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ Make judgements and estimates that are reasonable and prudent;
- ◆ State whether applicable UK accounting standards and statements of recommended practice 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 charity will continue in operation.

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

In so far as the trustees are aware:

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


This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

Trustees' annual report 31 March 2024

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The trustees' annual report has been approved by the trustees and signed on their behalf by:

DocuSigned by:

F2D393CDCBD049C...

L Pye
Chair

Date: 11/15/2024

Independent auditor's report 31 March 2024**Independent auditor's report to the members of Collections Trust****Opinion**

We have audited the financial statements of Collections Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards, including 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 charitable company's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 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 and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's report 31 March 2024**Other information (continued)**

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

Independent auditor's report 31 March 2024**Responsibilities of trustees** (continued)

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- ◆ the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- ◆ the 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 focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Companies Act 2006 and data protection legislation.
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, inspecting legal correspondence and reviewing trustee meeting minutes.

Independent auditor's report 31 March 2024

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ reviewed journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

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 trustee meetings; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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 is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report 31 March 2024

Use of our report

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

A handwritten signature in black ink, appearing to read 'Buzzacott LLP', is enclosed in a thin black rectangular box.

Gumayel Miah (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 21 November 2024

Statement of financial activities (incorporating an income and expenditure account)
31 March 2024

	Notes	Un- restricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
Income from:					
Charitable activities	2	193,473	255,827	449,300	371,607
Investments	3	2,850	—	2,850	694
Total income		196,323	255,827	452,150	372,301
Expenditure on:					
Charitable activities:					
. Projects and programmes		—	235,680	235,680	235,198
. Other charitable activities		142,785	—	142,785	129,708
Total expenditure	4	142,785	235,680	378,465	364,906
Net income for the year		53,538	20,147	73,685	7,395
Other recognised (losses)/ gains					
Actuarial (losses) gains in respect to defined benefit pension scheme	19	(26,000)	—	(26,000)	279,000
Net movement in funds		27,538	20,147	47,685	286,395
Total funds brought forward		151,005	—	151,005	(135,390)
Total funds carried forward		178,543	20,147	198,690	151,005

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

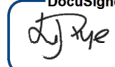
A full comparative statement of financial activities is included at Note 1.

Balance sheet 31 March 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	8		2,937		2,916
Current assets					
Stock	9	1,569		177	
Debtors	10	5,274		8,517	
Cash at bank and in hand		228,209		173,575	
		235,052		182,269	
Liabilities:					
Creditors: amounts falling due within one year	11	(39,299)		(34,180)	
Net current assets			195,753		148,089
Total assets less current liabilities			198,690		151,005
Pension liability	19		—		—
Total net asset (liabilities)			198,690		151,005
The funds of the charity:					
Restricted funds	13	20,147			—
Unrestricted funds:					
. Designated funds		20,000		20,000	
. Pension reserve	13			—	
. General funds	13	158,543		131,005	
Total unrestricted funds	13		198,690		151,005
Total funds			198,690		151,005

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

DocuSigned by:

 F2D393CDCBD049C...

L Pye
 Chair

Date: 11/15/2024

Company registration number: 01300565 (England and Wales)

The attached notes form part of the financial statements.

Statement of cash flows 31 March 2024

	Note	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities:					
Net cash provided by operating activities	14		52,977		13,518
Cash flows from investing activities:					
Interest received		2,850		694	
Purchase of fixed assets		(1,193)		(2,584)	
Cash provided by/(used in) investing activities			1,657		(1,890)
Change in cash and cash equivalents in the year			54,634		11,628
Cash and cash equivalents at the beginning of the year			173,575		161,947
Cash and cash equivalents at the end of the year	15		228,209		173,575

Principal accounting policies 31 March 2024**Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102) and the Companies Act 2006.

The charitable company meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in sterling and are rounded to the nearest pound.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts and have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

Collections Trust (CT) are part of the 2023 to 2026 National Portfolio which means we have confirmation that our ACE grant funding will continue at £234,232 per year through to March 2026. ACE have indicated we are likely to secure an extension to our existing funding agreement to March 2027. Through the confirmed support of Bloomberg Philanthropies for the Museum Data Service (MDS) start-up phase, CT will receive (via Art UK) a further £14,300 for April – May 2024. It is anticipated that the Arts and Humanities Research Council (AHRC) will sustain MDS beyond the start-up, with infrastructure funding confirmed at least to March 2025. CT will receive (via the University of Leicester, UoL) at least £60,641 of this AHRC grant for its continuing work on the core service over that period. Beyond April 2025, it is anticipated that further AHRC support, again via UoL, would continue to cover the cost of CT staff time spent working on MDS, on a full-cost-recovery basis.

