

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST
REGISTERED CHARITY NO: SC045363

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST

TRUSTEES' REPORT **FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees present their report and the financial statements for the year ended 31 March 2023.

Objectives and Activities

Charitable Purposes

To advance the arts, heritage and culture and in furtherance of this by;

- i) Making available for the public benefit and enjoyment an art gallery and museums in the City of Aberdeen.
- ii) Working in partnership with other bodies to achieve the purposes.

The charitable purposes for which the organisation is established are to be furthered by the organisation supporting the refurbishment of Aberdeen Art Gallery and Cowdray Hall buildings complex. The Charity Trustees shall set aside a fund from the income of the SCIO for this purpose. This shall be the primary purpose of the organisation.

Activities

The Trust chose, as the focus of its current activities, to undertake fundraising to support the refurbishment of Aberdeen Art Gallery and Cowdray Hall – *Inspiring Art and Music*.

The role of the Trust is to build a network of supporters and to raise philanthropic funds to support the work of Aberdeen Art Galleries and Museums. The Trust will take a lead in the fundraising campaign with the support of the professional staff in Aberdeen Art Gallery, who retain the responsibility for all fundraising activities.

The Development Trust is responsible for:

- Providing stewardship over the fundraising activities carried out by the Aberdeen Art Gallery staff; and
- Ensuring that the philanthropic income is effectively managed and allocated to support the work of the Aberdeen Art Gallery in accordance with the donors' wishes.

Achievements and Performance

The trust was established in 2015 to raise funds for the redevelopment of Aberdeen Art Gallery, the Remembrance Hall and the Cowdray Hall which, with the support of the Trust, reopened in November 2019 to wide critical acclaim. Since then it has won numerous awards including Art Fund Museum of the Year 2020 as one of the five cultural venues Winners.

With the redevelopment complete and the gallery reopened the Trust is to be wound up. The Trust is no longer accepting donations. All pledged sums and outstanding Gift aid has been ingathered, and final distributions will be made to the Art Gallery.

During the reporting period the Trust has continued to manage the funds donated to it to ensure these are allocated to support the work of Aberdeen Art Gallery and Museums in accordance with the donors' wishes.

The restricted funds held by the Trust (£342,056) comprise the balance of a grant made to the Trust where the grant is subject to conditions, including a requirement that the funds be used towards a particular aspect of the re-development of Aberdeen Art Gallery. The Trust awaits vouching from Aberdeen City Council ("ACC") to enable a final distribution to be made and the winding up of the Trust to proceed. The Trust continues to press ACC for this information.

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST

TRUSTEES' REPORT **FOR THE YEAR ENDED 31 MARCH 2023**

Financial Review

The financial statements for the period show donations of £nil (2022 - £1,035), investment income of £8,426 (2022 - £688) and costs of £2,342 (2022 - £3,008). There was a surplus for the period that amounted to £6,084 (2022 deficit of £1,285).

As at 31 March 2023 the Trust's financial position shows a surplus of assets compared to current liabilities of £382,901 (2022 - £376,817).

Investment Policy

Having regard to the low operating costs of the trust, funds not required for support costs of the Trust are invested from time to time in the Aberdeen City Council Loans Fund which meets the requirements of the trust on being low risk and the availability of funds at short notice but also recognises the low interest rates paid.

Grant Making Policy

The trust will make grants in line with Trust purposes and any specific wishes of donors who may wish to have funds used for a specific purpose.

Risk Management

The trustees have a risk management strategy which comprises an annual review of the principal risks and uncertainties that the charity faces and the establishment of procedures to mitigate these risks.

Reserves Policy

The reserves policy of the Trust is to keep sufficient reserves to meet business support costs and to leave any balances available for projects in line with the Trust's purposes.

Reserves at 31 March 2023 were £382,901 (2022 - £376,817).

Restricted funds are £342,056 (2022 - £342,056).

Reserves are in line with the trust's policy.

Related Parties

The Trust's finances are managed by Aberdeen City Council's Finance Service. The day to day administration of the trust is also provided by Aberdeen City Council Staff within the City Growth team in the Place directorate.

