

Russell-Cotes Art Gallery and Museum

Charity No. 306288

Trustees' Report and Audited Accounts

31 March 2024

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The trustees present their report with the audited financial statements of the charity for the year ended 31 March 2024.

#### REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 306288

Principal Office

Russell-Cotes Road

East Cliff

Bournemouth

BH1 3AA

Trustees

The following trustees served during the year:

BCP Council

G. Meyrick (Meyrick Baronetcy -  
entitlement not taken up)

Trustees holding title to charity property

BCP Council

Key Management Personnel

Professor S. Bartholomew (Chair)

Cllr L. Northover

G. Irvine

Sir G. Meyrick

S. Newman - Museum manager

Cllr L. Williams (Vice-Chair)

Cllr A. Martin

F. Winrow

A. Frost

As of 1st April 2019 Bournemouth Borough Council became part of a new authority Bournemouth, Christchurch & Poole Council (BCP) and the policy of donation has passed to the new authority. This is enshrined in the following two UK Statutory Instruments:

- 2018 No. 648 The Bournemouth, Dorset and Poole (Structural Changes) Order 2018
- 2008 No. 2176 The Local Government (Structural Changes)(Transfer of Functions, Property, Rights and Liabilities) Regulations 2008.

The trustee is pleased to present these formal statements of account. This recognises the importance the art gallery and museum has as a key cultural community resource and flagship visitor attraction for the Bournemouth conurbation and region. The trustee has taken the Charity Commission's guidance on public benefit into consideration. It formalises the accounting treatment of the Trust as a separate entity with its own transactions distinct from those of BCP Council (The Council).

Auditor

Hixsons

24 Cecil Avenue

Bournemouth

BH8 9EJ

Bankers

Barclays

Leicester

LE87 2BB

## OBJECTIVES AND ACTIVITIES

The objects of the Charity are the purposes of an art gallery and museum.

Our vision is that the Russell-Cotes Art Gallery & Museum will be the internationally acclaimed cultural flagship for Bournemouth and beyond. Our Mission is to inspire and enrich the lives of Bournemouth's residents and visitors by creating a cultural flagship around a unique historic house and international art collections.

Russell-Cotes Art Gallery and Museum is an outstanding celebration of late Victorian art collectors; their passions and achievements; how they lived and encountered the world; and how they presented their collections to enrich the lives of others. We are entrusted to present the Russell-Cotes' personal legacy in the most authentic way possible, and to enable learning, enjoyment and access to the house and collections for residents and visitors to Bournemouth.

Background - The Russell-Cotes is a rare survivor as the residence of a Victorian/ Edwardian collector, planned and perpetuated as a permanent art museum. It now comprises art galleries, historic house, exhibitions, a licensed café, a shop and activity/ learning area.

The Collections - The collection is a prime example of Victorian attitudes which resulted in an eclectic collection spanning fine art, ethnography, decorative and applied arts, sculpture, souvenirs and a theatre collection. Since Merton Russell-Cotes was an assiduous collector of British paintings in the latter part of the 19th century, the art collection provides a unique insight into middle class taste of the period. The collections were expanded and enhanced by the souvenirs acquired during the Russell-Cotes' travels around the world. Further donations, purchases and bequests have significantly added to the collection after 1921. The 'collections strategy' contains the policies for the acquisition, preservation, management and disposal of heritage assets and the details of the assets are maintained in the Modes database. The public has access to the collections that are on display. Personal access to the collections is not permitted as a general rule, although each request is reviewed on its merits taking into account the risks to the collections before granting or refusing access.

## ACHIEVEMENTS AND PERFORMANCE

Review of the Year - The Museum had made a complete recovery from Covid in the previous financial year. Visitor numbers and activities continued to increase during this year.

Usage: Headline Performance - During the year, the gallery provided a range of public benefits through its public exhibitions, displays, activities, events, learning resources and sessions, including online activities, achieving the following usage numbers: 171,219 usages (53,231 visits in person, 1,559 enquiries, 91,057 unique website users, 10,830 followers on Facebook, 2,884 followers on Twitter, 4,848 followers on Instagram, 521 followers on other social media (YouTube, LinkedIn and TikTok) 5,828 e-newsletter subscribers, 198 off-site participants and 263 online participants, compared to 165,946 in 2022-23. 53,231 visits in person, compared to 49,762 in 2022-23. September 2023 saw the most visitors to the gallery (5,841), whilst August 2023 (5,828) and March 2024 (5,426) were also busy.

The Museum's educational and events programme continued - 47 formal education sessions were held on site delivering to 816 pupils and home-educated children. This compares to 39 sessions for home educated children, delivering to 1,118 children in 2022-23. Offsite 3 sessions were held for 72 university students. The number of annual tickets sold increased to 588 (from 580) generating 1,246 return visits. The Friends membership increased to 267 (from 218 members), generating 1,144 return visits.

