

Registered number: 00918560
Charity number: 503717

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

**THE IRONBRIDGE GORGE
MUSEUM TRUST**

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	E Appleby (appointed 27 July 2022) D Brammer G Finchett (resigned 27 July 2022) J Francis (appointed 27 July 2022) R Kenyon-Slaney, Deputy Chairman J Kidson M Kirk (appointed 27 July 2022) K Mackenzie, Honorary Treasurer E Nicholson C M Pemberton, Chairman L Potter (resigned 27 July 2022) H Thorne C Walker (appointed 27 July 2022)
Company registered number	00918560
Charity registered number	503717
Registered office	Coalbrookdale Telford Shropshire TF8 7DQ
Chief Executive Officer	Nick Ralls
Senior management team	Nick Ralls, CEO Nick Booth, Collections & Learning Director (appointed 21 February 2022) Karen Davies, Museum Development Director Rory Hunter, Estates, Projects & Facilities Director Abbie King, Chief Operating Officer (appointed 1 September 2022) Kirsty Vlemmiks, Finance Director David Wright, Marketing Director (appointed 4 January 2022) Jamie Watson, Interim Visitor Engagement Director (appointed 1 March 2022, resigned 31 July 2022)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Independent auditors WR Partners
Chartered Accountants
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Bankers Barclays Bank PLC
PO Box 89
Shrewsbury
Shropshire
SY1 2WQ

Investment Managers Quilter Cheviot
8th Floor
2 Snow Hill
Birmingham
B4 6GA

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the Charitable Company (also referred to as the "Trust") for the 1 January 2022 to 31 December 2022. The Trustees confirm that the Annual Report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the second edition Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019).

Strategic Report - Objectives and activities

a. Policies and objectives

The main objective of the Trust is to secure the preservation, restoration, improvement, enhancement and maintenance of features and objects of historical and industrial interest including the provision of an industrial museum and the organisation of meetings, exhibitions, lectures, publications and other forms of instruction relevant to historical and industrial development.

b. Strategies for achieving objectives

The principal activities of the Trust are the preservation of historic properties and the development and management, as an educational charity, of museums relating to the industrial, social and economic history of the Severn Gorge and related areas, with particular reference to the Industrial Revolution. Its trading subsidiary is primarily engaged in the retailing of museum giftware and souvenirs. There were no changes in these activities in 2022.

A new ten-year Manifesto was developed by the Trust in 2021 which sets out the strategic direction of the Trust and its underlying purpose and priorities.

Our purpose The Most Extraordinary District in the World*

The Ironbridge Gorge is the birthplace of the Industrial Revolution. Through our buildings, monuments and collections we tell the stories of this time of transformation and its relevance to us today.

*Charles Hulbert, a visitor to the Gorge, 1837

Our principles: Significance and Relevance

– we INFORM We aim to ensure that the significance of the Ironbridge Gorge as the birthplace of the Industrial Revolution continues to be appreciated.

Knowledge of traditional methods of iron smelting, coal mining, china and porcelain manufacturing, brick making and other processes is fading from living memory. By keeping this knowledge alive, the Museum ensures these skills and crafts are preserved, while helping future generations to understand the importance of the Industrial Revolution and the place it still plays in our modern world.

Our wide breadth of museums, structures, industrial machinery and collections represent many historic industries and communities across the World Heritage Site. They provide a unique opportunity to share the story of the Gorge and how it came to change the world.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic Report - Objectives and activities (continued)

Authenticity and Authority

– we **INSPIRE**

To engage and inspire our audiences in a way that builds trust, we must be authentic. The stories we tell of the Ironbridge Gorge will continue to be supported by thorough research that ensures their historical accuracy, as well as providing engaging detail.

As a leading independent museum in a World Heritage Site, we have a responsibility to be an authority on the international story of our industrial, social and economic past. It is a responsibility that we welcome in every aspect of our work.

Community and Place

– we **INVOLVE**

The UNESCO World Heritage Site designation for Ironbridge is important. By working with and involving partners, we will retain the historic integrity of Ironbridge.

Unlike many other historic estates, which are frozen in time, the Ironbridge Gorge is a thriving community, alongside which the museums and monuments are situated.

This presents an opportunity. We are a key part of the tourism and cultural economy and we will work alongside partner organisations to strengthen the economic benefit for local businesses.

We will develop strong links as part of the local communities with individuals, organisations and public sector bodies to improve engagement and pride in the significance of the Gorge.

The Trust will take a lead and work with these partners to improve the pride and sense of place.

Invention and Experimentation

– we **INNOVATE**

Ironbridge is a place where industrial entrepreneurs experimented and innovated. Transformation and vision are part of our local history.

The Museum is a part of this continuing story of innovation and will embrace this willingness to experiment and be bold and rise to the challenges ahead of us.

Our Strategic Priorities: Protecting our past, looking to our future

Bringing to life the voices of the past
Community, place and partners
Quality visitor experience
Our staff and volunteers
Caring for environment
Financial resilience

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic Report - Objectives and activities (continued)

c. Activities undertaken to achieve objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance.

The Trustees review the activities of the Trust against its aims continually and are satisfied that all activities continue to be related to its goals. No specific issues of detriment or harm have been identified in relation to the continuing public benefit from our charitable activities.

The Trust seeks to build on the success of the past five decades and provide inspirational learning for all ages as well as telling the holistic story of one of the most important industrial World Heritage Sites. The beneficiaries of the Trust's work are, therefore, the people that visit our sites today, as well as future generations to come, as the Trust seeks to expand the number of people who are able to share in the timeless significance of the Ironbridge Gorge World Heritage Site.

The Trust is committed to serving its local communities whilst playing a national and international role in the telling of the story of Ironbridge as the Birthplace of Industry. The Trust works closely with educational institutions by providing stimulating and inventive learning experiences, providing outreach sessions within the community and also in supporting initiatives for individuals or groups with special needs. As a result, the charges made for entry to our sites are kept to the minimum required to remain financially viable and include concessionary rates along with numerous offers and schemes. A number of the sites and monuments within the Trust's care that benefit from the funds raised by the Trust are available for members of the public to visit free of charge.

A number of private benefits do necessarily arise from the activities of the Trust. In particular, the Trust finds it essential to employ and remunerate staff. These private benefits are a required by product of carrying out the Trust's aims. The Trust promotes a strong volunteering policy encouraging individuals to become involved with the organisation. This offers a fulfilling opportunity for the volunteers, often providing them with valuable work experience within a safe and controlled environment and is of great value to the organisation in carrying out its mission whilst minimising private benefits.

Strategic report

Achievements and performance

a. Review of activities

Following the turmoil of the covid-19 period, the Trust was finally able to open all museums during 2022 and welcome visitors back to a full offer. Whilst the year started positively, with visitor numbers initially in excess of expectations (albeit against the much lower winter average), with education numbers also improving as schools started organising trips again. However economic uncertainty and the cost of living crisis triggered by the invasion of Ukraine in late February 2022 adversely impacted visitor sentiment delaying recovery in visitor numbers for the remainder of the year. This impacted the financial results for the year which is discussed later.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report (continued)

Achievements and performance (continued)

The Trust was extremely grateful to be awarded two significant grants towards vital conservation works and was also delighted to be re-awarded Arts Council England (ACE) National Portfolio Organisation (NPO) funding for the period 2023-2026. The Trust was first designated as an NPO in 2018 (prior to this date the Trust was part of the ACE Major Partner Museums programme) which indicates that the Trust is considered to be a leader in the museum sector with a responsibility to contribute to the protection and development of the national arts and cultural ecology.

The Trust also reached its target of raising £1m towards the NLHF 'fund for the future' endowment with the support of numerous donors, legacies, patrons, trusts, and foundations and is extremely grateful to everyone who has supported the Trust in 2022.

Protecting our past, looking to our future

During the year the Trust's sister charity, The Ironbridge Heritage Foundation Limited ("Heritage Foundation"), transferred its assets to the Trust consisting primarily of the freeholds of a number of properties which have historically been occupied, managed and maintained by the Trust and a £4m endowment, the income from which is used to support the Trust. This significant development consolidates all of the historic property occupied by the Trust into the single ownership of the Trust.

The Trust was awarded two significant grants in the year towards essential heritage conservation.

- £1.064m has been awarded from the ACE administered Museum Estate and Development Fund (MEND) part of the Government's Cultural Investment Fund allocated by the Department for Digital, Culture, Media and Sport (DCMS) which will fund vital infrastructure works at Blists Hill including work on:
 - o The Hay Inclined Plane
 - o The foundry
 - o Installation of perimeter fencing
 - o New fire alarm systems
 - o Installation of equipment to reduce energy consumption
- £9.974m from the National Heritage Memorial Fund (NHMF) administered Covid-19 Response Fund part of the Government's Cultural Assets Fund allocated by DCMS. This will pay for vital heritage conservation works across the entire estate identified in the Quinquennial Buildings and Monuments Audit that was carried out by an external conservation accredited architect in 2021. The grant includes an endowment of £4.5m, the income from which will pay for ongoing conservation maintenance.

A requirement of the MEND grant is that the Trust raise 10% of the value of the work and the Trust is grateful for the significant contribution from the Friends of the Ironbridge Gorge Museum Trust towards this target.

Work started on both of these projects in 2022 including vital works to the foundry at Blists Hill and the Grade II listed Boy and Swan Fountain at Coalbrookdale which was cast at Coalbrookdale for the Great Exhibition of 1851.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report (continued)

Achievements and performance (continued)

Bringing to life the voices of the past

Notable research projects in the year included a major cataloguing project on the archive of the writer LTC Rolt. This work funded by a donation from John Freeman, is being completed by Chris Pickford with the assistance of the Art Society Wrekin volunteers and is scheduled to be completed in 2023. It is hoped this will lead to a conference in May 2024 looking at the work of Rolt. Rolt was a prolific English writer and biographer of major civil engineering figures and played a pioneering role in both the canal and railway preservation movements. The Trust was also successful in its application for funding from Newcastle University to carry out research into the Arboretum at Coalbrookdale which commenced in early 2023.

The Senior Curator completed her Hedley Fellowship in November inviting the public to see some of the results of the research as part of the Telford and Wrekin World Heritage Festival held in September. This proved popular with local audiences many of whom shared personal stories of their links with the Coalbrookdale company.

