

THE NATIONAL GALLERY TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Charity Number: 299509

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Legal and administrative information

The National Gallery Trust was established by a declaration of trust dated 27 April 1988. It was a registered charity from 1988 until 1992 when it became exempt from registration with the Charity Commission under the Charities Act 1992. In 1996 it was re-registered with the Charity Commission (Charity No. 299509).

Address: The National Gallery
Trafalgar Square
London
WC2N 5DN

Trustees: The names of the Trustees who served during the year and since the year end are given below.

John Nelson (Chairman)*
John Booth
Isabel Emo Capodilista*
Charles Sebag-Montefiore
Nicholas Ritblat* (resigned 15 October 2024)
Andrew Ross*
Caroline Thomson
David Symondson* (appointed 15 October 2024)
Katrin Henkel* (appointed 1 September 2025)

* Members of the Investment Committee

Secretary: Victoria Hayes

Bankers: **Coutts & Co**
440 Strand
London
WC2R 0QS

Auditor: **Price Bailey LLP - Statutory Auditor**
24 Old Bond Street
London
W1S 4AP

Investment	Partners Capital, LLP.	Brown Advisory
Advisors:	5th Floor, 5 Young Street	18 Hanover Square
	London	London
	W8 5EH	W1S 1JY

Lawyers: **Farrer & Co LLP**
66 Lincoln's Inn Fields
London
WC2A 3LH

Trustees' Annual Report for the year ended 31 March 2025

Structure, governance, and management

The National Gallery Trust (the Trust) is governed by a Board of Trustees, which meets at least twice a year, with additional sub-committee meetings as and when required. Under a service agreement, administration of the Trust is undertaken by staff of the National Gallery. The Trust does not directly employ any staff thus there are no employees considered to be Key Management Personnel. Trustees are not remunerated.

Power to appoint new Trustees is exercisable by surviving or continuing Trustees. Trustees are normally appointed for a period of four years with the possibility of renewal for a further term and are chosen for their skills and experience. They are fully briefed by the Chairman and Secretary on the objectives of the Trust and their role as Trustees.

The Trustees have established an Investment Committee to consider and monitor the Trust's investment policy and to oversee the appointment and performance of the Trust's fund managers. The Committee has appointed Partners Capital, LLP and Brown Advisory to manage the investment portfolio.

Risk Management

The Trustees regularly review the risks faced by the Trust as part of their review of activities. This review includes a discussion of the level of reserves and the form in which they are held, and of possible future demands on those reserves. In mitigation of the risk that reserves may run too low to meet future needs, at each Board meeting the Trustees review a report on funds that details the balances remaining on both restricted and unrestricted reserves, and the Board will consider any grant applications received in light of these balances. The report on funds includes income forecasts for all income streams.

Risks around investment performance are considered in detail by the Board's Investment Committee, whose work is discussed in detail under the Investment policy on page 4. Other risks relate to the Trust's compliance with charity, legal, taxation and accounting requirements, but this is mitigated through the appointment of the National Gallery to handle administration of the Trust. The Trustees are satisfied that systems are in place to identify and manage risks to which the Trust may be exposed.

Going Concern

Having scrutinised forecasts in light of investment performance and levels of reserves held, Trustees are satisfied that the Trust will be able to meet its financial commitments as they fall due in the period of twelve months following the date of approval of these financial statements. The financial statements have been prepared on the going concern basis.

Basis of preparation

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 (FRS102).

Charitable objects for the benefit of the public

The National Gallery Trust is a charitable trust whose objects are the advancement of education and the charitable objects of the National Gallery. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

The Trust undertakes the majority of its fundraising activity through the National Gallery Development team, for which the Trust is charged a proportion of costs incurred. The Trust aims to achieve its objects by raising money, through trusts and foundations, corporate and individual giving, and by making donations and grants for the advancement of education and in support of the National Gallery's charitable objectives.

Achievements and performance

Activities and results of the Trust

The income of the Trust as detailed in the Statement of Financial Activities on page 10 was £8.4 million (2024: £7.9 million).

As shown in the restricted and unrestricted funds columns of the Statement of Financial Activities, £6.0 million (2024: £5.3 million) of income was for specified purposes and a further £2.5 million (2024: £2.6 million) was raised with no restrictions. Within the £6.0 million there are two grants from the NGT Foundation for £1.0 million and £2.6 million (2024: £1.5 million). The Trust continues to depend on the generosity of individuals, trusts and foundations for its donation income. The Board sets out expectations for income from all sources, including from the patron scheme, when approving the financial budget at each Board meeting.