Exhibitions and Events - 'In her own voice: the art of Lucy Kemp-Welch (1869 – 1948)' (1 April – 1 October 2023). Lucy Kemp-Welch (1869-1958) is one of Britain's best-known equine, female artists. Over a long and successful career spanning the first half of the 20th century she became a leading painter of horses, famous for her illustrations for Black Beauty and sensitive portrayals of horses at work. Her pictures are informed by her expertise as a horsewoman and love for her equine subjects. The Russell-Cotes Art Gallery & Museum partnered with the National Horse Racing Museum to organise the first major retrospective exhibition of works since the artist's death. Curated by art historian David Boyd Haycock, the exhibition focussed on key works and moments in Kemp-Welch's illustrious career and the influence of Hubert von Herkomer's teaching at his school in Bushey. This exhibition was made possible with a grant from the Weston Loan Programme with Art Fund and featured works from the Russell-Cotes collection as well as from national and regional museums, including the Imperial War Museum, Bushey Museum and Southampton City Art Gallery. The exhibition coincided with the launch of David Boyd Haycock's new biography of the artist 'The Life and Work of Lucy Kemp-Welch, Painter of Horses'. The exhibition was made possible as a result of the Government Indemnity Scheme. The Russell-Cotes Art Gallery & Museum is very grateful to HM Government for providing Government Indemnity and the Department for Digital, Culture and Sport and Arts Council England for arranging the indemnity. The exhibition was very popular, attracting visitors from around the world and very significant press coverage including 'Country Life' and 'The Spectator'. Reviews included: 'Superb exhibition of the paintings of Lucy Kemp-Welch, which was my main reason for visiting and was delighted to discover what a treasure the whole experience was.'

'Siam: through the Lens of John Thomson (1837 – 1921)' (21 October 2023 – 14 April 2024). This exhibition showed modern large-scale prints of glass plate photographs of Siam and Angkor Wat in Cambodia in the 1870s taken by John Thomson, who was an exact contemporary of Merton and Annie Russell-Cotes. It is the sister exhibition to the very popular 'China, through the lens of John Thomson' which was held in 2018. A Scottish photographer with an exceptional eye for detail, Thomson embarked on a ground-breaking journey to Siam during the late Victorian period, with a fairly new invention in those days: photography, capturing scenes that had been scarcely witnessed before in the western world. Throughout his remarkable career, Thomson ventured into uncharted territories and documented the exotic beauty and cultural richness of Thailand and Cambodia in stunning detail. Featuring dramatic images developed from negatives preserved in London's Wellcome Collection, this exhibition introduced the sights and people of nineteenth-century Thailand and Cambodia as witnessed by Thomson first hand.

The exhibition was opened by His Excellency Thani Thongphakdi, the Thai ambassador, and there were a number of associated events and workshops on site and on-line. The exhibition was well received with comments such as 'the Siam photographic exhibition was outstanding'.

Secretary's Room Exhibitions - From the Outside In: Responding to Art and Sculpture from the Russell-Cotes Africa Collection (January – December 2023). The Russell-Cotes worked with diverse community groups including local charity, DEED, to develop an exhibition of art and sculpture from a range of African countries from Sierra Leone to the Democratic Republic of Congo. Participants used the opportunity to explore ideas of colonialism, collecting, representation and meaning.

'Beautiful Bournemouth' (January 2024 – July 2024). This exhibition featured paintings and prints from the collection showing Bournemouth views.

#### Events, Learning and Community – On-site and on-line

A total of 90 informal learning and activity sessions took place on site involving 6,624 people. They included:

- Behind the Scenes Tours restarted on a monthly basis
- Regular drop-in tours of the museum for visitors offered by volunteer tour guides resumed three times per week.
- 46 booked group visits, some with a guided tour, for 1,005 people (including tour operators, specialist interest and adult education groups).
- The popular Hallowe'en event was resumed attracting 110 people.
- Christmas Weekend attracted 669 visitors.
- A 'Lates' programme of a monthly evening opening with additional talks, tours and activities, was made a regular event on the third Thursday of the month and proved very popular. Themes included Dangerous Women, Time Travellers and Christmas. A total of 3,305 visitors attended Lates over the year.

In addition, 197 children participated in 18 family learning and engagement activities

- Father Christmas made a welcome return for a further 103 children.
- 34 people attended workshops
- 62 formal learning sessions were delivered for 2,046 pupils/students including
- 29 formal learning sessions were held for 694 school children.
- 18 sessions for 122 home-educated children.
- There were also 32 visits by Language schools for 806 students (though many were self-led).
- 14 groups of 398 university students from AUB and Bournemouth University.
- 2 sessions off-site for 72 students from the universities.

#### Digital activity included:

- 6 on-line talks were offered by volunteers, staff and external curators and researchers related to the collections, museum and exhibitions attracting 263 attendees.
- Regular newsletters were sent to the mailing list/ supporters to keep them up to date with museum activities.
- A 'Friends Zone' continued with background information and articles.

#### Outreach included:

- 5 take-out talks for 126 attendees

#### Audiences

The museum engaged with community groups, specifically IAAC and DEED, to develop the exhibition 'From the Outside In; Responding to Art and Sculpture in the African Collection' in the Secretary's Room.

Focus groups on Visitor Experience, Programming, Access and Diversity continued with quarterly meetings scheduled to seek the views and ideas of diverse visitors and communities, in order to help inform the work of the Russell-Cotes, ensuring that it is relevant, engaging and respectful to all, and to drive improvements across its activities.

Sixpence Days', which essentially allowed free entry, were held four times in the year and attracted 3,626 visitors in total, averaging 906 per day. This enabled those for whom the admission charge is a barrier to visit for free.

The museum attended the World of Love Festival in Bournemouth and had stands at the Freshers Fairs for Bournemouth University and AUB, reaching 777 people in total.

#### Collections and Interpretation

As a result of the Lucy Kemp-Welch exhibition, the Russell-Cotes was offered the opportunity to purchase five studies by the artist dated 1894 for the painting 'Gypsy Horse Drovers' (in the RCAGM collections). The acquisitions were partly funded by grants from Arts Council England/V&A Purchase Grant Fund (£8,725), and Art Fund (£5,725). The balance came from the specific RCAGM fund restricted for the conservation and purchase of work for the Collection.