New collection webpages were launched at the end of the year which now include a collections 'blog' and allows the Trust to host 'virtual' exhibitions extending the reach to audiences who may not be able to visit the collections in person.

The Trust took part in the BBC/Culture 24 led project 'Art that Made Us' displaying a watercolour in the Museum of Iron showing 'Shroppies' who were women working in the local mining industries in the 18th and 19th centuries. A new interactive was also installed in the Museum of Iron to help tell the story of iron working in the gorge.

The education team welcomed almost 20,000 school visitors during 2022, not yet at the pre-covid level of 60,000 per annum but significantly higher than the 4,000 received in 2021 during the height of the covid pandemic. The learning team developed new tours for Key Stages One and Two at Jackfield and, at the end of August, the Trust was informed that they had been awarded a Sandford award for Jackfield following the award for Blists Hill in 2021 highlighting the continuing improvement in the education offer. The assessors report stated *"The learning programme at Jackfield Tile Museum provides an inspiring and engaging visit that cannot be replicated in the classroom"*.

Provision for younger children continues to be strengthened with 'Enginuity Explorers' launched in February aimed at children from 2-5 building on the success of 'Bright Sparks' for children from 0-2 and both aim to use the museum's space and collections in an age and stage appropriate way.

Community, place and partners

The Trust commissioned an Economic Impact Assessment in 2021. This estimated that pre Covid the Trust contributed £6.1m Gross Value Added (GVA) to the local economy of Telford & Wrekin and Shropshire and supported an additional 130 additional FTE jobs.

The Trust continues to be a member of the World Heritage Site (WHS) Steering Committee working collaboratively with local partners to ensure the WHS is managed in line with the high standards required by its WHS status. The Trust once again took part in the annual 'Festival of Imagination' in September in celebration of the world heritage site offering complimentary tickets to the local community, special workshops and guided tours.

The Trust again provided free exhibition space to local groups playing host to the Secret Severn Arts Trail at Jackfield for the 8th year running.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report (continued)

Achievements and performance (continued)

In November there was a special Victorian education day held at Blists Hill which formed the public launch of a partnership between IGMT and Shrewsbury Town FC Foundation and Wolverhampton Wanderers Foundation which saw the Costume Project create bespoke 1900 kits for a first team player from each club. IGMT ran a Victorian school room for a school chosen by each club with a special PE session run by staff from the club.

The Trust worked as a heritage consultant on an NLHF funded project at Coalbrookdale Church assisting with interpretation.

The Trust continues to work with other institutions and approved the loan of the Andromeda statue by John Bell to the Royal Academy which is due to go on loan at the end of 2024.

Through its work as a Sector Support Organisation (SSO) the Trust also has an industry leadership role delivering the successful West Midlands Museum Development (WMMD) Programme. As one of only nine organisations to receive ACE grant funding to deliver this national programme the Trust has a responsibility to support museums across the region by encouraging the sharing of knowledge and best practice to drive excellence, raise standards and develop skills to ensure a thriving sector. The programme also seeks to ensure these museums achieve future sustainability through new and innovative ways of providing access to collections, increasing equality and diversity, engaging diverse audiences and improving excellence.

Throughout 2022 the work of the WMMD team continued predominantly through an online support offer, offering training and development opportunities across collections, audiences, workforce development, resilience, inclusive practice and environmental responsibility. The team continued to commission support and training relevant to museum needs in a post-Covid 19 environment, whilst adapting the offer to support museums with emerging sector challenges associated with the cost of living and energy management.

During the period, 69 online training events were attended by 543 participants. WMMD also ran a first post-Covid 19 in-person event offering practical Salvage Training for 15 delegates. Online coffee mornings were developed to offer informal opportunities to share sector news, opportunities, challenges, and case studies. A total of 14 sessions were held, attended by 72 individuals. Accreditation support and guidance was offered to 140 museums in the West Midlands region.

Bid writing support continued through 2022. Through the programme £59,094 was administered through 26 grants, including £27,580 funding from the Art Fund. Grants supported a range of museum activity including developing schools and education offers, audience development, improving environmental sustainability, and collections care.

The team worked collaboratively with national Museum Development Network (MDN) partners to strategically support national needs through the Equity and Inclusion in Museums (EIM) programme, Volunteer Development programme and Carbon Literacy training.

The Trust was successful in securing funding for an additional three years towards the Industrial Heritage Support Officer (IHSO) project, which provides support in the form of advice, networking, training, advocacy, and best practice, to preserved industrial heritage sites open to the public across England with funding now secure until 2025. In the year the Industrial Heritage Support Officer began providing secretarial support to an All-party Parliamentary Group on Industrial Heritage which aims *"to promote the industrial Heritage of the United Kingdom and aim to help support British industrial heritage sites in a time of austerity"*.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report (continued)

Achievements and performance (continued)

Quality visitor experience

One of the Trust's strategic priorities is to ensure every visitor has a quality experience and that their experiences are inspiring, engaging, educational and fun. The Trust carried out regular customer surveys throughout 2022 and benchmarked performance against the Association of Leading Visitor Attractions (ALVA) with the Trust scoring 9.07 out of 10 for overall enjoyment and 75 for Net Promoter Score against the ALVA average of 8.96 and 69 respectively.

In June IGMT introduced two new ticket types to replace the old style passport: the PASS and the PASS PLUS. Whilst both ticket types allow visitors to enjoy 12 months unlimited entry, the PASS PLUS also provides a welcome pack, discounts in catering, retail and events and priority entry and the proportion of visitors opting for the PASS PLUS to date is encouraging with almost half of all visitors opting for the PASS PLUS over the PASS. A key part of the scheme is the link to the CRM system which allows targeted and tailored communications to ticket holders. The next phase of this implementation is to introduce a direct debit capability and it is anticipated that this will be in place by the summer of 2023.

Following two years of disruption due to covid, 2022 saw a number of popular events return with the return of Fireworks at Blists Hill. Other notable events were Steampunk, steam and heavy horse weekends at Blists Hill and the ever popular Victorian Christmas weekends at Blists Hill.

The new brand identity was launched in the summer repositioning the museum in a fresh and contemporary way with new signage and marketing collateral and new branded uniforms and name badges for all visitor facing staff. The website was also updated with the new brand with navigation improved and the inclusion of a new introductory video celebrating the diversity of the offer.

Our staff and volunteers

Inevitably the Trust's volunteering programme suffered during the covid period. However the programme was re-energised during 2022 with all volunteers on the Trust's database contacted to understand their appetite for continuing volunteering. This led to a number of past volunteers no longer wishing to volunteer and a reduction in the number of regular engaged volunteers.

However a number of new volunteers came on board in 2022 with focus on increasing diversity and inclusivity within the volunteer community with adult social care agencies actively sending volunteers with learning disabilities and their carers for newly created volunteer placements.

Corporate volunteering continued with several successful corporate volunteering activities and interest in corporate volunteering opportunities continues to grow. Volunteers assisted with a wide range of activities in 2022 including cataloguing work and archive management with the collections team, acting as tour guides and assisting with the maintenance of the steam exhibits.

In January 2022 a comprehensive training programme was again delivered to all staff and volunteers focusing on safeguarding children and vulnerable adults and providing a welcoming experience for all visitors. The Trust worked in partnership with Guide Dogs for the Blind and Alzheimer's Society to deliver this training. The programme also focused on developing role specific skills and competencies and providing up to date mandatory training for those who require the use of specialised equipment such as fork lift trucks.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report (continued)

Achievements and performance (continued)

Caring for environment

During 2022 further actions to address the recommendations of the 2020 energy audit were carried out including the installation of three voltage optimisers with a further unit to be installed in 2023. It is expected that the installation of voltage optimisers will reduce energy consumption by 10% at the sites where they are installed.

Regular monitoring of energy consumption has continued, made possible by analysing data from half hourly meters which cover approximately 85% of the Trust's annual electricity usage. The Trust is investigating the possibility of monitoring gas consumption in the same way in 2023 using Automated Meter Reading (AMR or 'smart' meters) devices.

Waste collection is provided by Gaskells Waste Services who are recycling 31% and diverting 100% of waste collected from landfill.

Financial Resilience

The financial performance of the Trust is set out in the Financial Review on pages 11 to 14.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

a. Overview

The Annual Accounts for the year to 31 December 2022 are set out at pages 24- 69.

In 2022 the unrestricted net movement in funds was a deficit of £744,541 (2021: £1,462,039 surplus). Included in the unrestricted deficit for 2022 is an actuarial gain on a defined benefit pension scheme of £357,000 (2021: £544,000 surplus) which is excluded in the calculation of free reserves. Excluding the pension surplus, the unrestricted net movement in funds was a deficit of £1,101,541 (2021: £918,039 surplus).

The movement in restricted funds was a deficit of £2,570,105 (2021: £90,802 surplus) giving a combined restricted and unrestricted position of £3,314,646 deficit (2021: £1,552,841 surplus).

The movement on endowment funds was a surplus of £3,950,065 primarily as a result of the transfer of assets from the Ironbridge Heritage Foundation (2021: £333,838 surplus).

b. Review of 2022 Performance

As an independent museum a key priority is to be financially resilient and to generate operating surpluses on a consistent basis.

Following two years of disruption as a result of the covid pandemic, it was anticipated that 2022 would be a more 'normal' year with visitor numbers starting to recover towards pre-covid levels taking two to three years to reach pre-covid levels. However, the economic uncertainty and cost of living crisis, which followed the invasion of Ukraine in February, negatively impacted visitor numbers with visitor numbers for the year at 285,000 falling short of the pre-covid levels of c.450,000 per annum although significantly higher than the 202,000 received in 2021. This resulted in a higher than expected unrestricted deficit for the year.

On a positive note, the Trust was able to run more commercial events in 2022 with fireworks returning in November along with the traditional Victorian Christmas events in December. The PASS PLUS was also launched in 2022 which is a higher priced annual ticket offering additional benefits such as discounts in catering and retail and the take up has been strong resulting in a higher income per visitor. The Trading Company also saw shoots of recovery in 2022 particularly in conference and banqueting as a number of corporates started organising in-person staff events and meetings.

Typically, the Trust generates the majority of its income from visitors through admission charges and secondary spend in its retail and catering outlets. 2022 was also assisted by external support received in 2021 from the Culture Recovery Fund and from the NLHF allowing £1m of its endowment to be converted into a spend-out endowment to assist with the recovery from covid.