The Trust made grants to the National Gallery group amounting to £10.3 million (2024: £18.9 million). The grants paid out of restricted funds were to support picture acquisitions (£6.0 million), exhibitions and educational activities (£1.0 million), the curatorial department (£0.6 million), conservation activities (£0.4 million) as well as other activities that totalled £1.2m. Grants of £1.2 million (2024: £1.0 million) were paid out of unrestricted funds. The payment of these grants fulfilled the Trust's charitable objectives of the advancement of education and the charitable objects of the National Gallery.

As at 31 March 2025, reserves totalled £112.1m (2024: £111.7m). This was split between unrestricted reserves of £57.0m (2024: £55.2m) and restricted reserves of £55.1m (2024: £56.4m).

Plans for future periods

The Trust plans to continue to generate resources sufficient to respond appropriately to grant applications and to make grants in furtherance of the Trust's charitable objectives, including concluding the support to the National Gallery's NG200 suite of projects to celebrate the Gallery's bicentenary. Trustees will place specific focus on ensuring that the Trust's investment portfolio is managed in a way that responds as effectively as possible to the risks created by the uncertain investment environment.

In September 2025 it was announced that the Trust would be financially supporting a major project to construct a new wing for use by the National Gallery. Trustees carefully considered the impact of pledging this support on the Trusts reserves, and will be assessing appropriate long and short term investment management strategies in light of this pledge in the coming months.

Policies

Grant-making policy

Grants are made only with the agreement of the Board of Trustees. The Board of Trustees considers applications from the National Gallery and other bodies for grants and makes such grants as seem best calculated to advance education and the charitable purposes of the National Gallery, ensuring always that the requests and stipulations of donors are strictly met.

Reserves policy

The Trustees review the level of funds at each board meeting, together with known and likely future demands on those funds. It is the Trust's policy to continue to build up reserves until they can be expended in furtherance of the charitable objects. The Trustees manage the Trust's reserves so as to achieve the maximum rate of return consistent with the normal level of prudence which should govern the management of charitable funds and with the need to maintain sufficient liquidity to meet grant applications likely to be received.

Unrestricted free reserves total £57.0 million (2024: £55.2 million). The Trustees consider this level of unrestricted reserves to be sufficient to meet future funding obligations and to continue to make grants in furtherance of the Trust's charitable objects. The National Gallery occasionally approaches the Trust when there is an opportunity to acquire a new painting. Such acquisitions are normally high in value and opportunities can arise at any time.

Investment policy

The investment objectives of the National Gallery Trust are to maximise long-term total return while maintaining adequate levels of liquidity to meet the requirements of the reserves policy. The Trustees recognise that risk is part of the investment process and seek to control risk to a level that is consistent with the investment objective as far as possible through asset allocation and diversification.

Trustees place specific focus on ensuring that the trust's investment portfolio is managed responsibly and cognisant of the need to uphold the reputation of the National Gallery. Trustees believe that the incorporation of Environmental, Social and Governance (ESG) factors into the investment strategy and process is integral to delivering sustainable outcomes, managing risk and delivering robust long-term investment returns. The policy provides guidelines given to the investment manager requiring them to incorporate ESG in all aspects of their investment analysis and decision-making process. Trustees support active ownership through direct engagement with management and voting when deemed appropriate, and expect the investment manager to review the engagement policies of underlying third-party funds and where relevant require the investment manager to report on any ESG engagements undertaken by third-party managers as evidence of active ownership.

The majority of funds are placed with a discretionary manager, Partners Capital LLP. The investment portfolio's performance will be evaluated against long-term and short-term benchmarks. In the long term, over a rolling 5-year period, it will be assessed against the target real rate of return. In the short term it will be assessed against indices appropriate to the various asset classes in which it is invested.

The Trust also holds a portion of the liquid element of the investment portfolio with Brown Advisory with the aim of achieving a long term pre-tax real rate of return of 4% in excess of the rate of UK inflation.

The remaining funds are invested in cash deposits earning the best possible rate of return consistent with the liquidity requirements described under the reserves policy. The Trustees have agreed for the

time being that at least £5 million should always be held on cash deposit. As at 31 March 2025, £4.4m was held in cash. Trustees were comfortable with being slightly below the £5m target as at year end on the basis of short term cashflow forecasts indicating a return to above the target in June 25.