The museum's interpretation has been updated with new Room Books in all rooms now including information on sculptures, decorative art, world cultures and fittings as well as paintings.

Conservation of the sculpture of 'Queen Victoria' by John Gibson RA (1790 – 1866) has enabled her nose to be reconstructed. Friends of the Russell-Cotes contributed to the cost of the conservation. 'Thames Embankment' by James Aumonier (1832 – 1911) was also conserved. Both works are on display in the Museum.

Loans of paintings and objects in the Collection were made to British Museum, Kunsthalle Munchen (Munich), Museo d'Arte Moderna e Contemporanea di Casa Cavazzini (Udine), Casa delle Esposizioni of Illegio (Italy), Musei di San Domenico (Forlì, Italy), Falmouth Art Gallery, Tullie House Museum and Art Gallery (Carlisle), Southampton City Art Gallery, Red House Museum (Christchurch) and National Horseracing Museum (Newmarket). Attendance at these exhibitions was 513,133 in total.

Income generation - Café - The outdoor terrace and catering cart were fully operational subject to weather and demand and have enhanced the Café's offer and contributed to an increased turnover. Wedding and Venue Hire - Three room hires were held. Retail - Shop sales from the pop-up Lucy Kemp-Welch exhibition were strong, and from an improved Christmas offer. However, overall shop sales were slightly reduced from the previous year.

## FINANCIAL REVIEW

Historically the Council, in its role as local authority and corporate trustee, has provided donated services each year sufficient for the trust to achieve breakeven. This is currently the policy that is expected to continue and so the accounts have been prepared on a going concern basis.

The unrestricted income fund is £193,869 and is stock, petty cash and reserves from BCP Council. The restricted income fund is £278,327 and is the conservatory repair fund, the purchase reserve and various other reserves held in trust to be retained for the benefit of the charity. The endowment reserve is £46,312,228 and is the value of the Heritage assets.

The Trust's assets are the freehold land and buildings consisting of the East Cliff Hall, Bournemouth and the collection itself. The Trustee has valued the freehold land and buildings at depreciated replacement cost value which, is reflected in a revaluation reserve on the balance sheet.

In 2022, the Russell-Cotes was awarded a grant of £518,000 from the Arts Council England (ACE) Museums Estates and Development Fund (MEND) to deliver a defined programme of maintenance work: restoring the conservatory, replacing the end-of-life air handling units, improving drainage and improving CCTV security. Match funding was provided by £213,000 from the Community Infrastructure Levy (CIL), fundraising (£30,0000) and £213,000 BCP Council prudential borrowing.

Work was successfully completed on the drainage and replacing all the air handling units in spring 2024. This required the museum to be closed for 4 weeks in January 2024. All plant has been upgraded and renewed allowing the delivery of close control of the environment in the museum, whilst providing only customer comfort in the Café area, with more modern and efficient systems which will bring a reduction in energy usage.

The cost of the repairs to the conservatory was higher than budgeted due to inflation in the sector, so additional funds have been raised and secured from reserves. Work started in spring 2024 and is due for completion in autumn 2024.

The Museum received £1,915 from Neighbourhood CIL for the refurbishment of garden features including the Japanese bridge, fountain and the refurbishment of the beach sculptures on the metal railings. It received £36,303 from the Bournemouth Civic Society on its closure after 50 years, to recreate a children's pavilion in the garden. It also received a legacy from Miss Julia Stallard of £84,317 towards the maintenance of the museum.



Approximately 20 FTE members of staff were employed during this period, (18 FTE in 2022-23), excluding a % of senior management time.

Volunteers continued to make a valuable 'in kind' contribution to the service both remotely and on-site, working on a range of projects including:

- Interpretation - (research on exhibition text)
- Collections related (cataloguing RC library, collections research and documentation, environmental monitoring, deep cleaning)
- Public-facing (stewarding, tour guiding, learning assistance, talks, café etc)
- IT, marketing & administrative (visitor feedback, data entry etc)
- Performing live music in the house
- Maintaining the garden

During the year the museum had 129 volunteers who contributed about 4,168 hours of their time.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The Trustee relies on the Council's corporate risk register to monitor and manage risk. Where necessary specific matters relating to the Russell Cotes will be included. The Trustee has considered the risks that the charity is exposed to but does not deem there to be any significant risk arising from its activities.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustee is pleased to present these formal statements of account. It recognises the importance the art gallery and museum has as a key cultural community resource and flagship visitor attraction for the Bournemouth conurbation and region. The Trustee has taken the Charity Commission's guidance on public benefit into consideration. It also formalises the accounting treatment of the Trust as a separate entity with its own transactions distinct from those of BCP Council (The Council).

The Trust was created under Indentures of 1908, 1918 and 1920 between BCP Council's predecessor body the County Borough of Bournemouth Corporation and Sir Merton and Lady Russell-Cotes. In 1962 a charity was formed to take over responsibility for the house and contents. Further information is provided in the notes to the accounts – tangible fixed assets.

Under the Indentures, the house and its collection were gifted to the Council for the purpose of forming an art gallery and museum for the use, benefit and enjoyment of the inhabitants of and visitors to Bournemouth.

The original Indentures were varied by s.57 Bournemouth Borough Council Act 1985. This requires that the Council manage, regulate, control and deal with the Trust, premises and property by means of a management committee appointed by them in accordance with the Local Government Act 1972.