The Trust's costs relate to the running of its 10 museums and the care of the 35 scheduled monuments and listed buildings in its care, with employment costs representing over 50% of annual running costs. This cost base continues to be under pressure from wage increases in excess of inflation as a result of the National Living Wage legislation, the increasing cost of maintaining the historic assets and record levels of inflation across its whole cost base.

The restricted and endowment results for the year were impacted by two key events:

- A sister charity, The Ironbridge Heritage Foundation Limited ("Heritage Foundation") transferred its assets and liabilities to the Trust following a resolution of its Trustees in 2021 and the granting of a Charity Commission scheme in June 2022. The primary assets transferred were the freeholds of a number of properties previously occupied and managed by the Trust valued at £3,314,000 and an endowment valued at £3,745,784.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

- Following an external valuation of the Trust's property portfolio, it was identified that there was an impairment in the carrying value of the Blists Hill canal street project and an additional depreciation charge of £5.2m has been recognised in the year.

c. Outlook for 2023

Operating activities

It is expected that the continuing record cost of living increases will continue to impact discretionary spend and that this will continue to impact both visitor numbers and visitor spend during 2023. Inflationary pressures are also anticipated to impact on IGMT's cost base with the largest increases anticipated in employment costs (as a result of 9.68% rise in NLW effective from 1 April 2023) and in the costs of construction materials and services. The Trust has a number of fixed rate contracts in place for utility costs which will insulate the Trust from price increases in 2023 but the current energy crisis highlights the necessity of implementing measures to reduce demand.

The focus for 2023 is therefore on continuing to provide a strong and attractive offer across all our museums and focusing on the value of an annual PASS or PASS PLUS. A strong programme of activities has been planned for 2023 to provide value for money for pass holders and encourage repeat visits and to generate additional income through a number of new paid-for events. The introduction of a direct debit facility is also planned for later in the year to encourage better retention of annual pass holders.

Heritage Conservation

Whilst the Trustees aim to generate an operating surplus each financial year, the Trust is operating in an increasingly competitive leisure market and it is unrealistic to assume that admissions charges can be set high enough to generate sufficient income to fund both operating costs and significant heritage conservation or repair. The Trust has been extremely fortunate to secure two significant grants towards heritage conservation and there will be significant focus in 2023 on delivering ACE MEND projects and NHMF CAF projects. Donations will continue to be sought to fund other essential maintenance and conservation projects and the focus for 2023 will be on raising funds to reinstate a full steam offer at Blists Hill.

d. Reserves policy

The Reserves policy of the Trust is to hold reserves to provide for the future conservation and restoration of the buildings and monuments in its care and to ensure the on going provision of inspirational learning for all. Trustees feel that reserves equivalent to 6 months of core expenditure or £3m is desirable.

The Trust has failed to achieve this target in recent years and reserves have declined as a result of deficits incurred in recent years. Recent events have highlighted the importance of building the Trust's reserves. The Trustees consider a long term target of £3m remains appropriate whilst acknowledging that it will take up to 10 years of consistent surpluses to achieve this level of reserves.

At the year end the total funds are £42,329,231 (2021: £41,114,812) of which: £34,829,995 (2021: £37,400,100) are restricted funds consisting primarily of fixed assets and cash, £2,381,472 (2021: £2,547,013) relate to unrestricted reserves and £5,117,764 (2021: £1,167,699) are an Endowment fund.

Free reserves excluding the pension balance amounted to £2,776,728 deficit (2021: £1,777,033 deficit) and highlight the Trust's reliance on its overdraft and other loan facilities. The winter period is also the period of lowest trading with lower free reserves than the more profitable summer period and the Trust relies on negative working capital during this period.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

e. Going concern and sources of funding

The Trustees have prepared a three year financial forecast for both income and expenditure and cash flow and actual cash flow is monitored on a regular basis.

Despite the impact of covid and the continuing challenges as a result of the current cost of living crisis, the three year plan shows that the Trust remains within its overdraft facility. The Trustees recognise that long term funding will continue to be required as the Trust works towards its free reserves target and that an overdraft facility may not be the most appropriate form of funding and the Trust has recently commissioned an external firm to review the Trusts three year financial plan and to advise on funding options.

The Trustees have identified property assets which could be sold without impacting the visitor offer and have also identified other assets upon which borrowing could be secured if required.

The Trustees have therefore concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

f. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the operations and finances of the Trust, and are satisfied that, where possible, systems and procedures are in place to manage the exposure to the major risks.

The principal risks associated with the organisational activities are as follows:

- A reduction in visitors and subsequent loss of income mitigated by implementing strong and targeted marketing and fund raising strategies;
- Financial fraud and error mitigated by robust processes and procedures which incorporate active segregation of duties;
- Lack of fund raising ability mitigated with a dedicated fund raising team to deliver a targeted fund raising strategy;
- Risk of adverse publicity mitigated with a good maintenance plan and a strong health & safety regime;
- ICT failure mitigated by the implementation and delivery of a forward thinking IT plan and computer and cyber insurance;
- Breach of health and safety mitigated with an active health & safety plan; and
- Business interruption mitigated with a robust business continuity plan.

Whilst the risk of a natural disaster including pandemic was included in the Trust's risk register prior to outbreak of covid 19, the scale of the crisis experienced over recent years was not anticipated.

g. Investment policy and performance

Investments are included at their market value at 31 December 2022. The investment powers of the Trustees are limited to those available under Charity legislation. The Trust manages its investment in line with its Investment Policy Statement which is approved by the Board and reviewed annually. The Trust seeks to produce the best financial return within an acceptable level of risk and the investment and the investment objective is to achieve a balanced return from both income and capital growth over the medium to long term.

The Trust has appointed a professional investment manager, Quilter Cheviot, to support the management of its investments.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

h. Fundraising activities and income generation

The Trust reviews its fundraising activities on a regular basis in line with the Fundraising Regulator's Fundraising Code.

Structure, governance and management

a. Constitution

The Trust is a charitable company limited by guarantee and was set up on 18 October 1967. It is governed by the Memorandum and Articles of Association last amended on 27 July 2022. There is also a trading subsidiary, Ironbridge Gorge Trading Company Limited (registered number: 01343616) which carries out trade on behalf of the charity including retail, catering and conference & banqueting.

The Articles of Association provide the registration of members of the company and there are currently 68 members. Membership is awarded through resolution of the Trustees from people who have shown a commitment to the Trust.

The company and the group is constituted under a Trust deed and the company's registered charity number is 503717.

b. Methods of appointment or election of Trustees

Trustees are approved at the Annual General Meeting as set out in the Articles of Association. There are currently 11 Trustees. The Board met 11 times during 2022.

The Trustees are empowered to appoint a Chief Executive who is responsible for the management of the business from the policy set out by the Board.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

There are a number of sub committees of the Board. Trustees who served on committees during the year and up to the date of signing the financial statements are shown below.

	Audit	Nomination & Membership	HR, Welfare & Remuneration	Collections & Learning	Development	Finance	Health & Safety	Marketing & Sales	Diversity, Inclusion & Relevance	Environmental & Sustainability
E Appleby								✓		
D Brammer	✓	✓					✓		✓	
G Finchett								✓		
J Francis								✓		
R Kenyon-Slaney		✓	✓		✓	✓				
J Kidson					✓	✓				
M Kirk						✓				✓
K Mackenzie	✓	✓	✓			✓				
E Nicholson				✓			✓		✓	
CM Pemberton		✓	✓	✓	✓	✓				
L Potter							✓			
H Thorne						✓				
C Walker	✓		✓			✓				

Audit Committee

D Brammer
K Mackenzie
C Walker

Nomination & Membership Committee

D Brammer
K Mackenzie
CM Pemberton
R Kenyon-Slaney

HR, Welfare & Remuneration Committee

K Mackenzie
R Kenyon-Slaney
CM Pemberton
C Walker

Collections and Learning Committee

E Nicholson
CM Pemberton

Development Committee

R Kenyon Slaney
J Kidson
C M Pemberton

Finance Committee

R Kenyon Slaney
J Kidson
M Kirk
K Mackenzie
CM Pemberton
H Thorne
C Walker

Health and Safety Committee

D Brammer
L Potter
E Nicholson

Marketing & Sales Committee

E Appleby
J Francis

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

Diversity, Inclusivity & Relevance Committee	Environmental & Sustainability
--	--------------------------------

D Brammer
G Finchett
E Nicholson

M Kirk

d. Policies adopted for the induction and training of Trustees

The composition of the Trustee Board is regularly assessed. Members of the Trust are recruited by a number of methods including external advertisement and interview, personal referral, or recommendation but each appointment is subject to a strict interview process carried out by the Nominations & Membership Committee. Members are provided with an information pack containing details of the constitution and history of the organisation, its structure, activities and objectives, roles and expectations of Trustees, plus other supporting information. Persons nominated during the year are appointed by the Trustee Board and confirmed by a vote of members at the Annual General Meeting.

The induction process for Trustees includes meetings with the Chairman and Chief Executive. Trustees are provided with a reference folder containing information on the activities and financing of the Trust, management structures, meeting schedules and Charity Commission guidance, and codes of conduct related to the roles and responsibilities of Trustees.

Trustees are given the opportunity to attend relevant training courses throughout the year. Events held during the year also provide opportunities for Trustees to meet with other members and managers within the organisation, a direct source of views on the relevance of the Trust's activities and services.

e. Remuneration policy for key management personnel

Senior Management Team who served during the year (key management personnel)

Nick Ralls – Chief Executive Officer

Nick Booth – Collections & Learning Director (from 21 February 2022)

Karen Davies – Museum Development Director

Rory Hunter – Estates, Facilities and Special Projects Director

Abbie King – Chief Operating Officer (from 1 September 2022)

Kirsty Vlemmiks – Chief Financial Officer

David Wright – Marketing and Sales Director

Jamie Watson – Interim Visitor Engagement Director (from 1 March 2022 to 31 July 2022)

The remuneration of the Senior Management Team is set by the HR, Welfare & Remuneration Committee using industry standard indices.

f. Related party relationships

The Trust worked closely with the Ironbridge Heritage Foundation Limited, The Friends of the Ironbridge Gorge Museum, Rosehill Trust and the Ironbridge Gorge Trading Company Limited (a subsidiary company) throughout 2022.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

g. Financial risk management

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

Plans for future periods

Future developments

Increasing visitor numbers and the yield per visitor remains fundamental to the long-term sustainability of the Trust, and the Trust will seek to grow visitor numbers and to develop new income streams and exploit existing opportunities through the use of its collections, exhibition programme and the creative use of its historic assets.