At 31 March 2025 the value of the investments in the Partners Capital funds was £84 million, 74% of total investments as at balance sheet date (2024: £81.0m, 74% of total investments). The value of investments in the Brown Advisory funds was £29.3 million, 26% of total investments as at balance sheet date (2024: £28.4m, 26% of total investments).

Fundraising policy

The Trust understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate but does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face to face campaigns.

The Trust is registered with the Fundraising Regulator which has set standards of best practice in fundraising. In the year to 31 March 2025 there have been no failures to comply with the fundraising schemes and standards that the Gallery has committed to (2024: nil). During this period, we received no formal complaints relating to our fundraising activities (2024: nil).

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Charity 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 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 the Charities SORP (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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 charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees on 14/10/25

and signed on its behalf by

John Nelson – Chairman

Independent Auditor's Report to the Trustees of the National Gallery Trust

Opinion

We have audited the financial statements of The National Gallery Trust (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, Balance Sheet and Cashflow Statement 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 charity's affairs as at 31 March 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 6], the trustees 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 charity'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 charity 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 as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charity this included compliance with the Charities Act 2011 and SORP 2019.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management and officers of the Charity. We have also reviewed the procedures in place for the reporting of any incidents to the Board of Trustees including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk.

We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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

A further description of our responsibilities is available on the FRC's website at:
<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Price Bailey LLP

Chartered Accountants

3rd Floor, 24 Old Bond Street

Mayfair

London W1 4AP

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

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

	Note	Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	2	1,857,689	5,376,238	7,233,927	6,645,650
Investments:					
Bank Interest income	2	43,434	41,952	85,386	168,278
Investments dividends income	2	521,779	503,978	1,025,757	1,058,474
Investments interest income	2	39,808	38,450	78,258	55,256
		605,021	584,380	1,189,401	1,282,008
Total income		2,462,710	5,960,618	8,423,328	7,927,658
Expenditure on:					
Raising funds	3	(1,167,468)	-	(1,167,468)	(844,139)
Charitable activities	3	(1,177,759)	(9,132,948)	(10,310,707)	(18,916,479)
Total expenditure		(2,345,227)	(9,132,948)	(11,478,175)	(19,760,618)
Net income before unrealised gains and losses		117,483	(3,172,330)	(3,054,847)	(11,832,960)
Net gains/ (losses) on investments	7 & 8	1,624,543	1,569,121	3,193,665	10,659,710
Foreign exchange gains/(losses) on forward contracts	4	170,169	164,364	334,532	284,685
Net income being net movement in funds		1,912,195	(1,438,845)	473,350	(888,565)
Transfers between funds	7 & 8	(100,000)	100,000	-	-
Net movement in funds		1,812,195	(1,338,845)	473,350	(888,565)
Total funds at 1 April		55,245,476	56,449,961	111,695,437	112,584,002
Total funds at 31 March		57,057,671	55,111,116	112,168,787	111,695,437

All of the above results derive from continuing activities.

For full details of the prior year comparatives please see note 11.

THE NATIONAL GALLERY TRUST

**Balance Sheet
As at 31 March 2025**

		2025		2024	
	Note	£	£	£	£
Fixed assets					
Investments	4		113,277,429		109,405,920
Current assets					
Debtors	5	5,234,265		4,726,791	
Investments	4	1,902		1,835	
Cash at bank and in hand		<u>4,396,308</u>		<u>4,586,305</u>	
		9,632,475		9,314,931	
Liabilities					
Creditors: Amounts falling due within one year	6	<u>(10,741,117)</u>		<u>(7,025,414)</u>	
Net current assets			(1,108,642)		2,289,517
Total net assets			<u>112,168,787</u>		<u>111,695,437</u>
Funds:					
Unrestricted funds	7		57,057,671		55,245,476
Restricted funds	8		55,111,116		56,449,961
Total funds			<u>112,168,787</u>		<u>111,695,437</u>

Approved and authorised for issue by the Board of Trustees on 14/10/25
and signed on its behalf by:

John Nelson - Chairman

THE NATIONAL GALLERY TRUST

Statement of Cash Flows
For the year ended 31 March 2025

		2025		2024	
	Note	£	£	£	£
Cash flows from operating activities:					
Net cash used by operating activities	(i)		(4,669,003)		(6,379,281)
Cash flows from investing activities:					
Dividends and interest	2	1,189,401		1,282,008	
Proceeds from sale of investments	4	20,922,934		42,401,399	
Purchase of investments	4	(17,633,262)		(46,838,411)	
Net cash used in investing activities			4,479,073		(3,155,004)
Change in cash and cash equivalents in the reporting period			(189,930)		(9,534,285)
Cash and cash equivalents at the beginning of the reporting period			4,588,140		14,122,425
Cash and cash equivalents at the end of the reporting period	(ii)		<u>4,398,210</u>		<u>4,588,140</u>