Pursuant to the Council's Constitution, local choice functions are intended to be executive functions (ordinarily exercised by the Leader and/or Cabinet and Cabinet members per the Leader's scheme of delegation) as is permitted in accordance with the Local Authorities (Functions and Responsibilities) (England) Regulations 2000. The Council's executive therefore exercises the functions as Trustee for the operations and management of the Russell-Cotes Art Gallery and Museum. As in practice, Cabinet does not sit as the Management Committee, a new Management Committee was created in 2016, as a sub-committee of Cabinet and exercises the functions delegated to it.

Russell-Cotes Art Gallery and Museum  
Trustees Annual Report

The Management Committee meets twice a year and is serviced by the Council's Democratic Services team. As a sub-committee the minutes of meetings are noted and agreed by Cabinet. The Management Committee is made up of:

- a) the Portfolio Holder,
- b) two further Council member,
- c) 4 external (Non-Council Members) and
- d) Sir George Meyrick (or the person for the time being in enjoyment of the title), in compliance with the Bournemouth Borough Council Act. A substitute can be agreed with the elected chair prior to any meeting.

Non-Council members cannot lawfully exercise formal voting rights. However the rules have been written very carefully to ensure the non-members views are taken into account through a recorded shadow vote before any formal vote is taken.

Following continued discussion and consultation on the governance arrangements within the Council and with external stakeholders and communities, an application was made to the Charity Commission for permission to apply for a change of governance. In August 2022, the Charity Commission concluded that a change of governance was in the best interests of the charity and invited BCP Council to formally request a parliamentary scheme to replace the Local Authority Trustee with a new corporate Trustee under Section 73 of the Charities Act 2011.

BCP Council, as Sole Trustee, formally approved the request to the Charity Commission for a new Corporate Trustee in the minutes of its meeting on 10 January 2023.

Funding of £98,500 was provided by National Lottery Heritage Fund (NLHF) to support the costs of making this application and the transition to a new independent charity.

The formal application to the Charity Commission by BCP Council was delayed by the process of agreeing a financial arrangement for the new Trustee, but it was formally submitted in December 2023. A financial settlement to support the new corporate trustee was agreed by BCP Council at its meeting in February 2024. The Charity Commission is currently in process of drafting a Scheme for the new Trustee to be agreed with the Council and approved by Parliament in due course.

Progress on establishing the new trustee and its organisational arrangements continues.

#### Recruitment and appointment of external members

The management Committee recruitment process is carried out by officers and existing members on behalf of the Management Committee. The vacancy is advertised in the local media and interested parties are then provided with:

- a. Briefing Note
- b. Forward Plan
- c. Collections Strategy
- d. Latest Annual Report

The applicants' CV's are reviewed and potential applicants are then interviewed and appointed using the Charity Commission Operational Guidance, Trustee Act 2000, OG 86 B4 'Power to employ nominees and custodians'. On the appointment the committee members are provided with a copy of the governing documents, the Rules of the Management Committee together with the rules for conflicts of interest. A familiarisation session will be provided which ensures that the new management committee members have a good understanding of the Russell-Cotes Art Gallery and Museum as a whole and how it operates within the context of BCP Council.

#### Statement of trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities requires the charity trustees to prepare financial statements which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- \* select suitable accounting policies and then apply them consistently;
- \* observe the methods and principles in the Charities SORP;
- \* make judgements and estimates that are reasonable and prudent;  
state whether applicable UK accounting standards have been followed,
- \* subject to any material departures disclosed and explained in the financial statements;
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditor

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant information and to establish that the company's auditors are aware of that information.

Signed on behalf of the charity's trustees

BCP Council  
Trustee  
29 January 2025

Independent Auditor's Report to the Trustees of Russell-Cotes Art Gallery and Museum

Opinion

We have audited the accounts of Russell-Cotes Art Gallery and Museum (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the Notes to the Accounts, 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 ,and of its profit/loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least 12 months from when the accounts are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in 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 there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the accounts is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement found in the trustees' report, the trustees are responsible for the preparation of accounts which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

We have been appointed under the Charities Act 2011, s. 145 and report in accordance with the regulations made under the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud.

As part of this discussion we identified the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates, drawing on our sector experience, and considered the risk of acts by the Charity that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and UK tax legislation.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of the trustees' meetings and correspondence between the Charity and its solicitors.

Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management, identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, reviewing of deferred income and accrued provisions.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of this report

This report is made solely to the charity's trustees, as a body, in accordance Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Hixsons, Accountants and Statutory Auditors  
24 Cecil Avenue  
Bournemouth  
BH8 9EJ

29 January 2025

Hixsons is eligible for appointment as auditor in terms of the Companies Act 2006, s.1212.



Russell-Cotes Art Gallery and Museum  
Statement of Financial Activities  
for the year ended 31 March 2024

		Unrestricted	Restricted	Endowment	RESTATED	
		funds	funds	funds	Total funds	Total funds
		2024	2024	2024	2024	2023
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and legacies	3	699,545	778,606	-	1,478,151	945,897
Charitable activities	4	246,198	-	-	246,198	354,830
Other trading activities	5	280,007	-	-	280,007	255,347
Other	6	788	-	-	788	326
Total		1,226,538	778,606	-	2,005,144	1,556,400
Expenditure on:						
Raising funds	7	1,003,405	688,773	-	1,692,178	1,133,418
Charitable activities	8	190,317	-	-	190,317	150,761
Other	9	-	-	91,320	91,320	508,351
Total		1,193,722	688,773	91,320	1,973,815	1,792,530
Net gains on investments		-	-	-	-	-
Net income/(expenditure)	10	32,816	89,833	(91,320)	31,329	(236,130)
Transfers between funds		-	-	-	-	-
Net income/(expenditure) before other gains/(losses)		32,816	89,833	(91,320)	31,329	(236,130)
Other gains and losses						
Other (Losses)		-	-	(4,735,580)	(4,735,580)	(17,055,914)
Net movement in funds		32,816	89,833	(4,826,900)	(4,704,251)	(17,292,044)
Reconciliation of funds:						
Total funds brought forward		161,053	188,494	51,139,128	51,488,675	68,780,719
Total funds carried forward		193,869	278,327	46,312,228	46,784,424	51,488,675