Specifically, the Trust will focus on attracting new visitors and increasing repeat visits by having a consistently strong core offer and a programme of events with new events planned for 2023 including 'Horrible Histories' and a 'Fashion Show' showcasing the work of the Trust's Costume Project and working with design students from community sixth form college. There will be continued focus on explaining the benefits of the PASS PLUS to visitors with a direct debit capability due to be launched in the summer of 2023.

2023 sees the 50th anniversary of the opening of Blists Hills with a number of events planned including a special weekend of activities at Blists Hill to mark the anniversary on 1 April and a lecture to be given by Sir Neil Cossons in July entitled 'The Foundation and Early Days of Blists Hill Open Air Museum'.

A significant amount of work paid for from the ACE MEND and NHMF Covid Response Fund grants will be carried out in 2023 including the replacement of the roof at the Museum of the Gorge and vital works at Blists Hill to improve security of the site. The grants will fund significant conservation work over the next three years on buildings and structure and this investment will ensure the survival of our most vulnerable assets. The Trust's Trading Company will seek to improve profitability and the Trust will continue to strive to achieve operational excellence, in particular customer service excellence, and long term business sustainability.

The Trust will continue to pursue an active development programme which meets the Trust's charitable aims, especially that of the preservation and interpretation of the monuments and historic buildings of the Ironbridge Gorge World Heritage Site and will seek external funding to achieve this objective. Following the success in 2022 in raising funds for building conservation via the ACE MEND and the NHMF CRF grants, the focus in 2023 will be on raising funds for the preservation and reinstatement of the steam assets at Blists Hill.

Following the successful retention of ACE National Portfolio Organisation ("NPO") status, there will be considerable focus in 2023 on meeting the programme aims of:

- Creative people – everyone can develop and express creativity throughout their life
- Cultural communities – villages, towns and cities thrive through a collaborative approach to culture
- A creative and cultural country – England's cultural sector is innovative, collaborative and international.

An application will be made in 2023 for the new ACE Museum Development programme. Changes to the programme have combined the East and West Midlands area and the Trust will apply for the new enlarged area in partnership with the Leicestershire Local Authority.

The Trust will continue to focus on the provision of inspirational learning experiences with a target to return to pre pandemic educational visitor numbers within the next three years with additional focus in 2023 on expanding membership of the Shropshire Schools Membership Scheme (SSMS), a scheme which offers discounted entry for local schools and educational establishments.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods (continued)

Volunteers will remain vital to the on going success of the Trust with increased focus on growing volunteer numbers and improving the volunteer experience.

As the birthplace of the modern age, we have a responsibility to improve our environmental credentials and respond to the challenges of climate change and the Trust will continue to focus on implementing the recommendations of the 2020 environmental audit subject to funding.

Statement of Trustees' responsibilities

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

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

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

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

Disclosure of information to auditors

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

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

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



.....
C M Pemberton
Chairman

Date: 24 May 2023

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRONBRIDGE GORGE MUSEUM TRUST LIMITED

Opinion

We have audited the financial statements of Ironbridge Gorge Museum Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRONBRIDGE GORGE MUSEUM TRUST LIMITED (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRONBRIDGE GORGE MUSEUM TRUST LIMITED (CONTINUED)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the Group is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We also reviewed board minutes to identify any recorded instances of irregularity or non compliance that might have a material impact on the financial statements.

We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they are considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management and those charged with governance, manual journal testing, cashbook reviews for large and unusual items and the challenge of significant estimates used in preparing financial statements.

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.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRONBRIDGE GORGE MUSEUM TRUST
LIMITED (CONTINUED)**

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

Use of our report

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



Andrew Malpass FCA (Senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date: **1 June 2023**

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Restricted & Unrestricted funds subtotal 2022 £	Endow- ment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:							
Donations and legacies	3	4,086,615	1,474,964	5,561,579	3,745,784	9,307,363	5,565,742
Charitable activities	4	-	2,425,755	2,425,755	-	2,425,755	1,849,430
Other trading activities:	5						
Rent receivable & fundraising		44,195	118,047	162,242	-	162,242	171,309
Trading activities		-	1,884,791	1,884,791	-	1,884,791	1,325,757
Investments	6	44,288	177	44,465	56,895	101,360	24,021
Total income and endowments		4,175,098	5,903,734	10,078,832	3,802,679	13,881,511	8,936,259
Expenditure on:							
Raising funds:	7						
Fundraising & publicity costs		-	313,265	313,265	-	313,265	548,779
Trading costs		-	1,564,984	1,564,984	-	1,564,984	1,217,674
Charitable activities	8	6,527,691	5,097,026	11,624,717	-	11,624,717	5,956,535
Total expenditure		6,527,691	6,975,275	13,502,966	-	13,502,966	7,722,988
Net income/ (expenditure) carried forward		(2,352,593)	(1,071,541)	(3,424,134)	3,802,679	378,545	1,213,271

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

		Restricted funds 2022 £	Unrestricted funds 2022 £	Restricted & Unrestricted funds subtotal 2022 £	Endow- ment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Note							
	Net income/ (expenditure) carried forward	(2,352,593)	(1,071,541)	(3,424,134)	3,802,679	378,545	1,213,271
	Transfers between funds	21	(193,156)	(30,000)	(223,156)	223,156	-
	Net movement in funds before other recognised gains/(losses)	(2,545,749)	(1,101,541)	(3,647,290)	4,025,835	378,545	1,213,271
	Other recognised gains/(losses):						
	Derecognition of pension surplus	-	(579,000)	(579,000)	.	(579,000)	-
	Actuarial gains on defined benefit pension schemes	27	-	936,000	936,000	.	936,000
	544,000						
	Other (losses)/gains	(24,356)	-	(24,356)	(75,770)	(100,126)	129,408
	Net movement in funds	(2,570,105)	(744,541)	(3,314,646)	3,950,065	635,419	1,886,679
	Reconciliation of funds:						
	Total funds brought forward	21	37,400,100	2,547,013	39,947,113	1,167,699	41,114,812
	39,228,133						
	Net movement in funds	(2,570,105)	(744,541)	(3,314,646)	3,950,065	635,419	1,886,679
	Total funds carried forward	34,829,995	1,802,472	36,632,467	5,117,764	41,750,231	41,114,812

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

The notes on pages 31 to 69 form part of these financial statements.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 00918560

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	37,458,415	41,434,409
Heritage assets	14	1,801,640	146,640
Investments	15	5,117,764	1,167,699
		<u>44,377,819</u>	<u>42,748,748</u>
Current assets			
Stocks	16	132,358	120,487
Debtors	17	137,157	733,387
Investments	18	199,276	446,788
Cash at bank and in hand		54,029	305,113
		<u>522,820</u>	<u>1,605,775</u>
Creditors: amounts falling due within one year	19	(2,588,510)	(2,138,505)
Net current liabilities		<u>(2,065,690)</u>	<u>(532,730)</u>
Total assets less current liabilities		<u>42,312,129</u>	<u>42,216,018</u>
Creditors: amounts falling due after more than one year	20	(561,898)	(761,206)
Net assets excluding pension asset / (liability)		<u>41,750,231</u>	<u>41,454,812</u>
Defined benefit pension scheme asset / (liability)	27	-	(340,000)
Total net assets		<u>41,750,231</u>	<u>41,114,812</u>

IRONBRIDGE GORGE MUSEUM TRUST LIMITED


(A company limited by guarantee)
REGISTERED NUMBER: 00918560

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Charity funds			
Endowment funds	21	5,117,764	1,167,699
Restricted funds:			
Restricted funds - cash & current investments	21	149,140	453,097
Restricted funds - fixed assets	21	34,680,855	36,947,003
Total restricted funds	21	34,829,995	37,400,100
Unrestricted funds:			
Unrestricted funds excluding pension asset/(liability)	21	1,802,472	2,887,013
Pension asset/(liability)	21	-	(340,000)
Total unrestricted funds	21	1,802,472	2,547,013
Total funds		41,750,231	41,114,812

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

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



C M Pemberton
(Chairman of Trustees)
Date: 24 May 2023

The notes on pages 31 to 69 form part of these financial statements.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 00918560

**COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	37,458,415	41,434,409
Heritage assets	14	1,801,640	146,640
Investments	15	5,324,463	1,374,398
		<u>44,584,518</u>	<u>42,955,447</u>
Current assets			
Stocks	16	2,058	2,809
Debtors	17	135,841	731,922
Investments	18	199,276	446,788
Cash at bank and in hand		14,815	149,109
		<u>351,990</u>	<u>1,330,628</u>
Creditors: amounts falling due within one year	19	(2,687,153)	(2,083,473)
Net current liabilities		<u>(2,335,163)</u>	<u>(752,845)</u>
Total assets less current liabilities		<u>42,249,355</u>	<u>42,202,602</u>
Creditors: amounts falling due after more than one year	20	(561,898)	(761,206)
Net assets excluding pension asset / (liability)		<u>41,687,457</u>	<u>41,441,396</u>
Defined benefit pension scheme asset / (liability)	27	-	(340,000)
Total net assets		<u>41,687,457</u>	<u>41,101,396</u>

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 00918560

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Charity funds			
Endowment funds	21	5,117,764	1,167,699
Restricted funds:			
Restricted funds - cash & current investments	21	149,140	453,097
Restricted funds - fixed assets	21	34,680,855	36,947,003
Total restricted funds	21	34,829,995	37,400,100
Unrestricted funds:			
Unrestricted funds excluding pension asset/(liability)	21	1,739,698	2,873,597
Pension asset/(liability)		-	(340,000)
Total unrestricted funds	21	1,739,698	2,533,597
Total funds		41,687,457	41,101,396

The Company's net movement in funds for the year was £586,061 (2021 : £1,872,417).