Notes to the Statement of Cash Flows

(i) Reconciliation of net income to net cash flow from operating activities

		2025	2024
		£	£
Net income for the reporting period (as per SoFA)		473,350	(888,565)
Gains on investments	4	(1,804,537)	(10,640,038)
Foreign exchange gains on forward contracts	4	(334,533)	(284,685)
Dividends, interest and rents from investments	2	(1,189,401)	(1,282,008)
Movement in investment cash	4	(5,022,111)	3,721,217
Increase in debtors	5	(507,474)	(920,358)
Increase in creditors and provisions	6	3,715,703	3,915,156
Net cash used by operating activities		<u>(4,669,003)</u>	<u>(6,379,281)</u>

(ii) Analysis of cash and cash equivalents

	2025	2024
	£	£
Cash held with commercial banks	4,396,308	4,586,305
Deposit account (90-day notice)	1,902	1,835
Cash held with commercial banks	<u>4,398,210</u>	<u>4,588,140</u>

(iii) Analysis of changes in net debt

	As at 31 March 2024	Cash flows	As at 31 March 2025
	£	£	£
Cash	4,588,140	(189,930)	4,398,210

THE NATIONAL GALLERY TRUST

Notes to the Financial Statements for the year ended 31 March 2025

1. Accounting Policies

a) Accounting convention

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The functional and presentational currency is pounds sterling and rounding is to the nearest pound.

The Trust is a public benefit entity.

b) Going concern

The financial statements have been prepared on the going concern basis, which the Trustees consider to be appropriate in the context of the Trust's ability to meet its obligations as they fall due in the period of twelve months following the date of approval of these financial statements.

c) Income

All income is recognised in full in the Statement of Financial Activities when the Trust is legally entitled to the income, when receipt is probable and when the amount can be quantified with reasonable accuracy.

Donations are accounted for in the year of receipt. Legacies are included when the legacy has been received or before receipt if there is sufficient evidence to provide the necessary certainty that the legacy will be received.

Investment income is accounted for on an accruals basis and allocated on the basis of fund balances.

d) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category, including an apportionment of overhead and support costs. Support and governance costs incurred by the trading subsidiary are allocated to commercial trading activities, while those incurred in the day-to-day running of the Trust are allocated based on the direct expenditure of the activity. These costs are viewed as expenses of the Trust's unrestricted activities, as are the investment management costs incurred by the Trust. Grants payable are recognised when the grant is communicated to the recipient. Governance costs are the costs associated with the governance arrangements of the Trust which relate to the general running of the charity. These costs include the costs of statutory audit, legal advice for trustees and costs

e) Investments

Investments are stated at fair value at the balance sheet date. The SoFA includes the net gains and losses arising on revaluation and disposals throughout the year.

Unlisted Investments are valued with reference to the most recent valuations provided by the fund managers, all of which were as at year end. The Trust does not believe that there is any evidence of any material reduction in these valuations subsequent to the balance sheet date. These unquoted securities are stated at investment

f) Debtors

The measurement of debtors is based on the anticipated recoverable value of cash or services owed to the group at the end of the year.

g) Current Asset Investments

Current asset investments comprise deposits held for investment purposes with a notice period of thirty days or

h) Cash at bank and in hand

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

i) 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

j) Taxation

The National Gallery Trust is a registered charity and is therefore potentially exempt from taxation of its income and gains to the extent that they fall within Part 10 of the Income tax Act 2007 and section 256 of the Taxation of Chargeable Gains Act 1992.

k) Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the year end. All exchange differences are included in the SoFA.

l) Unrestricted funds

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

m) Restricted funds

Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donors. The purpose for which restricted funds are held is analysed in the notes to the accounts (see note 8).

n) Hedging

Simple forward currency contracts are used within the investment portfolios to minimise the effect of currency fluctuations. These are classified as Held for Trading and are accounted for in accordance with IAS39 as permitted by FRS102, and are valued according to market prices for matching contracts at the balance sheet

o) Financial Instruments

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value as at the balance sheet date. All financial instruments of the charity are measured at cost with the exception of investments in the charity's portfolio, which are measured at fair value as at the balance sheet date using the closing market value. The value of investments as well as their original cost is stated in note 4. Financial assets include investments in the portfolio, the bank balances, trade debtors, accrued income and other debtors but exclude prepayments and taxation. Financial liabilities include trade creditors, other creditors, accruals and deferred income but exclude social security and other taxes due.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. 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.