Russell-Cotes Art Gallery and Museum

Balance Sheet

at 31 March 2024

		2024	RESTATED 2023
Charity No. 306288		£	£
Fixed assets			
Tangible assets	12	46,312,228	51,139,128
		<u>46,312,228</u>	<u>51,139,128</u>
Current assets			
Stocks	13	13,820	14,013
Debtors	14	12,283	9,010
Cash at bank and in hand		498,472	428,745
		<u>524,575</u>	<u>451,768</u>
Creditors: Amount falling due within one year	15	(52,379)	(102,221)
Net current assets		<u>472,196</u>	<u>349,547</u>
Total assets less current liabilities		<u>46,784,424</u>	<u>51,488,675</u>
Net assets excluding pension asset or liability		<u>46,784,424</u>	<u>51,488,675</u>
Total net assets		<u><u>46,784,424</u></u>	<u><u>51,488,675</u></u>
The funds of the charity			
Restricted funds	16		
Endowment funds		46,312,228	51,139,128
Restricted income funds		278,327	188,494
		<u>46,590,555</u>	<u>51,327,622</u>
Unrestricted funds	16		
General funds		193,869	161,053
		<u>193,869</u>	<u>161,053</u>
Total funds		<u><u>46,784,424</u></u>	<u><u>51,488,675</u></u>

Approved by the trustees on 29 January 2025

And signed on their behalf by:

BCP Council

Trustee

29 January 2025

Russell-Cotes Art Gallery and Museum

Statement of Cash flows

for the year ended 31 March 2024

	2024	RESTATED 2023
	£	£
Cash flows from operating activities		
Net expenditure per Statement of Financial Activities	(4,704,251)	(17,292,044)
Adjustments for:		
Profit on disposal of tangible fixed assets	(788)	(326)
Depreciation of property, plant and equipment	91,320	508,351
Other (gains)/losses	4,735,580	17,055,914
Decrease in stocks	193	6,415
(Increase)/Decrease in trade and other receivables	(3,273)	29,537
(Decrease)/Increase in trade and other payables	(49,842)	10,135
Net cash provided by operating activities	<u>68,939</u>	<u>317,982</u>
Cash flows from investing activities		
Profit on disposal of tangible fixed assets	788	326
Dividends, interest and rents from investments	-	-
Net cash from investing activities	<u>788</u>	<u>326</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	69,727	318,308
Cash and cash equivalents at the beginning of the year	428,745	110,437
Cash and cash equivalents at the end of the year	<u>498,472</u>	<u>428,745</u>
Components of cash and cash equivalents		
Cash and bank balances	498,472	428,745
	<u>498,472</u>	<u>428,745</u>

for the year ended 31 March 2024

## 1 Accounting policies

### Basis of preparation

The financial statements have been prepared in accordance with 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) issued on 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The Russell-Cotes Art Gallery and Museum's corporate trustee includes the charity in its consolidated financial statements. The consolidated financial statements are prepared under the International Financial Reporting Standards and are available to the public at <https://www.bcpccouncil.gov.uk/About-the-council/Budgets-and-finance/Annual-accounts.aspx>. Having given regard to Public Benefit Entity guidance the corporate trustee considers the Russell-Cotes Art Gallery and Museum to be a Public Benefit Entity.

### Going Concern

Historically the Council, in its role as local authority and corporate trustee, has provided donated services each year sufficient for the trust to achieve breakeven. This is currently the policy and the trustee has received confirmation that this support will continue for the foreseeable future and is considered adequate and so the accounts have been prepared on a going concern basis. The trustee considers that there are no material uncertainties about the Trust's ability to continue as a going concern.

### Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

### Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	<p>Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.</p> <p>Voluntary income in the form of Donated Services received is recognised in the year that the matching unfunded element of expenditure is incurred. The policy of BCP Council has been and will be to subsidise the charity each year to the extent of its income shortfall. While this arrangement is likely to continue for the foreseeable future there is no contractual necessity for the Council to provide the subsidy through Donated Services other than the basic maintenance of the East Cliff Hall premises and grounds and the collection. There is also the need to employ a curator. Staffing currently includes a post of this nature together with the staff expected of a modern-day museum and art gallery. Income from commercial trading activities is recognised at point of sale - this includes income from the café. Grant income is recognised when the charity can demonstrate entitlement, receipt is probable, and the amount can be measured reliably.</p>
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

Expenditure

Recognition of expenditure      Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds      These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

The main cost is for staff and there is no distinction or recording of time between charitable activities and the cost of generating funds. For example, there are no specific, salaried staff members employed to make retail sales. Instead, other staff members cover this function as an incidental part of their employment. An estimate of the value of this service is reflected in the statement of financial activities on an accrual basis. Maintenance includes the direct costs of maintaining the building and gardens. Running costs include rates, utilities and insurances. Salaries represent the cost of the Council supplied staff including those funded by any external grants. Operating costs are mostly incurred by the Council and charged by way of recharges to reflect the Russell-Cotes' apportionment of the cost of central Council services provided. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to preparing statutory accounts, the statutory audit, legal fees and costs of Committee meetings.