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

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



C M Pemberton
(Chairman of Trustees)
Date: 24 May 2023

The notes on pages 31 to 69 form part of these financial statements.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash inflow/(outflow) from operating activities	24	(895,574)	857,001
Cash flows from investing activities			
Dividends, interests and rents from investments		263,427	195,330
Purchase of tangible fixed assets		(208,717)	(1,000,542)
Purchase of investments		(56,895)	(542,965)
Net cash used in investing activities		(2,185)	(1,348,177)
Cash flows from financing activities			
Cash inflows from new borrowing		-	572,000
Repayments of borrowing		(98,905)	(38,040)
Repayments of finance leases		(30,681)	(28,448)
Net cash (used in)/provided by financing activities		(129,586)	505,512
Change in cash and cash equivalents in the year		(1,027,345)	14,336
Cash and cash equivalents at the beginning of the year		305,113	290,777
Cash and cash equivalents at the end of the year	25	(722,232)	305,113

The notes on pages 31 to 69 form part of these financial statements

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The Museum Trust, also referred to as the Charity, (established 18 October 1967) is a company limited by guarantee, without share capital, incorporated in England & Wales. It is also a registered charity (reg no 503717). The Museum Trust is governed by its Memorandum and Articles of Association, amended on 28 July 2021. There is also a trading subsidiary company incorporated in England & Wales, Ironbridge Gorge Trading Company Limited (registration number 1343616). The registered office of both entities is listed on page 1.

The members of the company include the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The consolidated Statement of Financial Activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

After making enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust therefore continues to adopt the going concern basis in preparing its financial statements.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Trust, can be reliably measured.

Grants are included in the consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations & Grants where related to performance and specific deliverables are accounted for as the Trust earns the right to consideration by its performance. Where income is received in advance of its recognition it is deferred and included in creditors. Where entitlement occurs before income being received the income is accrued. Gifts in Kind are included at estimated market value.

Income from single ticket sales to any of the museums (including the associated gift aid) is recognised on the day the ticket is sold, except for special events when the income is recognised on the date the event takes place. Annual Pass income which entitles the holder to unlimited trips to the museums for a year is deferred and released over the year in proportion to total visitor numbers each month.

Investment income is credited to income when it is receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of fundraising and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Trust's objectives, as well as any associated support costs.

2.5 Interest receivable

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Plant and Equipment	- 3 - 15 years
Fixtures Fittings and Office Equipment	- 3 - 25 years
Exhibits Development	- 0 - 50 years
Non heritage Property	- 100 years

No depreciation is provided on freehold land, heritage assets and some development and restoration of exhibits where it is the Group's policy to carry out regular restoration and maintenance work, the cost of which is written off as it is incurred. The Trust's Finance Director monitors assets for indications of impairment on an annual basis.

Development and Restoration of Exhibits

All expenditure on the development and restoration of the exhibits, which are considered to be both historic and inalienable assets, is capitalised in the year incurred.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.7 Heritage assets

The Trust holds a diverse collection of heritage assets which are held in support of its primary objectives to excel in researching, preserving and interpreting, for the widest audience, the monuments, collections and social history of the early industry in the Ironbridge Gorge; to enrich the visitor experience with live demonstrations, hands-on activities and innovative educational programmes.

In accordance with section 34 of FRS102, some of the Trust's Heritage Assets are recognised on the Balance Sheet. In each case items have been recorded at cost or an estimate of value at the time of acquisition. The majority of the Trust's heritage assets are not capitalised because it is not considered that the relevant cost or valuation information can be obtained at a cost commensurate with the benefit to readers of the financial statements.

Heritage Assets are not depreciated due to their indefinite lives and high residual value. One of the objectives of the Trust is the preservation and conservation of assets therefore it is the responsibility to ensure that the condition of the heritage assets does not deteriorate over time. Regular impairment reviews of heritage assets are undertaken.

The collections are broadly categorised as follows and further information on the collections is given in Note 14 to the accounts:

Buildings and Monuments

The Trust is responsible for 35 scheduled monuments and listed Buildings within the World Heritage Site. Monuments of particular cultural significance include The Old Furnace and Bedlam Furnaces both of which are recognised as being of international importance in the development of the Industrial Revolution.

In 2022 a number of freehold properties were transferred to the Trust from the Ironbridge Heritage Foundation. Four of these are treated as Heritage Assets and are included on the Balance Sheet at market value.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.8 Other Heritage Assets

Other heritage assets are broadly sub- analysed as follows:

Ceramics

The Museum holds collections of architectural, decorative and domestic ceramic materials the majority of which were produced at the various manufactories in the Severn Gorge. The architectural ceramics of Maw and Co and Craven Dunnill are of particular note as are the decorative ceramics produced at Coalport.

Coalbrookdale Ironwork and Industrial Material

The Museum has a significant collection of 18th and 19th century ironwork produced by the Coalbrookdale Company. These include decorative pieces and domestic items. In addition to this there is a large collection of related industrial material including steam engines and machinery. Much of the industrial material is in an un-restored condition.

Darby Family Material / Library and archives

The Museum's library and archives hold around 30,000 volumes related to the Industrial Revolution and associated topics. In addition to this there are archive holdings that relate to the corporate histories of specific families and businesses that operated within the Severn Gorge. There is significant material relating to the Darby family, their family history and business activities.

Social History

The Museum has a large collection of social history material. This includes costume, furniture and furnishings along with sundry other apparel and equipment. This material ranges in date from c1850 to c1900 and, in general, covers mainly domestic and semi-rural activities.

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated Statement of Financial Activities.

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

2.10 Stocks

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

2.11 Debtors

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

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.12 Cash at bank and in hand

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

2.13 Liabilities and provisions

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the consolidated Statement of Financial Activities as a finance cost.

2.14 Financial instruments

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

2.15 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.16 Operating leases

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

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.17 Pensions

Multi employer scheme

The Trust is one of several participating employers in the Shropshire Council Pension Fund, a contracted out defined benefit scheme (a multi employer scheme). Contributions are set every three years as a result of the actuarial valuation of the Fund, the last one being 31 March 2022.

The value of the pension liabilities for the group have been assessed by rolling forward the value of the liabilities calculated at the last full funding valuation using the financial assumptions that comply with FRS102. The asset share has been calculated by rolling forward the assets allocated at the last full funding valuation allowing for investment returns (estimated where necessary), contributions paid into and estimated benefits paid from the fund.

As required under FRS102 the projected unit method of valuation has been used to calculate the service cost.

Actuarial gains and losses are recognised in full in the SOFA in the period in which they occur. The defined pension liability in the Balance sheet comprises the total of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less any past service cost not yet recognised and less the fair value of plan assets of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities in the published mid-market value.

In line with the requirements of FRS102 the Trust's defined benefit pension scheme liability and related costs are included in these financial statements. Further information is contained in Note 27.

Defined contribution scheme

For most employees the Trust contributes to other defined contribution schemes and operates a Stakeholder Pension Scheme. Payments to defined contribution schemes are charged to the SOFA as incurred.

2.18 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.19 Token Coinage

The Trading Company exchanges customers' cash for token coinage to be used in the shops at the Blists Hill site. The point of sale on this coinage is not recognised until the coinage is exchanged for goods. A provision is made to cover coins that may be returned in the future.

2.20 Critical accounting estimates and areas of judgment

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

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. Income from donations and legacies

	Endowment funds 2022 £	Restricted funds - cash & current investments 2022 £	Restricted funds- fixed assets 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Telford Heritage Foundation	3,745,784	250,000	3,314,000	-	7,309,784	-
National Lottery Heritage Fund	-	202,967	-	-	202,967	410,750
Other Grants (see below)	-	242,659	-	81,709	324,368	3,293,820
Donations and Subscriptions	-	76,989	-	196,411	273,400	409,040
Gift Aid	-	-	-	167,125	167,125	136,282
Arts Council Funding	-	-	-	1,029,719	1,029,719	1,315,850
Total 2022	<u>3,745,784</u>	<u>772,615</u>	<u>3,314,000</u>	<u>1,474,964</u>	<u>9,307,363</u>	<u>5,565,742</u>
Total 2021	<u>410,750</u>	<u>472,643</u>	<u>-</u>	<u>4,682,349</u>	<u>5,565,742</u>	

Other Grants

	2022 £	2021 £
Arts Council England Culture Recovery Fund (CRF) Grant 1	-	1,460,000
Arts Council England Culture Recovery Fund (CRF) Grant 2	-	1,140,000
Coronavirus Job Retention Scheme Grant	-	344,280
Social Investment Business Grant	-	228,000
Other Grants	171,368	121,540
Arts Council England Museum Estate & Development Fund (MEND) Grant	153,000	-
	<u>324,368</u>	<u>3,293,820</u>

Following a resolution of the board of the Ironbridge Heritage Foundation Limited to transfer its assets to the Trust, the Charity Commission granted its permission on 20 June 2022 and the assets and liabilities were transferred to the Trust in June 2022. The significant assets transferred are an endowment and properties in the Ironbridge Gorge.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Admissions	1,959,046	1,959,046	1,401,814
Other income	466,709	466,709	447,616
Total 2022	<u>2,425,755</u>	<u>2,425,755</u>	<u>1,849,430</u>
<i>Total 2021</i>	<u>1,849,430</u>	<u>1,849,430</u>	

5. Income from other trading activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rents receivable	-	118,047	118,047	171,309
Fundraising events	44,195	-	44,195	-
Total 2022	<u>44,195</u>	<u>118,047</u>	<u>162,242</u>	<u>171,309</u>
<i>Total 2021</i>	<u>-</u>	<u>171,309</u>	<u>171,309</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Income from other trading activities (continued)

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Trading income - The Ironbridge Gorge Trading Company Limited	1,884,791	1,884,791	1,325,757
Total 2022	<u>1,884,791</u>	<u>1,884,791</u>	<u>1,325,757</u>
<i>Total 2021</i>	<u>1,325,757</u>	<u>1,325,757</u>	

6. Investment income

	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income - dividends	56,895	44,288	-	101,183	23,993
Investment income - interest	-	-	177	177	28
Total 2022	<u>56,895</u>	<u>44,288</u>	<u>177</u>	<u>101,360</u>	<u>24,021</u>
<i>Total 2021</i>	<u>-</u>	<u>23,993</u>	<u>28</u>	<u>24,021</u>	

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Direct Costs	245,250	245,250	400,292
Support Costs	68,015	68,015	148,487
Total 2022	<u>313,265</u>	<u>313,265</u>	<u>548,779</u>
<i>Total 2021</i>	<u>548,779</u>	<u>548,779</u>	

Trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Ironbridge Gorge Trading Company Limited - Expenditure	887,636	887,636	740,520
Ironbridge Gorge Trading Company Limited - Staff Costs	677,348	677,348	477,154
Total 2022	<u>1,564,984</u>	<u>1,564,984</u>	<u>1,217,674</u>
<i>Total 2021</i>	<u>1,217,674</u>	<u>1,217,674</u>	

All staff are employed by the Trust and costs are recharged to Ironbridge Gorge Trading Company Ltd in proportion to time spent on Trading company activities.