In the current financial year, 2024-25, income from Spectrum Partnerships, retail, training and the conference all look healthy and we are forecast to hit the upper end of our reserves target: exceeding the equivalent of 6 months' operating costs for the first time in the past decade.

Critical accounting estimates and areas of judgement

Key judgements and estimates made in the preparation of these accounts include the estimate of the defined benefit pension liability existing at 31 March 2024 which is detailed in note 19. The estimated liability is determined with the support of qualified actuaries. For 2023/24, the actuary has estimated that the scheme is, at 31 March 2024, in a net asset position.

Principal accounting policies 31 March 2024

Critical accounting estimates and areas of judgement (continued)

The asset has not been recognised on the balance sheet on the basis of the trustees' judgement that at the point of approving the financial statements, there is uncertainty as to whether the asset may be realised in terms of future contributions or refunds from the scheme.

Post year end, the finalised position confirmed an exit which will not lead to any additional liability (or asset) for the charity.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the customer, it is probable that the income will be received, and the revenue and associated costs can be reliably measured.

Revenue from the provision of services is recognised when it is probable that Collections Trust will receive the economic benefit and the revenue and associated costs can be reliably measured. For continuing services, revenue is recognised when the stage of completion can be reliably measured.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Expenditure is comprised of direct and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

Principal accounting policies 31 March 2024

Expenditure and irrecoverable VAT (continued)

- ◆ Expenditure on charitable activities includes costs of delivering services, exhibitions and other activities undertaken to further the purposes of the charity and their associated support costs; and
- ◆ Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred and is calculated using the ratio that business income bears to total income.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, payroll and governance costs which support the charitable activities. These costs have been allocated between the various charitable activities. They are allocated based on staff time.

Tangible fixed assets

Items of equipment are capitalised where the assets are expected to have a useful life of more than four years. The capitalisation threshold is £1,000. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- ◆ Computer equipment 25% per annum based on cost

Stock

Stock is included at the lower of cost or net realisable value.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a maturity of three months or less.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

Principal accounting policies 31 March 2024**Pensions**

The charity contributes to a defined benefit scheme operated by Cambridgeshire County Council, which provides benefit based on average pensionable salary. The assets of the scheme are held and managed separately from those of the charity.

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. Any increases in the present value of the liabilities within the charity's defined benefit scheme expected to arise from employee service in the period is allocated to the respective expense category within the statement of financial activities. Actuarial gains and losses are recognised in the statement of financial activities as part of other recognised gains and losses for the period.

The last remaining member of the scheme retired on 31 May 2024 and the charity exited the scheme as of this date. The charity has received the final actuarial report which confirms there is a £nil asset/liability closing position. The charity also offers an auto-enrolment pension scheme into which all new employees are enrolled. Contributions in respect to the personal pension schemes and defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the relevant scheme.

Notes to the financial statements 31 March 2024

1 Detailed comparatives for the statement of financial activities

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £
Income from:				
Charitable activities	2	136,409	235,198	371,607
Investments	3	694	—	694
Total income		137,103	235,198	372,301
Expenditure on:				
Charitable activities:				
. Projects and programmes		—	235,198	235,198
. Other charitable activities		129,708	—	129,708
Total expenditure	4	129,708	235,198	364,906
Net income (expenditure) for the year		7,395	—	7,395
Other recognised losses				
Actuarial gain in respect to defined benefit pension scheme	19	279,000	—	279,000
Net movement in funds		286,395	—	286,395
Total funds brought forward		(135,390)	—	(135,390)
Total funds carried forward		151,005	—	151,005

2 Income from charitable activities

	Un-restricted funds £	Restricted funds £	2024 Total funds £	Un-restricted funds £	Restricted funds £	2023 Total funds £
Projects and programmes						
Arts Council England	—	234,232	234,232	—	234,232	234,232
Welsh Government	—	21,595	21,595	—	—	—
Other charitable activities						
Retail and publishing	30,903	—	30,903	34,097	—	34,097
Spectrum partnership licencing scheme	64,043	—	64,043	62,628	—	62,628
Consultancy	86,193	—	86,193	27,584	—	27,584
Training	6,385	—	6,385	6,300	—	6,300
Conference	5,949	—	5,949	5,800	—	5,800
Other income	—	—	—	—	966	966
Total income from charitable activities	193,473	255,827	449,300	136,409	235,198	371,607