Expenditure on charitable activities      These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.

Grants payable      All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.

Governance costs      These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure      These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from tax on its charitable activities.

## Freehold investment property

### Heritage Assets

The Trust's heritage assets consist of the museum building - East Cliff Hall, the land and the paintings, furniture and other objects that form the collection of the Russell-Cotes museum. They are held to provide benefit and enjoyment to the inhabitants of and visitors to Bournemouth. Heritage assets are initially recognised at cost and are revalued periodically. Any revaluation gains or losses are held in the Endowment fund. These assets are valued using the Council's land and building valuation processes (depreciated replacement cost). Major refurbishment carried out by the Council is classified as a donated service and the asset revalued accordingly. Whilst being carried at other than a notional value, assets are depreciated on a straight line basis over their estimated useful lives.

Tangible assets	5 years
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Heritage - Freehold Buildings	50 years
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The carrying values of heritage assets are reviewed where there is evidence of physical deterioration or breakage. Any impairment is recognised and measured in accordance with the Trust's general policies on impairment. Depreciation is only chargeable on heritage assets if they meet the Trust's general policies for depreciation. The collection is not depreciated but revalued on a periodic basis by appropriate experts including the museum curator. A record of the heritage assets held by the Trust is maintained in the Modes database.

Capitalisation follows the policy of a threshold of £1,000.

### Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market. The gift shop & cafe stock is counted at year end and valued at the lower of cost or most recent purchase price and net realisable value as per FRS102 (Section 13) and the Charity SORP.

### Trade and other debtors

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

### Cash and cash equivalents

Cash at bank is equal and opposite to the sum of the net of the debtors and creditors, the Conservatory Repair fund and the Paintings and Specimens reserve. The museum does not have its own bank account - all receipts are paid into and all payments paid from the BCP Council's main bank account.

### Trade and other creditors

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

### Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

Russell-Cotes Art Gallery and Museum  
Notes to the Accounts

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Statement of Financial Activities - prior year	RESTATED	RESTATED	RESTATED	RESTATED
	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	2023	2023	2023	2023
	£	£	£	£
Income and endowments from:				
Donations and legacies	813,601	132,296	-	945,897
Charitable activities	313,197	41,633	-	354,830
Other trading activities	255,347	-	-	255,347
Other	326	-	-	326
Total	1,382,471	173,929	-	1,556,400
Expenditure on:				
Raising funds	1,091,785	41,633	-	1,133,418
Charitable activities	150,761	-	-	150,761
Other	-	-	508,351	508,351
Total	1,242,546	41,633	508,351	1,792,530
Net income/(expenditure)	139,925	132,296	(508,351)	(236,130)
Net income/(expenditure) before other gains/(losses)	139,925	132,296	(508,351)	(236,130)
Other gains and losses:				
Other Losses	(25,074)	-	(17,030,840)	(17,055,914)
Net movement in funds	114,851	132,296	(17,539,191)	(17,292,044)
Reconciliation of funds:				
Total funds brought forward	46,202	56,198	68,678,319	68,780,719
Total funds carried forward	161,053	188,494	51,139,128	51,488,675

3. Income from donations and legacies	RESTATED			
	Unrestricted funds	Restricted funds	Total funds	Total funds
	2024	2024	2024	2023
	£	£	£	£
Public donations	80,698	302,239	382,937	82,361
BCP Council donations	618,847	476,367	1,095,214	863,536
	<u>699,545</u>	<u>778,606</u>	<u>1,478,151</u>	<u>945,897</u>



### 3 Income from donations and legacies

Included in BCP Council donations are 'in kind donations' for central support totalling £48,779 (2023: £44,694) and repairs totalling £40,001 (2023: £28,715).

Donated goods, facilities and services received

RESTATED

	Total funds 2024 £	Total funds 2023 £
General donation	1,095,407	869,951
Change in value of gift stock and cafe closing stock	(193)	(6,415)
	<u>1,095,214</u>	<u>863,536</u>

### 4 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Admission fees and school visits	246,198	-	246,198	224,886
Grant Income	-	-	-	129,944
	<u>246,198</u>	<u>-</u>	<u>246,198</u>	<u>354,830</u>

### 5 Income from other trading activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Retail trading	279,294	-	279,294	254,042
Venue hire	713	-	713	1,305
	<u>280,007</u>	<u>-</u>	<u>280,007</u>	<u>255,347</u>

### 6 Other income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Sales of fixed assets (net proceeds)	788	-	788	326
	<u>788</u>	<u>-</u>	<u>788</u>	<u>326</u>

7 Expenditure on raising funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<i>Fundraising trading costs</i>				
Retail trading	56,178	-	56,178	60,010
General operations - for detail see below	943,765	675,764	1,619,529	1,078,669
Grant funded - for detail see below	-	13,009	13,009	-
Exhibitions	3,462	-	3,462	(5,261)
Total	<u>1,003,405</u>	<u>688,773</u>	<u>1,692,178</u>	<u>1,133,418</u>

General operations and grant funded - detail

Repairs & maintenance	50,577	653,849	704,426	183,786
Rates & utilities	34,374	-	34,374	139,443
Other premises costs	7,594	-	7,594	6,254
Wages & salaries	432,245	-	432,245	423,161
Social security	36,627	-	36,627	33,119
Pension	71,246	-	71,246	62,181
Other employee costs	15,201	-	15,201	18,188
Accountancy, HR, Payroll & Legal costs	48,779	-	48,779	23,240
Insurance premiums	66,718	-	66,718	65,139
IT & telecoms	4,924	-	4,924	5,700
Travel	1,281	-	1,281	567
Other office costs	3,431	-	3,431	2,722
Marketing & promotion	19,724	199	19,923	20,861
Consultants	81,629	12,810	94,439	43,284
Miscellaneous supplies & services	69,415	21,915	91,330	51,024
Total	<u>943,765</u>	<u>688,773</u>	<u>1,632,538</u>	<u>1,078,669</u>

8 Expenditure on charitable activities

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
<i>Expenditure on charitable activities</i>			
General operations - for detail see below	171,657	171,657	120,596
Repository	2,860	2,860	18,165
Governance costs	15,800	15,800	12,000
	<u>190,317</u>	<u>190,317</u>	<u>150,761</u>

Included in Governance costs are external audit fees of £15,800 (2023: £12,000) excluding VAT.