Other financial instruments are used as part of the Trust's portfolio management and risk management strategy. The Trust's use of other financial instruments during the year ended 31 March 2024 comprised forward dated contracts for the purchase and sale of foreign currencies ("forward FX contracts") which are both initially recognised and subsequently measured at their fair value in the balance sheet with gains and losses recognised

p) *Critical accounting judgements and key sources of estimation uncertainty*

In the application of the charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

THE NATIONAL GALLERY TRUST

Notes to the Financial Statements for the year ended 31 March 2025 (continued)

2. Income

	Unrestricted funds £	2025 Restricted funds £	Total funds £
Income from:			
Donations and legacies			
Donations	1,075,401	5,376,238	6,451,639
Legacies	782,288	-	782,288
	<u>1,857,689</u>	<u>5,376,238</u>	<u>7,233,927</u>
Investments:			
Bank Interest income	43,434	41,952	85,386
Investments dividends income	521,779	503,978	1,025,757
Investments interest income	39,808	38,450	78,258
	<u>605,021</u>	<u>584,380</u>	<u>1,189,401</u>
Total income	<u>2,462,710</u>	<u>5,960,618</u>	<u>8,423,328</u>

	Unrestricted funds £	2024 Restricted funds £	Total funds £
Income from:			
Donations and legacies			
Donations	1,370,367	4,662,420	6,032,787
Legacies	612,863	-	612,863
	<u>1,983,230</u>	<u>4,662,420</u>	<u>6,645,650</u>
Investments:			
Bank Interest income	83,232	85,046	168,278
Investments dividends income	523,530	534,944	1,058,474
Investments interest income	27,330	27,926	55,256
	<u>634,092</u>	<u>647,916</u>	<u>1,282,008</u>
Total income	<u>2,617,322</u>	<u>5,310,336</u>	<u>7,927,658</u>

THE NATIONAL GALLERY TRUST

**Notes to the Financial Statements
for the year ended 31 March 2025 (continued)**

3. Expenditure

	Direct Costs £	2025 Support Costs £	Total £
Raising funds	434,482	1,428	435,910
Investment management fees	729,162	2,396	731,558
	<u>1,163,644</u>	<u>3,824</u>	<u>1,167,468</u>
Charitable activities			
Grants to The National Gallery	10,266,948	33,726	10,300,674
Other grants made	10,000	33	10,033
	<u>10,276,948</u>	<u>33,759</u>	<u>10,310,707</u>
	<u>11,440,592</u>	<u>37,583</u>	<u>11,478,175</u>

	Direct Costs £	2024 Support Costs £	Total £
Raising funds	432,966	913	433,879
Investment management fees	409,396	864	410,260
	<u>842,362</u>	<u>1,777</u>	<u>844,139</u>
Charitable activities			
Grants to The National Gallery	18,554,660	39,140	18,593,800
Other grants made	322,000	679	322,679
	<u>18,876,660</u>	<u>39,819</u>	<u>18,916,479</u>
	<u>19,719,022</u>	<u>41,596</u>	<u>19,760,618</u>

	Total 2025 £	Total 2024 £
Grants to the National Gallery from restricted funds:		
Grants for Curatorial posts	594,263	473,105
Grants towards the exhibition programme	925,209	537,994
Grants for Education activities	62,000	207,000
Grants for Conservation posts	370,447	143,210
Grants towards frame acquisitions and the framing department in general	50,000	-
Grants for building works	217,464	336,311
Grant to the Research Centre	-	38,040
Grant for development activities	69,806	-
Grants towards picture purchases	3,908,759	1,000,000
Grant towards NG200	-	12,000,000
Grant for National Gallery purposes	2,935,000	2,840,000

Other grants made from restricted funds:		
Grants to The Triumph of Art partners	-	297,000

<u>9,132,948</u>	<u>17,872,660</u>
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	Total 2025 £	Total 2024 £
Grants to the National Gallery from unrestricted funds:		
Grants for building and exhibition insurances	119,000	118,000
GBG income to support general Gallery operations	1,000,000	861,000
Grants to support travel for schools	15,000	-

Other grants made from unrestricted funds:		
Grants to Art UK	-	25,000
Grant to the Association for Art History	10,000	-

<u>1,144,000</u>	<u>1,004,000</u>
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	Total 2025 £	Total 2024 £
Breakdown of support costs:		
Accounting and administration services	22,155	21,630
Professional and legal advice	-	9,240
Fees payable to the charity's auditor	12,965	11,399
Other	2,462	(673)
	<u>37,582</u>	<u>41,596</u>

Support costs are allocated in proportion to the direct costs in each area.