Notes to the financial statements 31 March 2024

3 Income from investments

	Unrestricted funds £	Restricted funds £	2024 Total funds £	Unrestricted funds £	Restricted funds £	2023 Total funds £
Bank interest	2,850	—	2,850	694	—	694

4 Analysis of expenditure

	Restricted		Unrestricted						
	ACE £	Other grant funding £	Retail £	Spectrum £	Consult- ancy £	Training £	Con- ference £	CT Award £	2024 Total £
Expenditure									
Direct costs	36,769	14,520	12,666	345	(5)	85	—	1,000	65,380
Direct staff costs	114,258	6,164	9,257	1,101	74,306	2,452	—	—	207,538
	151,027	20,684	21,923	1,446	74,301	2,537	—	1,000	272,918
Overheads									
Administration overheads	25,572	370	1,774	158	14,489	442	—	—	42,805
Staff overheads	37,485	542	2,599	230	21,238	648	—	—	62,742
	63,057	912	4,373	388	35,727	1,090	—	—	105,547
Total expenditure 2024	214,084	21,596	26,296	1,834	110,028	3,627	—	1,000	378,465
	Restricted		Unrestricted						
	ACE £	Other grant funding £	Retail £	Spectrum £	Consult- ancy £	Training £	Con- ference £	CT Award £	2023 Total £
Expenditure									
Direct costs	19,336	966	16,679	383	—	—	1,222	1,042	39,628
Direct staff costs	162,432	—	10,814	1,900	16,574	2,769	—	—	194,489
	181,768	966	27,493	2,283	16,574	2,769	1,222	1,042	234,117
Overheads									
Administration overheads	52,464	—	6,672	706	6,623	1,286	—	—	67,751
Staff overheads	—	—	27,514	2,911	27,308	5,305	—	—	63,038
	52,464	—	34,186	3,617	33,931	6,591	—	—	130,789
Total expenditure 2023	234,232	966	61,679	5,900	50,505	9,360	1,222	1,042	364,906

Overheads are allocated based on staff time per activity.

5 Net income for the year

This is stated after charging:

	2024 £	2023 £
Depreciation	1,172	467
Auditor's remuneration		
. Audit fees	12,067	11,330

Notes to the financial statements 31 March 2024**6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	254,401	232,730
Social security costs	19,513	19,383
Pension costs	14,514	13,414
Temporary staff costs	6,050	9,734
	294,478	275,261
FRS 102 defined benefit pension adjustment	(12,000)	(8,000)
	282,478	267,261

The following number of employees received employee benefits (excluding employer pension contributions) during the year between:

	2024 £	2023 £
£70,000 – £79,999	—	1
£80,000 – £89,999	1	—

The total employee benefits (being salary, employer's NI contributions, and pension) of the key management personnel were £80,755 (2023: £78,903).

The charity trustees' expenses reimbursed during the year were £400 (2023: £405). The charity trustees were not paid and did not receive any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024 No.	2023 No.
ACE	2.4	3.4
Retail	0.2	0.3
Spectrum	0.0	0.1
Consultancy	1.4	0.2
Training	0.0	0.1
Support	1.2	1.2
	5.2	5.3

7 Taxation

Collections Trust is a registered charity and therefore not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the financial statements 31 March 2024

8 Tangible fixed assets

	Computer equipment £	2024 Total £
Cost		
At 1 April 2023	3,591	3,591
Additions	1,193	1,193
At 31 March 2024	4,784	4,784
Depreciation		
At 1 April 2023	675	675
Charge for the year	1,172	1,172
At 31 March 2024	1,847	1,847
Net book values		
At 1 April 2023	2,916	2,916
At 31 March 2024	2,937	2,937

All of the above assets are used for charitable purposes.

9 Stock

	2024 £	2023 £
Forms and catalogue cards	1,569	177
	1,569	177

10 Debtors

	2024 £	2023 £
Amounts falling due in less than one year:		
Trade debtors	660	1,523
Prepayments	4,614	6,994
	5,274	8,517

11 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	3,852	9,572
Pension contributions	1,063	—
Accruals	28,417	18,982
VAT payable	5,967	5,626
	39,299	34,180

Notes to the financial statements 31 March 2024

12 Analysis of net assets between funds

	Unrestricted £	Restricted £	2024 Total funds £	Unrestricted £	Restricted £	2023 Total funds £
Tangible fixed assets	2,937	—	2,937	2,916	—	2,916
Net current assets	178,543	20,147	195,753	148,089	—	148,089
Net assets at the end of the year	181,480	20,147	198,690	151,005	—	151,005