IRONBRIDGE GORGE MUSEUM TRUST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Charitable Activities - Museum & Visitor Operations	1,317,418	5,097,026	6,414,444	5,956,535
Charitable Activities - Fixed Asset impairment	5,210,273	-	5,210,273	-
Total 2022	<u>6,527,691</u>	<u>5,097,026</u>	<u>11,624,717</u>	<u>5,956,535</u>
<i>Total 2021</i>	<u>612,154</u>	<u>5,344,381</u>	<u>5,956,535</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable Activities - Museum & Visitor Operations	4,243,364	2,171,080	6,414,444	5,956,535
Charitable Activities - Fixed Asset impairment	5,210,273	-	5,210,273	-
Total 2022	<u>9,453,637</u>	<u>2,171,080</u>	<u>11,624,717</u>	<u>5,956,535</u>
<i>Total 2021</i>	<u>4,170,586</u>	<u>1,785,949</u>	<u>5,956,535</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of direct costs	Total funds 2022 £	Total funds 2021 £
Staff costs	2,347,242	2,072,812
Depreciation	497,566	480,246
Museum and Visitor Operations	1,251,070	1,617,528
Education costs	11,614	-
Loss on disposal of fixed assets	135,872	-
Fixed Asset Impairment	5,210,273	-
Total 2022	9,453,637	4,170,586

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
FRS102 pension cost	7,000	11,000
Staff costs	994,318	796,879
Motor and travel	35,424	36,106
Office expenses	309,972	203,666
Professional, insurance & bad debts	448,026	359,301
Governance costs	23,150	23,750
Finance	60,406	36,121
Sundry	292,784	319,126
Total 2022	2,171,080	1,785,949

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Trust's auditor for the audit of the Group's annual accounts	<u>19,800</u>	<u>18,400</u>

11. Staff costs

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	3,634,219	3,054,920	2,958,986	2,579,071
Social security costs	290,354	211,644	288,239	210,339
Pension costs	94,335	80,281	94,335	80,281
	<u>4,018,908</u>	<u>3,346,845</u>	<u>3,341,560</u>	<u>2,869,691</u>

During the prior year, severance payments totalling £51,471 were paid to 3 employees.

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

	Group 2022 No.	Group 2021 No.
Employees	<u>226</u>	<u>187</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	-	2
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	1

Included within staff costs, total staff benefits paid to key management personnel in the year were £451,890 (2021: £350,389).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL-).

During the year ended 31 December 2022, expenses totalling £6,550 were reimbursed or paid directly to 3 Trustees (2021 - £NIL). The expenses in the year were for reimbursement of travel costs.

13. Tangible fixed assets

Group

	Freehold property £	Development & restoration of historic exhibits £	Fixtures, fittings, plant and equipment £	Total £
Cost or valuation				
At 1 January 2022	90,449	43,386,658	3,233,570	46,710,677
Additions	1,659,000	1,891	206,826	1,867,717
Disposals	(10,735)	(360,354)	-	(371,089)
At 31 December 2022	1,738,714	43,028,195	3,440,396	48,207,305
Depreciation				
At 1 January 2022	-	2,918,450	2,357,818	5,276,268
Charge for the year	-	318,679	178,887	497,566
On disposals	-	(235,217)	-	(235,217)
Impairment charge	-	5,210,273	-	5,210,273
At 31 December 2022	-	8,212,185	2,536,705	10,748,890
Net book value				
At 31 December 2022	<u>1,738,714</u>	<u>34,816,010</u>	<u>903,691</u>	<u>37,458,415</u>
At 31 December 2021	<u>90,449</u>	<u>40,468,208</u>	<u>875,752</u>	<u>41,434,409</u>

There is a legal charge in favour of the National Heritage Memorial Fund over the Jackfield Tile Museum of £2m which expires in 2029.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets (continued)

Company

	Freehold property £	Development & restoration of historic exhibits £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2022	90,449	43,386,658	3,147,051	46,624,158
Additions	1,659,000	1,891	206,826	1,867,717
Disposals	(10,735)	(360,354)	-	(371,089)
At 31 December 2022	1,738,714	43,028,195	3,353,877	48,120,786
Depreciation				
At 1 January 2022	-	2,918,450	2,271,299	5,189,749
Charge for the year	-	318,679	178,887	497,566
On disposals	-	(235,217)	-	(235,217)
Impairment charge	-	5,210,273	-	5,210,273
At 31 December 2022	-	8,212,185	2,450,186	10,662,371
Net book value				
At 31 December 2022	<u>1,738,714</u>	<u>34,816,010</u>	<u>903,691</u>	<u>37,458,415</u>
At 31 December 2021	<u>90,449</u>	<u>40,468,208</u>	<u>875,752</u>	<u>41,434,409</u>

There is a legal charge in favour of the National Heritage Memorial Fund over the Jackfield Tile Museum of £2m which expires in 2029.

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14. Heritage Assets

	Freehold property	Artefacts	Total
	£	£	£
Cost or valuation			
At 1 January 2022	83,532	63,108	146,640
Additions	1,655,000	-	1,655,000
At 31 December 2022	1,738,532	63,108	1,801,640
<i>At 31 December 2021</i>	<i>83,532</i>	<i>63,108</i>	<i>146,640</i>

The Museum continues to acquire additional heritage assets in accordance with its acquisitions policy. In the last five years acquisitions have been as follows:

	2022	2021	2020	2019	2018
	£	£	£	£	£
Ceramics	-	-	2,953	-	600
Property	1,655,000	-	-	-	-
Total	1,655,000	-	2,953	-	600

The Museum holds a large and diverse collection of heritage assets of significant importance in telling the story of Shropshire's role in the Industrial Revolution. The story of the Darby family, the buildings, the historic sites and the collections of objects in the care of the Museum form an important part of our industrial heritage.

The Museum aims to maintain the condition of all buildings and monuments in its care and has a rolling programme of maintenance and restoration subject to funding to ensure the condition of such assets does not become degraded. Collections are under the control of an experienced Curatorial team who work with Trustees specifically assigned to the Collections and Learning Committee based upon their knowledge and expertise. The collections are managed in accordance with policies approved by this Committee and work is ongoing to comprehensively review and catalogue the Museums' collections in greater detail.

Assets from any of the Museum's collection are only disposed of where, in the opinion of the Trustees, an item does not contribute to the interest or diversity of the Museum's collection.

The Museum occasionally makes available on loan items from the collection to other Museums and also accepts objects on loan.

The Museum carries out periodic reviews and audits material that is on display. Items on display are rotated according to their conservation needs and the thematic requirements of exhibitions. Around 50% of the items in the Museum's collections are on display at any one time. The remaining material is kept in store and designated as a reserve collection. This collection is still made accessible to researchers and members of the public as required.

The property addition to heritage assets in 2022 relates to 4 properties which were transferred from the Heritage Foundation in the year. The properties were the Museum of Iron, Coalport China Museum, Tar Tunnel and Long Warehouse.

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15. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 January 2022	1,167,699
Additions	4,154,704
Disposals	(352,025)
Revaluations	(75,770)
Transfer from current asset investments	223,156
At 31 December 2022	<u>5,117,764</u>

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 January 2022	206,699	1,167,699	1,374,398
Additions	-	4,154,704	4,154,704
Disposals	-	(352,025)	(352,025)
Revaluations	-	(75,770)	(75,770)
Transfer from current asset investments	-	223,156	223,156
At 31 December 2022	<u>206,699</u>	<u>5,117,764</u>	<u>5,324,463</u>

The investment principle of total return was formally adopted by written resolution of the Board of Trustees in 2019 in relation to the Clothworkers Co, Education and Heritage endowment funds. The remaining endowments are accounted for using standard rules. At the time the power was granted, the Trustees identified the value of the gifts of permanent endowment of £167,000. This set the baseline value of the gift component of the endowment to which any subsequent gifts of endowment are added. The power of total return permits the trustees to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to income, the unapplied total return remains invested as part of the permanent endowment. The power allows the Trustees to decide in each year how much of the unapplied total return is transferred to income funds and so available for expenditure. In deciding on the amount to transfer to income funds, the Trustees considered the information provided by their investment advisor, as to the likely investment trends and the sustainability of the investment fund after considering various levels of transfer to income. The original permanent endowment balance, as at 31 December 2022 amounted to £175,015 (2021: £202,679), of which the unapplied income balance was £8,015 (2021: £35,679). None of the unapplied total return was transferred to income.

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15. Fixed asset investments (continued)**Principal subsidiaries**

The following is a subsidiary undertaking of the Charity:

Name	Company number	Principal activity	Holding	Included in consolidation
The Ironbridge Gorge Trading Company Limited	01343616	The retailing of Museum giftware and souvenirs, the provision of catering services and Conference & Banqueting services	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
The Ironbridge Gorge Trading Company Limited	1,884,967	1,821,347	63,620	270,219

Investments - Endowment

	2022 £	2021 £
Heritage Foundation Endowment	3,921,566	-
Clothworkers' Company - Costume Endowment	52,330	60,601
Lady Labouchere - Rosehill Endowment	64,250	74,441
National Lottery Heritage Fund (NLHF)	951,873	884,717
Lady Elton	5,060	5,862
Education Fund	35,702	41,347
Heritage Conservation Fund	86,983	100,731
	<u>5,117,764</u>	<u>1,167,699</u>

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16. Stocks

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Consumable stores	2,058	2,809	2,058	2,809
Finished goods for resale	130,300	117,678	-	-
	<u>132,358</u>	<u>120,487</u>	<u>2,058</u>	<u>2,809</u>

17. Debtors

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Due within one year				
Trade debtors	18,292	24,103	16,980	22,642
Other debtors	78,524	415,079	78,520	415,075
Prepayments and accrued income	40,341	294,205	40,341	294,205
	<u>137,157</u>	<u>733,387</u>	<u>135,841</u>	<u>731,922</u>

18. Current asset investments

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Listed investments (UK)	<u>199,276</u>	<u>446,788</u>	<u>199,276</u>	<u>446,788</u>