General operations - detail

Wages and salaries	145,341	145,341	103,657
Social Security	10,712	10,712	9,743
Pension	15,604	15,604	7,196
Total	<u>171,657</u>	<u>171,657</u>	<u>120,596</u>

9 Other expenditure

	Endowment funds 2024 £	Total 2024 £	Endowment funds 2023 £
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	91,320	91,320	508,351
	<u>91,320</u>	<u>91,320</u>	<u>508,351</u>

10 Net income/(expenditure) before transfers

	Endowment funds 2024 £	Endowment funds 2023 £
This is stated after charging:		
Depreciation of owned fixed assets	91,320	508,351

## 11 Staff costs

No employees received emoluments in excess of £60,000 for their Russell-Cotes related duties. There were no transactions involving the trustee or related parties and there were no ex-gratia payments.

The average monthly number of full time equivalent employees during the year was as follows:

	2024	2023
	Number	Number
	20	18
	<u>20</u>	<u>18</u>

## 12 Tangible fixed assets

	Heritage Assets	Total Assets
RESTATED 2023	2024	2024
Cost or revaluation		
At 1 April 2023	51,139,128	51,139,128
Additions	673,849	673,849
Revaluation	(5,500,749)	(5,500,749)
At 31 March 2024	<u>46,312,228</u>	<u>46,312,228</u>
Depreciation and impairment		
Depreciation charge for the year	91,320	91,320
Revaluation	(91,320)	(91,320)
At 31 March 2024	<u>46,312,228</u>	<u>46,312,228</u>
At 31 March 2023	<u>51,139,128</u>	<u>51,139,128</u>

The valuations (as at 31 March 2024) for the Heritage assets are:

- Building and Land £ 5,763,000 (RESTATED 2023: £ 4,880,000)
- Fine Art Collection £40,549,228 (2023: £46,259,128)

## 13 Stocks

	2024	2023
	£	£
Raw materials and consumables	13,820	14,013
	<u>13,820</u>	<u>14,013</u>
Carrying value analysed by activities	2024	2023
	£	£
Retail trading	13,820	14,013
	<u>13,820</u>	<u>14,013</u>

Russell-Cotes Art Gallery and Museum  
Notes to the Accounts

14 Debtors

	2024	2023
	£	£
Other debtors	12,283	9,010
	<u>12,283</u>	<u>9,010</u>

15 Creditors:

amounts falling due within one year

	2024	2023
	£	£
Accruals	52,379	102,221
	<u>52,379</u>	<u>102,221</u>

16 Movement in funds

	RESTATED			
	At 1 April 2023	Incoming resources (including other gains/losses)	Resources expended	At 31 March 2024
Restricted funds				
Endowment funds:				
Building and Collection	51,139,128	(4,735,580)	(91,320)	46,312,228
Total	<u>51,139,128</u>	<u>(4,735,580)</u>	<u>(91,320)</u>	<u>46,312,228</u>
Restricted income funds:				
Conservatory repair fund - Public donations	33,804	2,221	-	36,025
Endowment income fund - Public donations	8,580	1,915	(1,915)	8,580
Paintings and specimen reserve	36,830	-	(20,000)	16,830
MEND * grant - Public donations	-	177,482	(177,482)	-
MEND * grant - BCP Council donations	-	476,367	(476,367)	-
Heritage Lottery Fund	49,280	-	(13,009)	36,271
Bequeaths	-	120,621	-	120,621
BCP Council donations	60,000	-	-	60,000
Total	<u>188,494</u>	<u>778,606</u>	<u>(688,773)</u>	<u>278,327</u>
MEND * grant - Museum Estate and Development Fund grant				
Unrestricted finds:				
General funds	161,053	1,226,538	(1,193,722)	193,869
Total	<u>161,053</u>	<u>1,226,538</u>	<u>(1,193,722)</u>	<u>193,869</u>
Total funds	<u>51,488,675</u>	<u>(2,730,436)</u>	<u>(1,973,815)</u>	<u>46,784,424</u>

Purposes and restrictions in relation to the funds:

Endowment funds:

Building and Collection

This comprises the full sum of the Heritage Assets total revalued amount, the cost of any fixed asset additions since the last valuation and the depreciation charged.

Restricted funds:

All funds

The cash balances are held by the Council within its general bank balances and are available at any time upon demand.

Conservatory repair fund

Donations to support the repair of Conservatory.

Endowment income fund

Funds received solely for the benefit of the Russell-Cotes.

Paintings and specimen reserve

Collection sales receipts retained to fund the acquisition of new items for the collection.

MEND (Museum Estate and Development Fund) grant	Art Council England grant to fund essential internal and external building repairs.
Heritage Lottery Fund	To support the creation of Russell-Cotes as an independent charity.
Bequeaths	Donations from individual estates or other interest parties to support ongoing activities of the Russell-Cotes.
BCP Council donations	Funding purposes includes - Externalisation, revenue support, repairs & maintenance & collection repository feasibility study.