There are no links between any of the Trustees and the Art Gallery staff or Aberdeen City Council officials.

Appointment of Trustees

The constitution allows for a minimum of 3 trustees and a maximum of 12.

Charity Trusteeship is open to any person aged 16 or over; and/or any individual who has been nominated for membership by an unincorporated organisation; who subscribes to the purposes of the organisation and wishes to see them fulfilled.

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Any person or nominated individual who wishes to become a Charity Trustee must sign a written application for Charity Trusteeship. The application will then be considered by the Board at its next Board meeting. The Board may, at its discretion, refuse to admit any person or nominated individual to Charity Trusteeship. The Board must notify each applicant within twenty-one days (in writing, which includes by e-mail) of its decision on whether or not to admit him/her to Charity Trusteeship.

At each AGM all of the Trustees must retire from office, but may then be re-elected, unless he/she advises that they do not wish to be re-appointed as a Trustee.

At each AGM all of the office bearers must retire from office but may then be re-elected at the first Trustee meeting following the AGM.

The Trustees identified below served during the period.

New trustees receive an orientation according to their individual needs. This induction will include providing the new trustee with a copy of the Trust's governing document and a briefing on their legal obligations and the Office of the Scottish Charity Regulator's guidance on trustees' duties, the plans and policies of the Trust and an update on the financial performance of the Trust.

Reference and administrative details

Charity Name

Aberdeen Art Gallery and Museums Development Trust

Charity Number

SC045363

Address of Charity

[REDACTED]

[REDACTED]

Bankers

Clydesdale Bank plc
Principal Branch
1 Queens Cross
Aberdeen
AB15 4XU

Independent Examiners

Hall Morrice LLP

Chartered Accountants
6 & 7 Queens Terrace
Aberdeen
AB10 1XL

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The trustees have prepared this report in accordance with the Statement of Recommended Practice 'Accounting and reporting by Charities' in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended).

On behalf of the board of trustees.

[Redacted Signature]

[Redacted Name]

Chair

22 November 2023

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST

INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST

I report on the accounts of the charity for the year ended 31 March 2023 which are set out on pages 7 to 14.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply . It is my responsibility to the examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the records presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention:

- Which gives me reasonable cause to believe that in any material respect the requirements:
 - To keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - To prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations.
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



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Chartered Accountants
Aberdeen, 22 November 2023

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and endowments from:					
Donations and legacies	2	-	-	-	1,035
Investment income	3	<u>8,426</u>	<u>-</u>	<u>8,426</u>	<u>688</u>
Total Income		<u>8,426</u>	<u>-</u>	<u>8,426</u>	<u>1,723</u>
Expenditure on:					
Charitable activities	4	<u>2,342</u>	<u>-</u>	<u>2,342</u>	<u>3,008</u>
Total expenditure		<u>2,342</u>	<u>-</u>	<u>2,342</u>	<u>3,008</u>
Net movement in funds		<u>6,084</u>	<u>-</u>	<u>6,084</u>	<u>(1,285)</u>
Total funds brought forward		<u>34,761</u>	<u>342,056</u>	<u>376,817</u>	<u>378,102</u>
Total funds carried forward		<u>40,845</u> =====	<u>342,056</u> =====	<u>382,901</u> =====	<u>376,817</u> =====

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST**BALANCE SHEET**
AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
Current Assets			
Debtors: amounts falling due within one year		5,141	466
Cash at Bank and in hand		3,860	18,391
Loans Funds		375,000	360,000
		<u>384,001</u>	<u>378,857</u>
Current Liabilities			
Creditors: amounts falling due within one year	7	(1,100)	(2,040)
Net Assets		<u>382,901</u>	<u>376,817</u>
Reserves			
Restricted Income Funds – Art Gallery Redevelopment	9	342,056	342,056
Unrestricted Funds	8	40,845	34,761
		<u>382,901</u>	<u>376,817</u>

The financial statements were authorised for issue and approved by the Board on 22 November 2023