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19. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank overdrafts	776,261	-	776,261	-
Bank loans	179,661	109,939	179,661	109,939
Trade creditors	410,251	502,424	360,019	445,344
Amounts owed to group undertakings	-	-	220,031	71,204
Other taxation and social security	66,118	54,052	66,118	54,052
Obligations under finance lease and hire purchase contracts	35,105	35,105	35,105	35,105
Other creditors	46,172	93,241	26,172	73,241
Accruals	439,278	731,964	388,122	682,808
Deferred income	635,664	611,780	635,664	611,780
	2,588,510	2,138,505	2,687,153	2,083,47

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Deferred income at 1 January 2022	611,780	1,636,455	611,780	1,636,455
Resources deferred during the year	635,664	611,780	635,664	611,780
Amounts released from previous periods	(611,780)	(1,636,455)	(611,780)	(1,636,455)
	635,664	611,780	635,664	611,78

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20. Creditors: Amounts falling due after more than one year

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Bank loans	385,333	558,576	385,333	558,576
Other loans	170,071	165,455	170,071	165,455
Net obligations under finance lease and hire purchase contracts	6,494	37,175	6,494	37,175
	<u>561,898</u>	<u>761,206</u>	<u>561,898</u>	<u>761,206</u>

Bank loans

A £572,000 Resilience & Recovery Loan Fund (RRLF) loan from Social Investment Business was advanced in June 2021 as part of the Government Coronavirus Business Interruption Loan Scheme ("CBILS"). Loan interest is charged at 9% for the first 12 months, which is paid for by HM government, and 7% thereafter. The loan is secured over the Trust assets and is repayable by instalments over 5 years. No amounts are due after more than 5 years.

The other bank loan is secured over Trust property and is repayable by instalments over 5 years to February 2024. Interest is charged at Bank of England Base rate plus 3.5%. No amounts are due after more than 5 years.

Other loans

The other loan is repayable by instalments from January 2024 to March 2031. Interest is charged at 2.85%.

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21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Designated Funds - all funds	30,000	-	-	(30,000)	-	-
General funds						
General Funds - all funds	2,857,013	5,903,734	(6,958,275)	-	-	1,802,472
Pension reserve	(340,000)	-	(17,000)	-	357,000	-
	2,517,013	5,903,734	(6,975,275)	-	357,000	1,802,472
Total Unrestricted funds	2,547,013	5,903,734	(6,975,275)	(30,000)	357,000	1,802,472
Endowment funds						
Fixed asset investments	1,167,699	3,802,679	-	223,156	(75,770)	5,117,764

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Restricted funds – Current asset investments						
Heritage Lottery Fund for the Future	275,091	-	-	(223,156)	(1,273)	50,662
MOG Roof	76,034	-	-	-	(10,222)	65,812
Flood appeal	80,974	-	-	-	(10,886)	70,088
Other funds	14,689	-	-	-	(1,975)	12,714
Subtotal	446,788	-	-	(223,156)	(24,356)	199,276
Restricted funds – Cash						
Heritage Conservation Fund	-	2,801	(442)	(16,542)	-	(14,183)
Education fund	28,294	1,147	(25,619)	(1,952)	-	1,870
Clothing the Working Man	16,276	1,688	(12,045)	-	-	5,919
Rosehill Fund	(18,453)	3,881	-	-	-	(14,572)
M & J Darby Fund	5,700	-	-	-	-	5,700
Heritage Lottery Fund for the Future	(88,057)	588,772	(799,506)	-	-	(298,791)
MOG Roof	(14,189)	20,179	(5,781)	-	-	209
Flood Appeal	3,349	2,341	-	-	-	5,690
Museum Estate & Development Fund (MEND)	-	201,950	-	18,923	-	220,873
National Heritage Memorial Fund (NHMF)	-	-	(2,632)	-	-	(2,632)
Other funds	73,389	38,339	(64,352)	(7,595)	-	39,781
*	453,097	861,098	(910,377)	(230,322)	(24,356)	149,140

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21. Statement of funds (continued)

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Restricted funds - Fixed Assets						
Blists Hill Project - post 2009	10,362,678	-	(5,478,249)	-	-	4,884,429
Coalbrookdale Projects	8,716,768	-	(81,494)	-	-	8,635,274
Blists Hill development of exhibits - pre 2009	8,674,765	-	-	-	-	8,674,765
Jackfield Project	7,413,568	-	-	-	-	7,413,568
Bedlam Furnaces	996,126	-	(21,480)	-	-	974,646
Sidaway Legacy	636,043	-	(14,578)	-	-	621,465
Other Fixed Assets	147,055	-	(21,513)	-	-	125,542
Ironbridge Heritage Foundation Properties	-	3,314,000	-	-	-	3,314,000
Museum Estate & Development Fund (MEND)	-	-	-	37,166	-	37,166
	36,947,003	3,314,000	(5,617,314)	37,166	-	34,680,855
Total Restricted funds	37,400,100	4,175,098	(6,527,691)	(193,156)	(24,356)	34,829,995
Total of funds	41,114,812	13,881,511	(13,502,966)	-	256,874	41,750,231

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21. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
Designated funds						
Designated Funds - all funds	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,000</u>
General funds						
General Funds - all funds	1,916,974	8,028,873	(7,088,834)	-	-	2,857,013
Pension reserve	(862,000)	-	(22,000)	-	544,000	(340,000)
	<u>1,054,974</u>	<u>8,028,873</u>	<u>(7,110,834)</u>	<u>-</u>	<u>544,000</u>	<u>2,517,013</u>
Total Unrestricted funds	<u>1,084,974</u>	<u>8,028,873</u>	<u>(7,110,834)</u>	<u>-</u>	<u>544,000</u>	<u>2,547,013</u>
Endowment funds						
Fixed asset investments	<u>833,861</u>	<u>410,750</u>	<u>-</u>	<u>(196,435)</u>	<u>119,523</u>	<u>1,167,699</u>

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21. Statement of funds (continued)

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
Restricted funds – Current asset investments						
Heritage Lottery Fund for the Future	43,794	-	-	225,618	5,679	275,091
MOG Roof	60,109	-	-	13,500	2,425	76,034
Flood appeal	-	-	-	79,532	1,442	80,974
Other funds	4,350	-	-	10,000	339	14,689
Subtotal	108,253	-	-	328,650	9,885	446,788
Restricted funds – Cash						
Heritage Conservation Fund	-	2,961	(2,961)	-	-	-
Education fund	36,584	1,213	(9,503)	-	-	28,294
Clothing the Working Man	30,645	1,784	(16,153)	-	-	16,276
Rosehill Fund	(2,591)	1,738	(17,600)	-	-	(18,453)
M & J Darby Fund	5,575	125	-	-	-	5,700
Heritage Lottery Fund for the Future	29,658	137,086	(225,618)	(29,183)	-	(88,057)
MOG Roof	13,500	43,861	(58,050)	(13,500)	-	(14,189)
Flood Appeal	79,532	3,349	-	(79,532)	-	3,349
Other funds	41,316	304,519	(2,046)	(270,400)	-	73,389
	342,472	496,636	(331,931)	(63,965)	9,885	453,097

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21. Statement of funds (continued)

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
Restricted funds - Fixed Assets						
Blists Hill Project - post 2009	10,267,019	-	(164,741)	260,400	-	10,362,678
Coalbrookdale Projects	8,774,262	-	(57,494)	-	-	8,716,768
Blists Hill development of exhibits - pre 2009	8,674,765	-	-	-	-	8,674,765
Jackfield Project	7,413,568	-	-	-	-	7,413,568
Bedlam Furnaces	1,017,606	-	(21,480)	-	-	996,126
Sidaway Legacy	650,621	-	(14,578)	-	-	636,043
Other Fixed Assets	168,985	-	(21,930)	-	-	147,055
	<u>36,966,826</u>	<u>-</u>	<u>(280,223)</u>	<u>260,400</u>	<u>-</u>	<u>36,947,003</u>
Total Restricted funds	<u>37,309,298</u>	<u>496,636</u>	<u>(612,154)</u>	<u>196,435</u>	<u>9,885</u>	<u>37,400,100</u>
Total of funds	<u>39,228,133</u>	<u>8,936,259</u>	<u>(7,722,988)</u>	<u>-</u>	<u>673,408</u>	<u>41,114,812</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

22. Funds

Designated Funds

These funds were originally designated to be used for the preservation and redevelopment of the Old Furnace. The Trustees resolved to allocate these funds to the ACE Museum Estate and Development (MEND) fund as match funding should IGMT be successful in its application. In February 2022 IGMT was notified that it had been awarded the grant and the funds have been utilised as match funding in 2022.

Unrestricted Funds

This represents the free funds of the Trust which are not designated for particular purposes and reserves accumulated from the Trading Subsidiary of the Trust.

Endowment Funds

Gains and losses attributed against Endowment Funds relates to the realised and unrealised gains on revaluation of investments. Some of the restricted property assets reside on endowed land.

Restricted Funds- Fixed Assets

Blists Hill Project - post 2009

Funds received from Advantage West Midlands and the European Regional Development Fund together with Renaissance in the Regions and a number of private individuals and Trusts to deliver a transformational development of the Blists Hill Victorian Town site and launch a new offer for visitors to the World Heritage Site. In 2021 funds were received from Social Investment Business towards the construction of a bespoke outdoor adventure play experience "The Madeley Wood Outdoor Adventure" which opened in July 2021.

Blists Hill - development of exhibits pre 2009

The restricted reserves reflect and comprise the money spent on developing, building and restoring the buildings and historic assets at Blists Hill Victorian Town prior to the major redevelopment of 2009.

Coalbrookdale Projects:

- Coalbrookdale Youth Hostel

With the support of European structural funding and the Heritage Lottery Fund, this fund was for renovation work to the Coalbrookdale Literary and Scientific Institute. This project, in partnership with the Youth Hostel Association, created a modern, 21st Century Youth Hostel.

- Coalbrookdale Project

Principally funded by the Heritage Lottery Fund and the European Regional Development Fund to refurbish and bring back into use buildings on the Coalbrookdale site including the opening of Enginuity.

- Coalbrookdale 300 Old Furnace

Funds received from the George Cadbury Charitable Trust (Inc) and the Heritage Lottery Fund for the reinterpretation of the Old Furnace completed in 2009.