## 17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	-	46,312,228	46,312,228
Net current assets	193,869	278,327	472,196
	<u>193,869</u>	<u>46,590,555</u>	<u>46,784,424</u>

## 18 Reconciliation of net debt

	RESTATED At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash and cash equivalents	428,745	69,727	498,472
	<u>428,745</u>	<u>69,727</u>	<u>498,472</u>
Net debt	<u>428,745</u>	<u>69,727</u>	<u>498,472</u>

## 19 Restatement of prior year accounts

In preparation for the transfer of the Russell Cotes Art Gallery and Museum (RCAGM) from BCP Council into an Independent Charitable Organisation (CIC), additional work has been undertaken to restate the 2022/23 Financial Accounts to take account of the following material changes.

The Land and Buildings belonging to the RCAGM have been re-assessed by External Valuers providing an updated RCIS Valuation in line with UK GAAP and IFRS Reporting Standards. The Valuation has changed from £25,083m to £4,880m. This method of valuation will be adopted moving forward to provide a consistent accounting treatment across financial years.

Earmarked Reserve Balances held by BCP on behalf of the Russell Cotes Art Gallery and Museum (RCAGM) have been released to the Museum and have increased the Unrestricted and Restricted Funds from £73,190 to £349,547.

## 20 Related party disclosures

		2024	RESTATED 2023
		£	£
<i>Transactions with related parties</i>			
<i>Name of related party</i>	BCP Council in its role as local authority		
<i>Description of relationship between the parties</i>	Trustee		
<i>Donations received from the related party</i>		1,095,214	863,536

The trust has a close working relationship with BCP Council acting in its role of local authority. The Council acting in its role of trustee of the charitable trust has nominated Council Cabinet to act as the Management Committee under s.57 Bournemouth Borough Council Act 1985.

The charity trustee acting in the capacity as management was not paid or reimbursed expenses during the year and no charity trustee received any emolument or payment for professional or other service.

As disclosed in the analysis of resources expended, the Council provides staff to manage and maintain the museum and gallery. The Council has historically subsidised the annual deficits of the trust.

There are 4 exhibits on loan to BCP Council which can be found in the parlours of both the Mayor and the Mayoress.



Russell-Cotes Art Gallery and Museum  
Detailed Statement of Financial Activities

for the year ended 31 March 2024

RESTATED

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:					
Donations and legacies					
Public donations	80,698	302,239	-	382,937	82,361
BCP Council donations	618,847	476,367	-	1,095,214	863,536
	<u>699,545</u>	<u>778,606</u>	<u>-</u>	<u>1,478,151</u>	<u>945,897</u>
Charitable activities					
Admission fees and school visits	246,198	-	-	246,198	224,886
Grant Income	-	-	-	-	129,944
	<u>246,198</u>	<u>-</u>	<u>-</u>	<u>246,198</u>	<u>354,830</u>
Other trading activities					
Retail trading	279,294	-	-	279,294	254,042
Venue hire	713	-	-	713	1,305
	<u>280,007</u>	<u>-</u>	<u>-</u>	<u>280,007</u>	<u>255,347</u>
Other					
Sale of fixed assets (net proceeds)	788	-	-	788	326
	<u>788</u>	<u>-</u>	<u>-</u>	<u>788</u>	<u>326</u>
Total income and endowments	1,226,538	778,606	-	2,005,144	1,556,400
Expenditure on:					
Costs of other trading activities					
Retail trading	56,178	-	-	56,178	60,010
Grant funded	-	13,009	-	13,009	-
General operations	943,765	675,764	-	1,619,529	1,078,669
Exhibitions	3,462	-	-	3,462	(5,261)
	<u>1,003,405</u>	<u>688,773</u>	<u>-</u>	<u>1,692,178</u>	<u>1,133,418</u>
Total of expenditure on raising funds	1,003,405	688,773	-	1,692,178	1,133,418
Charitable activities					
General operations	171,657	-	-	171,657	120,596
Repository	2,860	-	-	2,860	18,165
	<u>174,517</u>	<u>-</u>	<u>-</u>	<u>174,517</u>	<u>138,761</u>
Governance costs					
	15,800	-	-	15,800	12,000
	<u>15,800</u>	<u>-</u>	<u>-</u>	<u>15,800</u>	<u>12,000</u>
Total of expenditure on charitable activities	190,317	-	-	190,317	150,761
General administrative costs, including depreciation and amortisation					

Russell-Cotes Art Gallery and Museum  
Detailed Statement of Financial Activities

Depreciation of land and buildings	-	-	91,320	91,320	508,351
	-	-	91,320	91,320	508,351
Total of expenditure of other costs	-	-	91,320	91,320	508,351
Total expenditure	1,193,722	688,773	91,320	1,973,815	1,792,530
Net gains on investments	-	-	-	-	-
Net income/(expenditure)	32,816	89,833	(91,320)	31,329	(236,130)
Net income/(expenditure) before other gains/(losses)	32,816	89,833	(91,320)	31,329	(236,130)
Other (Losses)	-	-	(4,735,580)	(4,735,580)	(17,055,914)
Net movement in funds	32,816	89,833	(4,826,900)	(4,704,251)	(17,292,044)
Reconciliation of funds:					
Total funds brought forward	161,053	188,494	51,139,128	51,488,675	68,780,719
Total funds carried forward	193,869	278,327	46,312,228	46,784,424	51,488,675