The Trust has no employees (2024: nil). The National Gallery provides employees for accounting and other services for which the Trust is charged on an arm's length basis. No Trustees have received any remuneration or reimbursement of expenses during this or the preceding year.

	2025 £	2024 £
Net movement in funds is stated after charging:		
Fees payable to the charity's auditor for the audit of the financial statements	12,965	11,399

THE NATIONAL GALLERY TRUST

Notes to the Financial Statements for the year ended 31 March 2025 (continued)

4. Investments

	Funds / Products £	2025 Cash £	Total £
Fixed assets investments			
Other (Partners Capital LLP)			
Balance at 31 March 2024	79,115,722	1,880,073	80,995,795
Additions	12,585,337	-	12,585,337
Disposal	(17,048,021)	-	(17,048,021)
Unrealised gain / (loss) on revaluation	2,484,351	-	2,484,351
FX Gain/Loss on forward contracts	334,533	-	334,533
Cash movement in the year	-	557,300	557,300
Balance at 31 March 2025	77,471,922	2,437,373	79,909,295
Partners Capital Cash account			
Balance at 31 March 2024	-	-	-
Cash movement in the year	-	4,048,912	4,048,912
Balance at 31 March 2025	-	4,048,912	4,048,912
Partners Capital Balance at 31 March 2025	77,471,922	6,486,285	83,958,207
Other (Brown Advisory Ltd.)			
Balance at 31 March 2024	28,410,125	-	28,410,125
Additions	5,047,925	-	5,047,925
Disposal	(3,874,913)	-	(3,874,913)
Unrealised gain / (loss) on revaluation	(679,814)	-	(679,814)
Cash movement in the year	-	415,899	415,899
Balance at 31 March 2025	28,903,323	415,899	29,319,222
Total fixed assets investments	106,375,245	6,902,184	113,277,429
Current asset investments			
Coutts 90-day notice a/c		1,902	1,902
	-	1,902	1,902
Total investments	106,375,245	6,904,086	113,279,331

Unlisted Investments are valued with reference to the most recent valuations provided by the fund managers, all of which were as at 31 March 2025.

The Trust does not believe that there is any evidence of any material reduction in these valuations subsequent to the balance sheet date. These unquoted securities are stated at investment managers' declared net assets values.

	Funds / Products £	2024 Cash £	Total £
Fixed assets investments			
Other (Partners Capital LLP)			
Balance at 31 March 2023	91,986,948	5,778,453	97,765,401
Additions	20,830,860	-	20,830,860
Disposal	(41,399,721)	-	(41,399,721)
Unrealised gain / (loss) on revaluation	7,412,713	-	7,412,713
FX Gain/Loss on forward contracts	284,685	-	284,685
Cash movement in the year	-	(3,898,143)	(3,898,143)
Balance at 31 March 2024	79,115,485	1,880,310	80,995,795
Other (Brown Advisory Ltd.)			
Balance at 31 March 2023	-	-	-
Additions	26,007,551	-	26,007,551
Disposal	(1,001,677)	-	(1,001,677)
Unrealised gain / (loss) on revaluation	3,227,325	-	3,227,325
Cash movement in the year	-	176,926	176,926
Balance at 31 March 2024	28,233,199	176,926	28,410,125
Total fixed assets investments	107,348,684	2,057,236	109,405,920
Current asset investments			
Coutts 90-day notice a/c		1,835	1,835
	-	1,835	1,835
Total investments	107,348,684	2,059,071	109,407,755

THE NATIONAL GALLERY TRUST

Notes to the Financial Statements for the year ended 31 March 2025 (continued)