13 Movement in funds

	At 1 April 2023 £	Income £	Expenditure £	Gains / (losses) and transfers £	At 31 March 2024 £
Restricted funds					
Arts Council England	—	234,232	(214,085)	—	20,147
Welsh Government	—	21,595	(21,595)	—	—
Total restricted funds	—	255,827	(235,680)	—	20,147
Unrestricted funds					
Designated funds					
· Strategic development	10,000	—	—	7,000	17,000
· Defined benefit pension scheme management	10,000	—	—	(7,000)	3,000
	20,000	—	—	—	20,000
General funds	131,005	196,323	(142,785)	(26,000)	158,543
Total unrestricted funds	151,005	196,323	(142,785)	(26,000)	178,543
Total funds	151,005	452,150	(378,465)	(26,000)	198,690

	At 1 April 2022 £	Income £	Expenditure £	Gains / (losses) and transfers £	At 31 March 2023 £
<i>Restricted funds</i>					
<i>Arts Council England</i>					
· Core funding	—	234,232	(234,232)	—	—
· Other income	—	966	(966)	—	—
<i>Total restricted funds</i>	—	235,198	(235,198)	—	—
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
· Strategic development	10,000	—	—	—	10,000
· Defined benefit pension scheme management	10,000	—	—	—	10,000
	20,000	—	—	—	20,000
FRS102 pension liability	(279,000)	—	—	279,000	—
General funds	123,610	137,103	(129,708)	—	131,005
<i>Total unrestricted funds</i>	(135,390)	137,103	(129,708)	279,000	151,005
<i>Total funds</i>	(135,390)	372,301	(364,906)	279,000	151,005

Notes to the financial statements 31 March 2024**13 Movement in funds (continued)**

Restricted funds represent grants for specific purposes, being the ACE grant for delivery of the ACE activity plan 2023-26 (2023: 2018-23) and a grant from the Welsh Government to translate Spectrum into Welsh.

Designated funds comprise £10,000 to allow for strategic development opportunities related to the museum data service or other opportunities that may arise, and £10,000 for the management of the defined benefit pension scheme liability. This second fund is intended as provision for the legal and administrative costs of entering into a deferred debt agreement with the pension fund at the point when the last remaining member of the scheme leaves, and where the fund is in a significant net liability position at that time. Following cessation of the pension scheme on 31 May 2024 in a £nil asset/liability position consideration will be given to release of this designated fund.

Transfers between funds in 2024 relate to a £3,396 surplus on the Welsh Government project which is transferred from the restricted fund into general reserves. This arose from savings in staff time and overheads.

14 Reconciliation of net income to net cash flow from operating activities

	2024 £	2023 £
Net income for the reporting period (as per the statement of financial activities)	73,685	7,395
Depreciation	1,172	467
Interest	(2,850)	(694)
(Increase)/Decrease in stock	(1,392)	1,159
Increase in debtors	3,243	7,372
Increase/(Decrease) in creditors	5,119	(2,181)
Defined benefit pension scheme service and finance cost adjustments	(26,000)	—
Net cash provided by operating activities	52,977	13,518

15 Analysis of cash and cash equivalents

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	173,575	54,634	228,209
	173,575	54,634	228,209

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	161,947	11,628	173,575
	161,947	11,628	173,575

No separate reconciliation of net debt has been prepared as there is no difference between the net cash/(debt) of the charity and the above cash and cash equivalents.

Notes to the financial statements 31 March 2024

16 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

17 Related party transactions

Other than the disclosure provided within note 6 relating to transactions with trustees and the remuneration payable to key management personnel, there were no other related party transactions during the year ended 31 March 2024 (2023- no other transactions).

18 Defined benefit pension commitments

The charity participates in the Cambridgeshire County Council Pension Scheme, a career average revalued earnings (CARE), multi-employer pension scheme. Participation in the scheme is by virtue of the organisation’s status as an admitted body to the fund.

In 2007 the charity was enrolled in a ‘small bodies pool’ within the pension scheme, and whilst in this pool it was not possible to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore defined contribution accounting was applied during this period. In 2019, the Fund decided to disband the Small Bodies Pool, and as such Collections Trust was able to identify its individual funding position.

The triennial valuation as of 31 March 2019 showed a high-risk deficit of £633,000, but this had dropped to a low-risk deficit of only £20,000 in the subsequent triennial valuation. The latter showed a total liability of £1,373,000 against assets of £1,353,000 as of 31 March 2022.