- Coalbrookdale Development Project

Funds for a series of development projects centred on the Coalbrookdale site including Museum of Iron redevelopment and the Darby Houses and the creation of a new visitor Café on the Coalbrookdale site "Furnace Kitchen".

Jackfield Project

Funds received that were used in the refurbishment of the Jackfield site and the Fusion building.

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Sidaway Legacy

Legacy fund from the estate of the late Irene Sidaway used for the construction of the Spry building at Blists Hill Victorian Town.

Bedlam Furnaces

With the support of Historic England as well as through funding from the Ironbridge Heritage Foundation the Trust put a canopy roof over Bedlam Furnaces. This project was completed in April 2018 and also includes lighting to improve interpretation of the monument.

Ironbridge Heritage Foundation

The Ironbridge Heritage Foundation Limited transferred its assets to the Trust in June 2022. The significant assets transferred are an endowment and freehold properties in the Ironbridge Gorge.

Clothing The Working Man

Fund relating to the Costume Endowment established to support the development of costume related projects within the Museum specifically at Blists Hill Victorian Town as part of the Clothing the Working Man project. This project developed into what is now the wardrobe department and covers the clothing that is integral to the first person interpretation on site.

Rosehill Fund

Fund relating to the Lady Labouchere Rosehill Endowment established by Lady Labouchere for the preservation, restoration, improvement, enhancement and maintenance of the Darby Houses and for the purchase and interpretation of artefacts relating to the properties and Darby family.

Heritage Conservation Fund

Purpose of fund "to secure the preservation restoration improvement enhancement and maintenance of features and objects of historical and industrial interest".

Education Fund

Purpose of fund "the provision of an industrial museum and the organisation of meetings exhibitions lectures publications and other forms of instruction relevant to historical and industrial development".

M & J Darby Fund

Fund set up by M&J Darby and to be used for items they see fit.

NLHF Fund for the Future

Fund to provide an endowment for the long-term conservation of the heritage assets in the Trust's care which includes a match element of £500,000 from the National Lottery Heritage Fund. The negative cash balance on Heritage Lottery Fund for the Future at 31 December 2022 was cleared in March 2023 by a match funding receipt from the Heritage Lottery Fund.

MOG Roof

Fundraising appeal to raise money in order to carry out major conservation work to the roof of the Severn Warehouse. Some work was carried out in 2022 with further conservation work to be completed in 2023. Historic England along with a number of other trusts and foundations provided the funding.

Flood Appeal

Following the River Severn flooding in February 2020 a fundraising appeal was launched to raise funds to aid recovery from the impact of the flooding to the Museum of the Gorge and the Coalport China museum.

Museum Estates & Development Fund (MEND)

The Trust has been awarded £1.1m from Arts Council England from the Museum Estate and Development (MEND) fund which was established to safeguard the nation's cultural heritage. This grant enables the Trust to carry out vital capital infrastructure work at Blists Hill Victorian Town and will be paid to the Trust in instalments over a further two years.

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National Heritage Memorial Fund (NHMF)

The Trust has been awarded a £9.9 million grant from the Cultural Asset Fund. £4.5m will be received as an endowment to pay for ongoing conservation works and the remainder will be received as work is completed on urgent conservation and repair work to 49 historic buildings and structures across the UNESCO World Heritage Site over a three year period.

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2022 £	Restricted funds - cash & current investments 2022 £	Restricted funds - Fixed Assets 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	34,680,855	4,579,200	39,260,055
Fixed asset investments	5,117,764	-	-	-	5,117,764
Current assets	-	149,140	-	373,680	522,820
Creditors due within one year	-	-	-	(2,588,510)	(2,588,510)
Creditors due in more than one year	-	-	-	(561,898)	(561,898)
Total	5,117,764	149,140	34,680,855	1,802,472	41,750,231

Analysis of net assets between funds - prior year

	Endowment funds 2021 £	Restricted funds - cash & current investments 2021 £	Restricted funds - Fixed Assets 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	36,947,003	4,634,046	41,581,049
Fixed asset investments	1,167,699	-	-	-	1,167,699
Current assets	-	453,097	-	1,152,678	1,605,775
Creditors due within one year	-	-	-	(2,138,505)	(2,138,505)
Creditors due in more than one year	-	-	-	(761,206)	(761,206)
Pension liability	-	-	-	(340,000)	(340,000)
Total	1,167,699	453,097	36,947,003	2,547,013	41,114,812

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

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	378,545	1,213,271
Adjustments for:		
Depreciation charges	497,566	480,245
Dividends, interests and rents from investments	(263,427)	(195,330)
Loss on the disposal of fixed assets	135,874	-
Increase in stocks	(11,871)	(9,899)
Decrease in debtors	596,230	155,640
Decrease in creditors	(395,980)	(808,926)
Defined benefit pension scheme costs less contributions payable	17,000	22,000
Assets transferred in	(7,059,784)	-
Fixed Asset impairment	5,210,273	-
Net cash provided by/(used in) operating activities	<u>(895,574)</u>	<u>857,001</u>

25. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	54,029	305,113
Overdraft facility repayable on demand	(776,261)	-
Total cash and cash equivalents	<u>(722,232)</u>	<u>305,113</u>

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26. Analysis of changes in net debt

	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	305,113	(251,084)	54,029
Bank overdrafts repayable on demand	-	(776,261)	(776,261)
Debt due within 1 year	(109,939)	(69,722)	(179,661)
Debt due after 1 year	(724,031)	168,627	(555,404)
Finance leases	(72,280)	30,681	(41,599)
Liquid investments	446,788	(247,512)	199,276
	<u>(154,349)</u>	<u>(1,145,271)</u>	<u>(1,299,620)</u>

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27. Pension commitments

The Charity makes contributions to a defined contribution scheme in respect of the majority of staff. During the year ended 31 December 2022 contributions from the Trust were £71,788 (2021: £56,669). There are no outstanding amounts at the year end and the Trust has no further commitment beyond the regular payments.

The Trust is one of several participating in the Shropshire Council Pension Fund, a contracted-out defined benefit pension scheme (a multi-employer scheme).

The assets of the scheme are held separately from the Charity and its subsidiary. The scheme is funded by contributions from the employer and participating employees in accordance with the recommendations of independent qualified actuaries on the basis of triennial valuations. The most recent comprehensive actuarial valuation was carried out as at 31 March 2022.

At 31 December 2022, 1 (2021: 3) of the Group's employees was a member of the scheme. During the year ended 31 December 2022 contributions from the Group were £12,547 including £Nil of deficit reduction payments (2021: £14,713). The Group has obtained from the actuary the following information, which is disclosed. The information disclosed is at 31 December 2022.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	At 31 December 2022 %	At 31 December 2021 %
Discount rate	5.10	1.80
Future salary increases	3.95	4.05
Future pension increases	2.80	2.90
Rate of CPI inflation	2.70	2.80
	At 31 December 2022 Years	At 31 December 2021 Years
Mortality rates (in years)		
- for a male aged 65 now	22.1	23.0
- at 65 for a male aged 45 now	23.4	24.3
- for a female aged 65 now	24.4	25.1
- at 65 for a female aged 45 now	26.2	26.7

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27. Pension commitments (continued)

Sensitivity analysis

	At 31 December 2022 £	<i>At 31 December 2021 £</i>
Discount rate +0.5% (2021: +0.1%)	(769,000)	286,000
Mortality assumption - 1 year increase	(508,000)	500,000
CPI rate +0.25% (2021: +0.1%)	<u>(481,000)</u>	<u>395,000</u>

The Group's share of the assets in the scheme was:

	At 31 December 2022 £	<i>At 31 December 2021 £</i>
Equities	2,013,000	2,220,000
Other Bonds	758,000	826,000
Property	144,000	158,000
Cash and other liquid assets	12,000	97,000
Other Assets	1,061,000	1,095,000
Total fair value of assets	<u>3,988,000</u>	<u>4,396,000</u>

The actual return on scheme assets was £348,000 (2021 - £502,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2022 £	<i>2021 £</i>
Current service cost	(22,000)	(26,000)
Interest income	78,000	56,000
Interest cost	(85,000)	(67,000)
Total amount recognised in the Consolidated Statement of Financial Activities	<u>(29,000)</u>	<u>(37,000)</u>

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27. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2022 £
Opening defined benefit obligation	4,736,000
Interest cost	85,000
Contributions by scheme participants	3,000
Actuarial gains	(1,250,000)
Benefits paid	(187,000)
Current service cost	22,000
Closing defined benefit obligation	<u>3,409,000</u>

Movements in the fair value of the Group's share of scheme assets were as follows:

	2022 £
Opening fair value of scheme assets	4,396,000
Expected return on assets	78,000
Actuarial (losses)/gains	(314,000)
Contributions by employer	12,000
Contributions by scheme participants	3,000
Benefits paid	(187,000)
Closing fair value of scheme assets	<u>3,988,000</u>

Summary

	2022 £	2021 £
Present value of the defined benefit obligation	(3,409,000)	(4,736,000)
Fair value of scheme assets	3,988,000	4,396,000
Defined benefit pension asset/(liability)	<u>579,000</u>	<u>(340,000)</u>

The Group has the above surplus of £579,000 (2021: £nil) in respect of its defined benefit pension scheme. This surplus is unrecognised as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

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28. Operating lease commitments

At 31 December 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Not later than 1 year	7,480	8,065	7,480	8,065
Later than 1 year and not later than 5 years	22,431	24,656	22,431	24,656
Later than 5 years	399	5,255	399	5,255
	<u>30,310</u>	<u>37,976</u>	<u>30,310</u>	<u>37,976</u>

29. Related party transactions

The Friends of the Ironbridge Gorge Museum is a separate registered charity with a connection to the Ironbridge Gorge Museum Trust whose stated object to provide financial assistance to the Ironbridge Gorge Museum Trust Limited to secure the preservation, restoration, improvement, enhancement and maintenance of features of historic and industrial importance. The Friends of the Ironbridge Gorge Museum have provided funds for the year of £21,536 (2021: £25,131).

The amount outstanding at year end was £1,300 (2021: £5,713).

The Ironbridge Heritage Foundation Limited is a connected charity. During the year the charity transferred freehold property to the Trust of £3,314,000 (2021: £Nil) and transferred investment endowment of £3,745,784 (2021: £Nil). It also allowed the Ironbridge Gorge Museum trust Limited to retain rents which it collected.

There were no outstanding balances at the year end (2021: £Nil).