4. Investments (continued)

Quoted and other investments by fund type

	2025		2024	
	£	%	£	%
Partners Capital LLP				
Quoted				
Fixed income	2,843,228	3%	2,983,526	4%
Credit	2,058,549	2%	1,190,508	1%
Global equities	4,121,700	5%	5,726,090	7%
Inflation Linked Bonds	2,638,747	3%	2,871,870	4%
Unquoted				
Credit	7,784,175	9%	9,056,291	11%
Absolute return	7,506,885	9%	7,023,860	9%
Hedge equities	5,239,815	6%	5,067,332	6%
Global equities	21,031,261	25%	23,738,693	29%
Core properties	2,707,975	3%	2,983,035	4%
Private equity	21,185,468	25%	18,443,995	23%
Currency Hedge	354,119	0%	30,285	0%
Cash	6,486,285	8%	1,880,310	2%
	83,958,207	100%	80,995,795	100%

	2025		2024	
	£	%	£	%
Brown Advisory Ltd.				
Quoted				
Fixed income	4,440,622	15%	4,427,494	16%
Equities	22,654,866	77%	21,642,822	76%
Alternatives	1,630,908	6%	2,162,883	8%
Cash & Equivalents	592,826	2%	176,926	1%
	29,319,222	100%	28,410,125	100%

5. Debtors

	2025	2024
	£	£
Trade debtors	900	700
Other debtors	37,891	-
Amount due from the NGT Foundation	2,580,000	1,500,000
Prepayments and accrued income	2,537,474	2,994,425
Taxation recoverable	78,000	231,666
	5,234,265	4,726,791

6. Creditors

	2025	2024
	£	£
Amounts falling due within one year:		
Amounts due to the National Gallery	10,723,200	7,007,962
Other tax and social security	4,934	-
Other creditors	-	6,080
Accruals and deferred income	12,983	11,372
	10,741,117	7,025,414

THE NATIONAL GALLERY TRUST

Notes to the Financial Statements for the year ended 31 March 2025 (continued)

7. Unrestricted funds

Movement in resources

	Balance at 1 April 2024 £	Income £	Transfers £	Expenditure £	Investment gain/(loss) £	Balance at 31 March 2025 £
General funds (non-trading)	55,245,476	2,462,710	(100,000)	(2,345,227)	1,794,712	57,057,671
	55,245,476	2,462,710	(100,000)	(2,345,227)	1,794,712	57,057,671

In past years, the Trust has funded specific running costs of the National Gallery. The designated fund for National Gallery specific running costs represents the Trustees' intention to continue to provide such funding.

Prior year unrestricted funds note

Movement in resources

	Balance at 1 April 2023 £	Income £	Transfers £	Expenditure £	Investment gain £	Balance at 31 March 2024 £
General funds (non-trading)	49,102,942	2,617,323	(18)	(1,887,958)	5,413,187	55,245,476
	49,102,942	2,617,323	(18)	(1,887,958)	5,413,187	55,245,476

8. Restricted funds

Movement in resources

	Balance at 1 April 2024 £	Income £	Transfers £	Expenditure £	Investment gain/(loss) £	Balance at 31 March 2025 £
Grants from NGTF restricted to NG	46,249,914	4,066,349	-	(5,892,758)	1,442,692	45,866,197
Exhibitions	1,601,472	618,793	15,000	(925,209)	42,545	1,352,601
Education	729,352	234,215	-	(106,000)	27,850	885,417
Frames	192,973	1,582	-	(50,000)	4,695	149,250
Curatorial	1,637,924	667,174	60,678	(545,263)	59,123	1,879,636
Library	44,352	48,778	-	(5,000)	2,862	90,992
Buildings	710,684	151,054	-	(217,464)	20,923	665,197
Conservation	4,091,813	169,368	24,322	(370,447)	127,145	4,042,201
Gallery administration and strategy	69,807	-	-	(69,807)	-	-
NG fund	1,121,670	3,305	-	(951,000)	5,650	179,625
	56,449,961	5,960,618	100,000	(9,132,948)	1,733,485	55,111,116

The restricted funds above are held for the benefit of the National Gallery. The NG fund can be put towards any aspect of the work of the National Gallery subject to the National Gallery Trust Trustees approving a grant application from the National Gallery. The other funds are more specific and their titles indicate what they can support.