FRS 102

Financial Reporting Standard 102 (FRS 102) requires the surplus or deficit on the scheme as at 31 March 2024, calculated in accordance with the requirements of FRS 102, to be included on the balance sheet. For the purpose of FRS 102, the assets of the scheme have been taken at market value and the liabilities have been calculated by a qualified independent actuary.

In order to assess the actuarial value of the charity’s assets and liabilities as at 31 March 2024, the actuaries have rolled forward the actuarial value of the assets and liabilities of the scheme at 31 March 2022.

The major assumptions used by the actuary in preparing the FRS 102 figures were:

	2024 % per annum	2023 % per annum
Rate of increase in salaries	2.70	2.80
Rate of increase in pension payments	2.70	2.75
Discount rate	4.85	4.75
Rate of inflation - CPI	2.70	2.75

Notes to the financial statements 31 March 2024

19 Pension commitments (continued)

The mortality assumptions used were as follows:

	2024 years	2023 years
Longevity at age 65 for current pensioners		
. Men	21.1	21.7
. Women	23.8	24.3
Longevity at age 65 for future pensioners		
. Men	21.5	22.2
. Women	25.0	25.5

The net movement in the FRS 102 liability during the year was:

	2024 £'000s	2023 £'000s
Net surplus/(deficit) in scheme at 1 April	298	(279)
Prior year adjustment to cap pension asset	(298)	—
Service cost	(13)	(17)
Net interest	14	(8)
Employer contributions	25	25
Re-measurement of the defined liability per actuary	101	577
Net asset / (deficit) in the scheme as per actuarial valuation	127	298
Adjustment recognised within actuarial losses to cap pension asset*	(127)	(298)
Net deficit in scheme at 31 March as recognised on the balance sheet	—	—

*As the net surplus is deemed to be irrecoverable, recognition of the surplus on the balance sheet has been restricted to £nil.

Total expenditure recognised in the statement of financial activities (SOFA) was:

	2024 £000s	2023 £000s
Service cost	13	17
Total expenditure recognised in SOFA	13	17
Employer contributions	(25)	(25)
FRS 102 charge (credit)	(12)	(8)

The net gain recognised in the re-measurements in other recognised gains and losses was:

	2024 £000s	2023 £000s
Actuarial gains on scheme liabilities	14	575
Actuarial gains on scheme assets	87	2
Adjustment to cap pension asset	(127)	(298)
Remeasurement of the defined benefit liability	(26)	279

As pension assets are not deemed recoverable an adjustment to cap the asset value at nil has been made.

Notes to the financial statements 31 March 2024

19 Pension commitments (continued)

Asset and benefit obligation reconciliation:

	2024 £000s	2023 £000s
Defined benefit obligation at 1 April	(1,033)	(1,561)
Current service cost	(13)	(17)
Interest cost	(49)	(43)
Contributions by scheme participants	(3)	(3)
Benefits paid	17	16
Actuarial gains	14	575
Defined benefit obligation at 31 March	(1,067)	(1,033)

Reconciliation of opening and closing balances of the fair value of the charity's share of the scheme assets:

	2024 £000s	2023 £000s
Fair value of scheme assets at 1 April	1,331	1,282
Actuarial gains	87	2
Interest income on assets	63	35
Contributions by employer	25	25
Contributions by scheme participants	3	3
Benefits paid	(17)	(16)
Fair value of scheme assets at 31 March	1,492	1,331

The charity's share of the assets in the scheme were:

	%	Value at 31 March 2024 £'000	%	Value at 31 March 2023 £'000
Equities	63.3	945	69.0	918
Government bonds	9.0	134	4.7	63
Other bonds	13.5	201	9.3	124
Property	9.8	146	8.3	110
Other managed funds	4.4	66	8.7	116
Total market value of assets		1,492		1,331

Contributions

The total contributions payable by the employer in the year were £25,000. At 31 March 2024, there no outstanding contributions due to the scheme.

Contributions to be paid by the charity to the scheme for the year ending 31 March 2025 is £nil.

Actuarial Loss

The actuarial loss in the year reflects the net effect of an actuarial gain as well as the adjustment to cap the overall asset value to £nil.

Notes to the financial statements 31 March 2024

19 Pension commitments (continued)

Closure of the pension scheme post-year end

On 31 May 2024, the last remaining member of the pension scheme retired and the scheme was closed on the same date.

A final actuarial report which was obtained in July 2024, confirming that as of 31st May 2024, the date of cessation, no exit credit or cessation debt is payable by Collections Trust.