Chair

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST**STATEMENT OF CASH FLOWS**
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash generated from/(used in) operating activities (Note 13)	(7,957)	(2,189)
Cash flows from investing activities		
Interest received	<u>8,426</u>	<u>688</u>
Net increase/(decrease) in cash and cash equivalents	469	(1,501)
Cash and cash equivalents at beginning of year	<u>378,391</u>	<u>379,892</u>
Cash and cash equivalents at end of year	378,860 =====	378,391 =====
Relating to:		
Cash at bank and in hand	3,860	18,391
ACC loan funds	<u>375,000</u> =====	<u>360,000</u> =====

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), The Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The charity has adequate resources and is well placed to manage future risks. The charity's planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue. The financial statements have therefore been prepared on the basis that the charity is a going concern.

1.2 Incoming resources

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Income from grants, including capital grants, is included in incoming resources when it is receivable except where the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that income is to be expended in a future period. In these circumstances' income is deferred until those periods.

Investment income is included when receivable.

1.3 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

Costs of charitable activities includes the costs associated with attracting voluntary income and the governance costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure of the SOFA on a basis designed to reflect the use of the resource.

1.4 Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2023**1.5 Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.7 Creditors

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

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Other donations	-	-	-	1,035
	-	-	-	1035

In 2022 £1,035 was attributable to unrestricted funds and £nil was attributable to restricted funds.

3 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Interest receivable	8,426	-	8,426	688

In 2022, £688 was attributable to unrestricted funds and £nil was attributable to restricted funds.

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2023**4 Charitable activities**

	Unrestricted	Restricted	Total	Total
	funds	funds	2023	2022
	£	£	£	£
Insurance	2,202	-	2,202	968
Governance costs	140	-	140	2,040
Raising of funds	-	-	-	-
	2,342	-	2,342	3,008
	=====	=====	=====	=====

In 2022, £3,008 was attributable to unrestricted funds and £nil was attributable to restricted funds.

5 Trustees

None of the trustees (or any persons connected with them) received remuneration from the charity and none of the trustees are paid any expenses for attending board meetings.

6 Independent examiner's remuneration

The independent examiner's remuneration constituted an independent exam fee of £1,100 (2022 - £2,040).

7 Creditors: amounts falling due within one year

	Unrestricted	Restricted	Total	Total
	funds	funds	2023	2022
	£	£	£	£
Other creditors	1,100	-	1,100	2,040
	=====	=====	=====	=====

In 2022 £2,040 was attributable to unrestricted funds and £nil was attributable to restricted funds.

8 Unrestricted funds

	Balance at	Movement in funds		Balance at
	1 April 2022	Incoming resources	Resources expended	31 March 2023
	£	£	£	£
General	34,761	8,426	(2,342)	40,845
	=====	=====	=====	=====

ABERDEEN ART GALLERY AND MUSEUMS DEVELOPMENT TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2023**9 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2022 £	Movement in funds		Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	
Remembrance Hall/Gallery of Memories	342,056	-	-	342,056
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	342,056	-	-	342,056
	=====	=====	=====	=====

Purpose of restricted funds

Remembrance Hall/Gallery of Memories – A grant provided towards the total costs of carrying out renovations and improvements to Aberdeen’s Remembrance Hall as well as creating a new ‘Gallery of Memories’ commissioning new artwork to commemorate those affected by conflicts.

10 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2023 are represented by:			
Current assets	41,945	342,056	384,001
Creditors: amounts falling due within one year	(1,100)	-	(1,100)
	40,845	342,056	382,901
	=====	=====	=====

12 Related party transactions

The charity has a close working relationship with Aberdeen City Council. Aberdeen City Council provides financial and administration services for board meetings. There has been no charge made for this service.

13. Cash generated from operations

	2023 £	2022 £
Net movement in funds		
Investment income	6,084	(1,285)
	(8,426)	(688)
Movement in working capital:		
Decrease/(increase) in debtors	(4,675)	(216)
(Decrease) in creditors	(940)	-
Cash generated from/(used in) operations	(7,957)	(2,189)
	=====	=====