THE NATIONAL GALLERY TRUST

Notes to the Financial Statements for the year ended 31 March 2025 (continued)

8. Restricted funds (continued)

Prior year restricted funds note

	Balance at 1 April 2023 £	Income £	Movement in resources		Investment gain £	Balance at 31 March 2024 £
			Transfers £	Expenditure £		
Grants from NGTF restricted to NG	42,830,439	2,030,842	-	(3,143,131)	4,531,764	46,249,914
Picture purchase	630,869	-	-	(630,869)	-	-
Exhibitions	963,999	1,018,532	16	(537,994)	156,919	1,601,472
Education	690,535	224,351	-	(257,000)	71,466	729,352
Frames	96,850	77,215	-	-	18,908	192,973
Curatorial	926,419	954,855	-	(403,841)	160,491	1,637,924
Library	50,971	46,339	-	(57,304)	4,346	44,352
Buildings	823,000	154,357	2	(336,311)	69,636	710,684
Conservation	3,043,922	790,168	-	(143,210)	400,933	4,091,813
Gallery administration and strategy	62,166	801	-	-	6,840	69,807
NG fund	13,361,890	12,875	-	(12,363,000)	109,905	1,121,670
	63,481,060	5,310,335	18	(17,872,660)	5,531,208	56,449,961

9. Analysis of net assets between funds

	2025				2024			
	Fixed assets £	Current assets £	Current liabilities £	Total 2025 £	Fixed assets £	Current assets £	Current liabilities £	Total 2024 £
Restricted funds								
Grants from NGTF restricted to NG	46,319,525	3,938,752	(4,392,079)	45,866,198	45,301,891	3,857,048	(2,909,023)	46,249,916
Exhibitions	1,365,969	116,154	(129,523)	1,352,600	1,568,645	133,556	(100,729)	1,601,472
Education	894,168	76,035	(84,786)	885,417	714,402	60,825	(45,875)	729,352
Frames	150,726	12,817	(14,292)	149,251	189,018	16,093	(12,138)	192,973
Curatorial	1,898,213	161,413	(179,991)	1,879,635	1,604,350	136,596	(103,022)	1,637,924
Library	91,891	7,814	(8,713)	90,992	43,443	3,699	(2,790)	44,352
Buildings	671,771	57,124	(63,698)	665,197	696,116	59,268	(44,701)	710,683
Conservation	4,082,153	347,123	(387,075)	4,042,201	4,007,940	341,240	(257,367)	4,091,813
Development	-	-	-	-	68,375	5,822	(4,391)	69,806
NG fund for NG purposes	181,399	15,425	(17,201)	179,623	1,098,678	93,543	(70,551)	1,121,670
	55,655,815	4,732,657	(5,277,358)	55,111,114	55,292,858	4,707,690	(3,550,587)	56,449,961
Unrestricted funds	57,621,612	4,899,817	(5,463,758)	57,057,671	54,113,062	4,607,241	(3,474,827)	55,245,476
Total funds	113,277,429	9,632,475	(10,741,117)	112,168,787	109,405,920	9,314,931	(7,025,414)	111,695,437

10. Related party transactions

During the the year ended 31 March 2025, the Trust did not enter into any transactions with related parties (2024: none). Therefore, no related party transactions are disclosed in these financial statements.

Trustees received neither remuneration (2024: nil) or expenses (2024: nil)

There were no other related party transactions (2024: nil).

THE NATIONAL GALLERY TRUST

Notes to the Financial Statements for the year ended 31 March 2025 (continued)

11. Prior year SoFA

Prior Year Statement of Financial Activities for the year ended 31 March 2024

	Unrestricted funds £	Restricted funds £	Total funds 2024 £
Income from:			
Donations and legacies	1,983,230	4,662,420	6,645,650
Investments			
Bank Interest income	83,232	85,046	168,278
Investments dividends income	523,530	534,944	1,058,474
Investments interest income	27,330	27,926	55,256
Total income	2,617,322	5,310,336	7,927,658
Expenditure on:			
Raising funds	(844,139)	-	(844,139)
Charitable activities	(1,043,819)	(17,872,660)	(18,916,479)
Total expenditure	(1,887,958)	(17,872,660)	(19,760,618)
Net gains/losses on investments	5,272,379	5,387,331	10,659,710
Foreign exchange gains/(losses) on forward contracts	140,808	143,877	284,685
Net income being net movement in funds	6,142,551	(7,031,116)	(888,565)
Transfers between funds	(18)	18	-
Net movement in funds	6,142,533	(7,031,098)	(888,565)
Total funds at 1 April 2023	49,102,943	63,481,059	112,584,002
Total funds at 31 March 2024	55,245,476	56,449,961	111,695,437

12. Post Balance Sheet Events

In September 2025 it was announced that the Trust would be financially supporting a project to construct a new wing for use by the National Gallery. Trustees carefully considered the impact of pledging this support on the Trusts reserves, and will be assessing appropriate long and short term investment management strategies in light of this pledge in the coming months.